

250177 sub

WHEREAS, the City Council believes it is in the best interest of the City to temporarily pause the Property Owner Support Program until there is a final resolution of the constitutional challenges pending before the District Court; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is directed to immediately and indefinitely pause any intergovernmental agreements with the Housing Authority of Kansas City that establishes, funds, or continues a Landlord Risk Mitigation Fund Pilot Program or Property Owner Support Program ("Landlord Programs") until a final resolution of the case *Kennedy F. Jones, et al. v. City of Kansas City Missouri*, Case No. 4:24-cv00649-RK.

Section 2. That the City Manager immediately cease all disbursements, both new and scheduled/recurring, from Account No. 25-1000-552516-B, Landlord Programs until a final resolution of the case *Kennedy F. Jones, et al. v. City of Kansas City Missouri*, Case No. 4:24-cv00649-RK.

Section 3. That, should a final resolution be reached in the case *Kennedy F. Jones, et al. v. City of Kansas City Missouri*, Case No. 4:24-cv00649-RK, and should that final resolution result in the City's inability to apply its source of income protections to individuals using housing vouchers including Section 8, that all remaining funds from Landlord Programs will be redirected into the Housing Trust Fund.

Section 4. That, for purposes of this ordinance, an appealable final judgment shall be considered a final resolution.

Approved as to form:

Matthew Gigliotti
City Attorney



Authenticated as Passed

Quinton Lucas, Mayor

Marilyn Sanders, City Clerk

MAR 06 2025

Date Passed

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 250177

Providing for the temporary suspension of the Property Owner Support Program until the conclusion of certain litigation.

WHEREAS, the City of Kansas City is committed to promoting fair and equitable housing practices for all its residents, recognizing that access to safe and affordable housing is fundamental to individual well-being and community prosperity; and

WHEREAS, the City Council, after careful consideration and extensive community engagement, enacted Ordinance No. 231019, as amended, which prohibits discrimination based on source of income, including the use of housing vouchers, in the rental of housing; and

WHEREAS, this ordinance was crafted with the understanding that discrimination based on source of income disproportionately affects vulnerable populations, including families with children, people with disabilities, and veterans, limiting their housing options and perpetuating cycles of poverty; and

WHEREAS, in recognition of the concerns raised by housing providers regarding potential financial risks associated with accepting housing vouchers, the City Council, in a spirit of compromise and collaboration, established the Landlord Risk Mitigation Fund Pilot Program, now known as the Property Owner Support Program; and

WHEREAS, this Fund, with an initial allocation of \$1,000,000.00, represents a significant and ongoing commitment by the City to support its housing providers and mitigate any legitimate concerns they may have about participating in programs designed to expand housing opportunities for all residents; and

WHEREAS, the creation of this Fund was a key component of the City's comprehensive approach to addressing housing discrimination, demonstrating a good-faith effort to balance the needs of both tenants and landlords and ensure a fair and inclusive housing market; and

WHEREAS, after passage of Ordinance No. 231019, 2024, a legal challenge to the City's source-of-income discrimination ordinance was filed in the United States District Court for the Western District of Missouri, captioned as *Kennedy F. Jones, et al. v. City of Kansas City Missouri*, Case No. 4:24-cv00649-RK; and

WHEREAS, on February 11, 2025, the United States District Court granted the plaintiffs' motion for preliminary injunction, enjoining the City from enforcing its source-of-income discrimination ordinance as it pertains to the Housing Choice Voucher (Section 8) program; and

WHEREAS, during the pendency of this litigation and the preliminary injunction, continuing to operate the Property Owner Support Program would be imprudent given the uncertainty surrounding the enforceability of the underlying source-of-income discrimination provisions and the upsetting of the careful balance of policy considerations struck by the City Council; and