

ORDINANCE NO. 160431, AS AMENDED

Approving certain projects and funding for Phase One of improvements to the 18th and Vine Historic District; estimating and appropriating bond proceeds in the amount of \$7,000,000.00; designating requisitioning authority; authorizing the City Manager to take certain actions with respect to a community improvement district; declaring the City's intent to reimburse itself for certain expenditures; directing the City Manager to take certain actions with respect to future phases; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, the 18th and Vine Historic District is a valuable part of the City's cultural fabric and the City remains committed to its preservation and enhancement; and

WHEREAS, the City Council strongly supports ongoing efforts to make the 18th and Vine Historic District a successful commercial and residential destination and attraction, with the infusion of bond proceeds, private investments, and tax incentives; and

WHEREAS, Committee Substitute for Resolution No. 151068 directed the City Manager to develop a plan of finance to fund various improvements to the 18th and Vine Historic District; and

WHEREAS, City staff has been engaged with stakeholders in the 18th and Vine area, and has consulted with construction, historic preservation, structural engineering, residential development, commercial property management advisors and community stakeholders to assist in putting such a plan together; and

WHEREAS, City staff, as a result of such engagement, has prepared a plan for the implementation of improvements in the 18th & Vine area that includes a mix of bond-funded projects, in conjunction with other private and public financial participation; and

WHEREAS, the plan requires the transfer of properties to the City from entities including the Jazz District Redevelopment Corporation, the Negro Leagues Baseball Museum and the Kansas City Area Transportation Authority; and

WHEREAS, the City will conduct inventory and structural analyses of current infrastructure with the goal of preserving the District's historic fabric wherever possible and, in situations where structures cannot be saved, utilizing the existing facades and incorporating them into the design to ensure that the District's historic designation is maintained; and

WHEREAS, the 18th and Vine Development Policy Council, as previously established by Committee Substitute for Resolution No. 140752, will be expected to engage an experienced property management firm to assist in project management, redevelopment, tenant mix, marketing, special events, and developing and implementing a long-term plan for sustained operation of the projects; and

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WHEREAS, the 18th and Vine Development Policy Council will make its recommendations to the City Council with respect to the selection of a property management firm and the award of any contract expending any funds appropriated herein, and the City Council will make the final determinations with respect to such matters; and

WHEREAS, establishing a retail presence and identity under one entity, with professional property management, will attract new tenants and allow for better promotion of and events within the 18th and Vine Historic District; and

WHEREAS, the plan will provide for an infusion of retail tenants by constructing new limited retail construction with upper-floor market rate housing or office space, adding parking as necessary; and

WHEREAS, the plan will allow for the most effective prioritization and implementation of improvements, result in immediate physical and visual improvements and spur a catalytic change and attract additional visitors; and

WHEREAS, the City Council reaffirms its commitment to the City's MBE/WBE and Section 3 programs, as applicable, and anticipates their implementation to the maximum extent allowed by law with regards to each of the phases; and

WHEREAS, the City Council currently intends to authorize and utilize bond funding for Phase One of the plan; and

WHEREAS, Phases Two and Three of the plan will be funded at a future date through a combination of private and public participation; and

WHEREAS, the improvements are essential to the economic vitality of the 18th and Vine Historic District, and the City as a whole, and will result in job creation and revenue growth; and

WHEREAS, the Third District, recognizing the particular value of the improvements to be made therein, will provide a funding source for one-third of the scheduled debt service with respect to the bonds to be issued by the City for Phase One; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That Phase One of the plan as recommended by the City Manager is hereby approved and is anticipated to consist of those projects and financial limitations with respect to the commitment of bond fund proceeds as are identified on Exhibit A, attached hereto.

Section 2. That Fund No. 3436, the Series 2017A Bond Fund, is hereby established in the records of the City of Kansas City, Missouri.

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Section 3. That the revenue in the following account of Fund No. 3436, the Series 2017A Bond Fund, is hereby estimated in the following amount:

AL-3436-120000-590000	Bond Proceeds	\$7,000,000.00
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Section 4. That the sum of \$7,000,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Fund No. 3436, the Series 2017A Bond Fund to the following account:

AL-3436-648043-B-64017101	18th & Vine Phase One	\$7,000,000.00
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Section 5. That one-third (1/3) of any scheduled principal and interest payments allocable to that portion of the bond proceeds estimated and appropriated herein shall be paid utilizing that portion of the capital improvements sales tax funds indexed to the third councilmanic district pursuant to, and notwithstanding anything to contrary within, Section 68-446(b)(2), Code of Ordinances, provided however that this obligation shall not extend beyond the councilmanic term in effect as of the date this ordinance is passed.

Section 6. That the City Manager is hereby authorized to execute a petition to establish a community improvement district and to cast any ballot in support of a sales tax not to exceed one percent (1%), provided the proceeds of such sales tax shall be utilized for scheduled annual principal and interest payments allocable to that portion of the bond proceeds estimated and appropriated herein.

Section 7. That the Director of City Planning and Development is designated as requisitioning authority for Account No. AL-3436-648043-B.

Section 8. That the Director of Finance is hereby authorized to close the project account upon project completion and return the unspent portion of the appropriation to the Fund Balance from which it came.

Section 9. That the City hereby declares its official intent to reimburse itself for certain expenditures made within sixty (60) days prior to or on and after the date of this ordinance with respect to the 18th and Vine Historic District Project with the proceeds of bonds expected to be issued by the City. The maximum principal amount of bonds expected to be issued for Phase One of the 18th and Vine Historic District Project is not to exceed \$7,000,000.00. This constitutes a declaration of official intent under Treasury Regulation Section 1.150-2.

Section 10. That the City shall not expend any bond proceeds authorized herein in support of any project until such time as a combination of private and public funding shall have been committed in an amount sufficient to complete such project.

Section 11. That the City Council recognizes that subsequent phases are equally essential to the economic vitality of the 18th and Vine Historic District, and therefore

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expresses its intention that the City commit itself to taking all reasonable steps necessary to pursue and utilize appropriate federal, state and local financial resources, in combination with private funding, in an amount sufficient to fund such future improvements to the 18th and Vine Historic District.

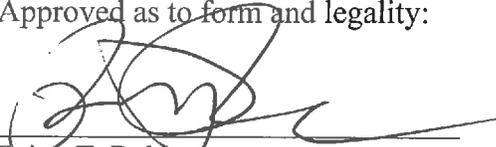
Section 12. That this ordinance, relating to the design, repair, maintenance or construction of a public improvement and appropriating money, is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3) of the City Charter and shall take effect in accordance with Section 503, City Charter.

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

for 

Randall J. Landes
Director of Finance

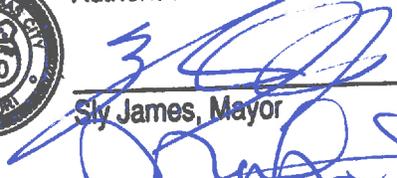
Approved as to form and legality:



Brian T. Rabineau
Assistant City Attorney



Authenticated as Passed



Sly James, Mayor



Marilyn Sanders, City Clerk

JUL 14 2016

Date Passed

Exhibit A

PLAN FOR PHASED 18TH AND VINE IMPROVEMENTS

- **Buck O'Neil Education & Research Center, 1824 The Paseo:** In Phase One, transfer property to City/Parks Department, as previously proposed, and at north side, construct entrance, to include lobby, elevator, and stair tower. By Council action, the 1824 The Paseo property will be transferred from the Negro Leagues Baseball Museum to the City, with an operational agreement between the City and the NLBM with respect to the space utilized by the NLBM within the facility, with such other space within the facility being managed by the property management firm selected in accordance with the processes established in this ordinance. *Future phases: complete the renovation of the remaining three floors for office use, as recommended by the NLBM. The trigger for future phases of the project: Office tenants for upper floors secured, along with private funding.*
- **American Jazz Museum:** In Phase One, design of Blue Room expansion and new café as requested by the Jazz Museum for generation of additional income, and equipment upgrades for Gem Theater. *In future phases, construction of the Blue Room expansion, new visitor experience in museums lobby, and upgrade of jazz museum exhibits. The trigger for future phases will be leveraged funds committed to the projects and opportunities for additional income.*
- **Outdoor Amphitheater:** In Phase One, coordinating with the Kansas City Royals, the Urban Youth Baseball Academy and the Parks Department, design and repurpose the existing tensile structure located at the north side of the American Jazz Museum to allow for a new fully equipped stage for summer multi-purpose entertainment events. Private funding of \$7,052,000 has been being raised for this phase of the Baseball Academy project, and additional funds are currently being raised to match the City's commitment to this project.
- **18th Street Streetscape:** In Phase One, enhance lighting, sidewalks and pedestrian lights on 18th adjacent to the 18th and Vine District. No private funding is projected for this project. The City will directly contract for design and construction of these improvements, which will increase visibility and safety for the increased use of the district. *In future phases, construct streetscape improvements west to Campbell Street.*
- **18th and Paseo NE Corner—Outdoor Access and Patio:** In Phase One at 1518 E. 18th Street, construct west doorway with enclosed patio for existing restaurant space. The City will directly contract for design and construction of the addition. Furniture and fixtures will be provided by new commercial tenant in the leased space.
- **Parking lot, 18th and Lydia:** In Phase One, transfer ownership from ATA to City, and construct lighted, landscaped lot between 18th and 19th Streets, Lydia and

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Grove. No private funding is projected for this project, which with adjacent lots will add 300 parking spaces to the district.

- **Vine St. Stabilization & Infill, Mixed-Use Redevelopment:** In Phase One, stabilization of facades of historic buildings in the 1800 block of Vine Street, west side, preparatory to construction of new infill development incorporating the facades, in later phases. The facades of historic buildings at 1814, 1816, 1820 and 1822 Vine St. are projected to be preserved and incorporated into this project. The City will first issue an RFP for mixed-use development with first floor retail funded and owned by the City, and the upper-floors of apartments by the developer. *Trigger for later phase of the project: receipt of a proposal meeting the City's goals, with private participation.*
- **Stabilization of the historic Boone Theater,** In Phase One at 1701 E. 18th Street, preparatory to later rehabilitation. No private funding is projected for this phase. Preliminary structural engineering has been completed; the City will contract for biddable drawings and construction for the project. An RFP for developers follows.
- **New 18th St. Retail, Apartments:** In Phase One, the City will issue an RFP for mixed-use development with first floor retail funded and owned by the City, and the upper-floors of apartments by the developer. *In a later phase, design and construction of a new retail building, on 18th St. between The Paseo and Vine, with first-floor retail and upper-floor market rate housing, as a public/private partnership. The façade of a historic structure at 1511 E. 18th St. is projected to be preserved and incorporated into this project. Trigger for the project: receipt of a proposal meeting the City's goals.*
- **KC Friends of Alvin Ailey Headquarters:** In Phase One, fund a space planning study for FOAA, for a multipurpose facility with performance space, class space and offices, as public/private partnership, including location within the 18th and Vine district. *Trigger for later phase construction: Commitment for capital funds from KC Friends of Alvin Ailey.*
- **Black Archives:** In Phase One, design for relocation of Horace Peterson 18th and Vine Visitor's Center from 18th Street museums building into north space of Archives facility, and design for construction of a recording studio in Black Archives facility. The City will contract for design for both projects. *Trigger for later phase studio project: Recording studio business plan.*
- **Transfer of 18th, Vine St. Properties/Market Feasibility Study/Historic Preservation/Marketing/Site Development, Project Management:** Transfer JDRC properties on 18th Street and on Vine Street to City of Kansas City; detailed planning, historic preservation, marketing costs, tenant improvements; project and construction management. The City will acquire JDRC properties for appraised value by Council action in Phase One, and begin tenant improvements for new

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tenants. The 18th and Vine Development Policy Committee will solicit proposals for experienced property management, and engage a firm, to be funded by the City. The City will solicit and directly engage necessary consultant services listed above.

- **18th and Vine Gateway Plazas:** In Phase One, design for a fountain on City property at the southeast and southwest intersections of 18th Street and The Paseo, as a public/private partnership. Private funding has been proposed for this project; to date, \$285,000 has been raised. *In a later phase, construction of the gateway plazas. Trigger for this project: commitment of leveraged private funding.*

Total City Cost of Phase One Improvements: \$ 7,000,000.00

Total Cost of Future Phased Improvements: \$20,111,267.00