



# City of Kansas City, Missouri

## Docket Memo

Ordinance/Resolution #: 240258

Submitted Department/Preparer: Finance

Revised 11/01/23

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

Approving the recommendations of the Tax Increment Financing Commission as to the Historic Northeast Tax Increment Financing Plan; approving the City's contribution of additional EATs generated in the Plan Area; and authorizing the City Manager to enter into a Tax Contribution and Disbursement Agreement with the Kansas City TIF Commission and Historic Northeast Lofts LLC.

### Discussion

The Redevelopment Plan provides for the construction: of (1) approximately 389 multi-family residential units, of which 322 shall be reserved as "affordable housing" for tenants who earn less than 80% of the Kansas City, Missouri median household income, approximately 13,000 square feet of retail space, an approximately 30,000 square foot daycare center and after school program space, and approximately 500 parking spaces; and (2) the construction or reconstruction of public infrastructure improvements, and any other required or desired infrastructure that support and enhance the Project Improvements

The proposed Redevelopment Area described by the Redevelopment Plan in which the Project Improvements and Public Improvements shall be constructed is located in an area that is generally bounded by Parretta Drive on the North, Van Brunt Boulevard on the West, East 23rd Street on the South, and I-435 on the East, all in Kansas City, Jackson County, Missouri.

### Fiscal Impact

1. Is this legislation included in the adopted budget?  Yes  No
2. What is the funding source?

Tax Increment Financing, Super TIF (Additional City EATs), Kansas City Affordable Housing Trust Fund, Kansas City Brownfield Revolving loan fund, Federal & State Tax Credits and private financing

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.

Redirecting TIF EATs for 23 years, Redirecting Additional City EATs (Super TIF) for 30 years, and Redirecting \$4,630,505 of existing taxes (Base Taxes) annually for 30 years. Existing taxes are estimated to include: \$1,664,685 of Capital Improvements Sales Tax, \$416,171 of Public Safety Sales Tax, \$417,330 of Food & Beverage Tax, \$1,119,818 of Earnings Tax, and \$1,012,500 of Utility Gross Receipts Tax.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?

Potentially generate revenue through increased EATs, potentially provides return on investment, Federal and State Tax Credits, private financing and leverages outside funding (County and Zoo taxes)

### **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)**

N/A

## **Citywide Business Plan (CWBP) Impact**

1. View the [FY23 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?

Housing and Healthy Communities (Press tab after selecting.)

3. Which objectives are impacted by this legislation (select all that apply):

- Utilize planning approaches in neighborhoods to reduce blight, ensure sustainable housing, and improve resident wellbeing and cultural diversity.
- Maintain and increase affordable housing supply to meet the demands of a diverse population.
- Address the various needs of the City's most vulnerable population by working to reduce disparities.
- Foster an inclusive environment and regional approach to spur innovative solutions to housing challenges.
- Ensure all residents have safe, accessible, quality housing by reducing barriers.
- Protect and promote healthy, active amenities such as parks and trails, play spaces, and green spaces.

## Prior Legislation

Ordinance 230439 authorized a Predevelopment Agreement with Historic Northeast Lofts. Resolution 230866 expressing City Council support of Tax Increment Financing to assist with the development. Accompanying ordinance activates Project Area 1.

## Service Level Impacts

N/A

## Other Impacts

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

Redevelopment and remediation of blight, positive effect to neighborhood

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

Public Meetings

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

Offering affordable housing, with services in mind when developing the project

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

Yes (Press tab after selecting)

Total Number of Units 389 multi-family residential units, of which 322 shall be reserved as “affordable housing”

Number of Affordable Units

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:

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

No(Press tab after selecting)

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

No(Press tab after selecting)