



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250237

Submitted Department/Preparer: City Manager's Office

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Accepting and approving a \$9,000,000.00 grant award from the U.S. Department of Energy to fund the creation and adoption of a building performance standard policy for existing buildings; estimating and appropriating \$9,000,000.00 in the General Grants Fund (2580).

Discussion

In 2022 Congress passed the Inflation Reduction Act (IRA), which included \$1 billion for states and local governments with the authority to adopt innovative building energy codes, such as building performance standards, to lead the way in decarbonizing existing residential and commercial buildings.

In the spring of 2024, the City applied for a grant under the Technical Assistance for the Adoption of Building Energy Codes grant opportunity to address the City's aging existing building stock. The application was for \$3.4 million dollars. In August 2024, the City received notice that the City of Kansas City was not only awarded, but the amount was more than doubled to \$9 million. The work outlined in this grant builds on the City's existing benchmarking program as well as partnerships with local organizations working to improve Kansas City's aging commercial and residential building stock, and delivers on multiple strategies in the Climate Protection and Resiliency Plan:

B-1.1: revisit current benchmarking program by adding building performance standards;

B-1.2: develop and implement a community-wide, public, and professional education initiative;

B-1.3: promote funding opportunities for energy efficiency upgrades;

B-1.4: increase energy efficiency of municipal facilities;

B-1.5: implement energy efficiency requirements for private entities seeking City incentives;

B-1.6: providing proactive support for project implementation.

The final proposal seeks to develop and adopt a building performance standard for existing buildings that expands on Ordinance No. 150299 ([636984368146570000](#)) and will include a comprehensive public and stakeholder outreach and engagement plan, along with accompanying training, technical assistance, and implementation resources. This project will span across all Council Districts. The project will be administered by the Office of Environmental Quality.

OEQ has worked with USDOE to complete the necessary paperwork to obligate the funds and accept the grant award as required by the statutory deadline of December 31, 2024.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
The funds are coming from the U.S. Department of Energy into the General Grants Fund (2580).
3. How does the legislation affect the current fiscal year?
This legislation appropriates a grant award in the current fiscal year. This is additional grant funding for building decarbonization work.
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
The award amount of \$9,000,000.00 will be distributed once. However, since the grant cycle goes through December 31, 2030, the funds will carry over into the next six Fiscal Years.
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
Yes, since these funds are being received from an outside grant award, they are leveraging outside funding. Additionally, investing these dollars in building efficiency and durability helps reduce energy costs and increase Kansas City's resilience to extreme weather events which would provide a return on investment.

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. Yes No
2. This fund has a structural imbalance. Yes No

3. Account string has been verified/confirmed. Yes No

Additional Discussion (if needed)

This legislation estimates revenue sufficient to cover the additional appropriation.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?
Infrastructure and Accessibility (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - Engage in thoughtful planning and redesign of existing road networks to ensure safety, access, and mobility of users of all ages and abilities.
 - Enhance the City's connectivity, resiliency, and equity through a better-connected multi-modal transportation system for all users.
 - Build on existing strengths while developing a comprehensive transportation plan for the future.
 - Develop environmentally sustainable infrastructure strategies that improve quality of life and foster economic growth.
 - Ensure adequate resources are provided for continued maintenance of existing infrastructure.
 - Focus on delivery of safe connections to schools.

Prior Legislation

Benchmarking ordinance No. 150299: [636984368146570000](#)

Service Level Impacts

The project can improve the performance of Kansas City's existing building stock and help the City make meaningful progress toward its climate neutrality goals. This grant program can put cash back in pockets of building owners, create jobs, and enhance the health and quality of life for all Kansas Citians.

Other Impacts

1. What will be the potential health impacts to any affected groups?

The goal of this grant is to help building owners understand and track energy use in large buildings and to elevate those buildings to be higher performing through upgrades and improvements that impact energy efficiency, safety, indoor air quality, and occupant comfort while decreasing citywide greenhouse gas emissions.

Building performance standards can increase the durability of Kansas City's existing buildings, which could improve tenant stability leading to better health outcomes, specifically in residential buildings. Higher performing buildings will make Kansas City more resilient to extreme weather conditions and therefore safer for building occupants.

Improving Kansas City's aging residential and commercial building stock provides safer, cleaner, healthier, and more comfortable buildings for people who work and live in Kansas City.

2. How have those groups been engaged and involved in the development of this ordinance?

Residents were not directly engaged in the development of the project proposal. However, the proposal was built on the strategies listed in the City's CPRP, which was heavily influenced by public outreach and feedback during its development in 2022.

3. How does this legislation contribute to a sustainable Kansas City?

The legislation largely contributes to a more sustainable Kansas City as it aligns with many of the strategies laid out in the Homes and Buildings section of the City's Climate Protection & Resiliency Plan, including:

- B-1.1: revisit current benchmarking program by adding building performance standards;
- B-1.2: develop and implement a community-wide, public, and professional education initiative;
- B-1.3: promote funding opportunities for energy efficiency upgrades;
- B-1.4: increase energy efficiency of municipal facilities;
- B-1.5: implement energy efficiency requirements for private entities seeking City incentives;
- B-1.6: providing proactive support for project implementation.

4. Does this legislation create or preserve new housing units?

Yes (Press tab after selecting)

Total Number of Units [Click or tap here to enter text.](#)

Number of Affordable Units [Click or tap here to enter text.](#)

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

Please provide reasoning why not:

This ordinance is simply to accept, approve, and appropriate grant funds.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

[Click or tap here to enter text.](#)

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?

No(Press tab after selecting)