City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution#: 260638
Submitted Department/Preparer: City Manager's Office
Revised 01/30/25

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

Establishing the Kansas City Data Center Transparency Task Force to develop recommendations regarding the planning, regulation, and operation of data centers; directing the development of policies to improve transparency, protect utility ratepayers, coordinate regulatory updates, strengthen workforce development, establish community benefit guidelines, evaluate municipal revenue options, and conduct public engagement; and directing the submission of recommendations to the Mayor and City Council.

Discussion

The City Council recognizes that Kansas City is experiencing increasing interest in the development of hyperscale, cloud computing, artificial intelligence (AI), and other large-scale data center facilities. Data centers provide opportunities for economic development, technology investment, workforce growth, and municipal revenue while also creating significant demands on electric infrastructure, water resources, land use, transportation systems, and public services. The City Council finds that responsible planning requires transparency regarding energy demand, water consumption, utility infrastructure, operational performance, and community impacts associated with large-scale data center development. The City Council further finds that policies should protect existing residential, commercial, and industrial utility customers from unreasonable cost shifting associated with new large-load electric customers. The City Manager has previously recommended created a task force focused on data center development. The City Council desires to establish a citizen task force to develop recommendations that will position Kansas City to attract responsible investment while protecting the public interest.

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?
   no

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?
   Inclusive Growth and Development (Press tab after selecting.)

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

   ☒ Develop strategies focusing on areas traditionally underserved by economic development and redevelopment efforts.
   ☒ Ensure quality, lasting development throughout the City; and continuing to grow the economy and the population of Kansas City in all areas.

- ☐ Increase and support local workforce development and small and locally owned businesses.
- ☐ Create a more efficient, solutions-oriented environment, making it easier to operate within the City.
- ☐ Implement an economic development and tourism strategy to attract major investment and visitors.
- ☐

Prior Legislation

n/a

Service Level Impacts

n/a

Staff Recommendation

City Council

Select One: ☐ Sponsored
☒ Directive: Res/Ord # Click to enter Res/Ord. No.

Select One: ☐ Recommend
☐ Do Not Recommend
☒ Not Applicable

Click or tap here to provide reasoning.

Other Impacts

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

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

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

Establishing task force

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)