



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 240638

Submitted Department/Preparer: Finance

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

Amending Chapter 2, Code of Ordinances, by enacting a new Section 2-1621 for the purpose of prohibiting City deposits in institutions engaging in predatory lending or abusive financial practices.

Discussion

This ordinance would prohibit the City from depositing at institutions engaging in predatory lending or abusive financial practices. Upon discovery of funds on deposit in such institution or entity, the Director of Finance will report this to Community Reinvestment Panel and the City Council with a plan for divestiture.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
N/A
3. How does the legislation affect the current fiscal year?
N/A
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
N/A
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
N/A

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)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?
Finance and Governance (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - Ensure the resiliency of a responsive, representative, engaged, and transparent City government.
 - Engage in workforce planning including employee recruitment, development, retention, and engagement.
 - Foster a solutions-oriented, welcoming culture for employees and City Partners.
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Prior Legislation

Resolution 120113 passed February 9, 2012 and Resolution 180530 passed on August 5, 2018 each enacted guidelines for socially responsible banking.

Ordinance 240559 passed on July 18, 2024 added Sections 2-1616 through 2-1620 for the purpose of imposing proprietary socially responsible banking practices on depository banks engaging in businesses with the City of Kansas City.

Service Level Impacts

This ordinance adds a new Section 2-1621 to clearly define “predatory lending” or “abusive financial practices”.

Other Impacts

1. What will be the potential health impacts to any affected groups?
Positive impacts to the community to ensure banks are not engaged in predatory lending and are meeting the needs of all residents.
2. How have those groups been engaged and involved in the development of this ordinance?
N/A
3. How does this legislation contribute to a sustainable Kansas City?
This legislation ensures that the City of Kansas City is not doing business with financial institutions that prey on the residents and businesses of Kansas City.
4. Does this legislation create or preserve new housing units?
No (Press tab after selecting)

Click or tap here to enter text.
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:
Click or tap here to enter text.

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)