



Legislation Details (With Text)

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**Type:** Ordinance      **Status:** Referred

**File created:** 3/22/2022      **In control:** Finance, Governance and Public Safety Committee

**On agenda:** 3/30/2022      **Final action:**

**Title:** Amending Chapter 2, Code of Ordinances, by repealing Sections 2-931, 2-936, 2-937, and 2-938, and replacing them with new sections of like number and subject matter; and enacting Sections 2-940, "Major Events," and 2-941, "City Sponsored Events."

**Sponsors:**

**Indexes:**

**Code sections:**

**Attachments:** 1. Fact Sheet NTDF, 2. Revised - Fiscal Note, 3. Fiscal Note - 220260, 4. 220260com-, 5. 220260com, 6. 220260 testimony

Date	Ver.	Action By	Action	Result
6/15/2022	1	Finance, Governance and Public Safety Committee	Hold on Agenda	
6/8/2022	1	Finance, Governance and Public Safety Committee	Hold on Agenda	
5/25/2022	1	Finance, Governance and Public Safety Committee		
4/13/2022	1	Finance, Governance and Public Safety Committee		
3/24/2022	1	Council	referred	

ORDINANCE NO. 220260

Amending Chapter 2, Code of Ordinances, by repealing Sections 2-931, 2-936, 2-937, and 2-938, and replacing them with new sections of like number and subject matter; and enacting Sections 2-940, "Major Events," and 2-941, "City Sponsored Events."

WHEREAS, §92.336, RSMo, provides that ten percent of the proceeds of the City's convention and tourism tax be committed to the Neighborhood Tourism and Development Fund ("NTDF"), to be used for the purpose of promoting such neighborhood through cultural, social, ethnic, historic, educational, and recreations events; and

WHEREAS, Council has provided a process for the NTDF Committee to make recommendations to the City Council for the expenditure of NTDF Funds in code Chapter 2, Art. VI, Div. 9; and

WHEREAS, the City has the occasional opportunity to participate in or host major city events which can contribute to an influence of convention and tourism tax revenue; and

WHEREAS, these major events often occur on an expedited timeline and/or require extensive multi-jurisdictional coordination, which can be inconsistent with the established NTDF recommendation process; and

WHEREAS, the City is engaged as an active sponsor of city events which can contribute to an influence of convention and tourism tax revenue; and

WHEREAS, the Council wishes to provide alternative processes to enter into contracts for some major and city sponsored events to allow for an efficient and effective use of the NTFD; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1 That Chapter 2, Code of Ordinances of the City of Kansas City, Missouri, is hereby amended by repealing Sections 2-931, 2-936, 2-937, and 2-938, and replacing them with new section of like name and subject matter, and enacting Sections 2-940, "Major Event Funding," and 2-941, "City Sponsored Event Funding."

**Sec. 2-931. Neighborhood tourist development fund committee.**

The council establishes the following plan for the administration of the neighborhood tourist development fund:

- (1) A neighborhood tourist development fund committee of 15 members is hereby established, consisting of:
  - a. Two persons from each council district, each to be appointed by his or her respective council representative;
  - b. Three representatives from the community at-large, to be appointed by the mayor.
- (2) All members must be residents of Kansas City. Six councilmanic district representatives will serve one-year terms. The remaining six councilmanic representatives will serve two-year terms. The city-wide representatives will serve a three-year term; however, all members shall continue in office as such until the respective successors shall have been appointed and qualified. All terms will begin on April 1. The mayor shall designate one member of the committee to serve as its chairperson. The purpose of the committee will be to review proposals and make recommendations to the council on the disbursement of the funds on a city-wide basis.
  - a. The neighborhood tourist development fund of the convention and tourism tax will be appropriated to three city-wide accounts. Seventy percent of the fund shall be appropriated to the NTFD General accounts, twenty percent shall be appropriated to of the NTFD City Sponsored Event accounts, and ten percent shall be appropriated to the NTFD Major Event accounts.
  - b. The committee will meet as often as necessary to review proposals for funding.
  - c. Recommendations on the disbursement of NTFD General Accounts funds will be made quarterly during the fiscal year. The first quarterly disbursement process will be included with the manager's budget package.
  - d. The city manager will cause to be prepared for introduction before council an ordinance reflecting the committee's recommendation.

- e. No proposal for use of the NTDF General accounts funds will be considered by the council for approval, modification or disapproval, without first being reviewed and reported to the council by the committee, unless the committee shall fail to make a recommendation to the council by the first Tuesday in April. If the committee fails to make a recommendation by the first Tuesday in April, the City Manager may review the pending applications and make a recommendation to the council.
  - f. Staff will notify the council of any proposals not recommended by the committee in the form of a communication to the mayor and council.
- (3) The committee is authorized to adopt reasonable rules and regulations governing the form, method and procedures used in the recommendation on the disbursement of funds, and for the conduct and administration of its affairs.

### **Sec. 2-936. Contract administration.**

(a) Staff from the Neighborhoods and Community Services Department will be responsible for the contract administration of this fund in accordance with the city manager's administrative regulations setting forth the procedures, consistent with federal and state law, the City Charter, and the Code of Ordinances, for entering into contracts with non-municipal agencies.

(b) Notwithstanding any provision to the contrary, the specific procedures for NTDF General accounts contracts regarding financial statement, program report, future funding, and first payment are as follows:

- (1) *Financial statement.* Within 90 days after the completion of the event/project, the contractors must submit to the city a compilation of costs in a form substantially as that found in subsection 2-939(a). For awards over \$20,000.00 financial statements must be prepared by a certified public accountant. This compilation of costs must detail all event/project revenue sources and amounts, and related expenditures. Pursuant to section 2-939, the compilation of costs required herein can be included as an expense eligible for reimbursement.
- (2) *Program report.* Within 90 days after the event/project, the contractor must submit to the city a narrative report describing the activities of the event/project and including, but not limited to, such information as total estimated attendance, groups involved in planning and implementation, and in-kind contributions.
- (3) *Future funding.* If the contractor does not comply with the financial statement and program report requirements, above, the contractor will not be considered for the award of neighborhood tourist development fund monies for one year following the year in which contractor received its last award.
- (4) *First payment.* The city may issue a first payment to the contractor in an amount not to exceed one-half of the contract amount upon presentation of a written request for said payment from the contractor. The contractor must provide the city with complete documentation supporting the expenditure of said payment. Documentation must include copies of both sides of the canceled checks issued and paid receipts from vendors. The city will not process any further payments to the contractor without documentation supporting the first payment.

### **Sec. 2-937. Additional program requirements and restrictions.**

The following additional requirements for funding are established:

- (1) Every not-for-profit corporation receiving neighborhood tourist development fund monies must be a not-for-profit neighborhood organization incorporated in the state and located within the city limits.
- (2) Every not-for-profit corporation receiving neighborhood tourist development fund monies must maintain its registered office within the city limits.
- (3) The schedule of ineligible and eligible expenses found in section 2-939(b) must be followed.
- (4) No neighborhood tourist development fund contract shall be approved unless such contract is made upon a consideration wholly to be performed or executed subsequent to the adoption of an ordinance approving the contract.
- (5) After each quarterly and annual recommendation by the NTDF committee but prior to the expenditure of any NTDF General accounts funds, the staff will hold a meeting with all grant recipients to explain the process and to distribute disbursement files for each project. The staff will assist organizations receiving NTDF funding in the preparation of the required disbursement documents. Distribution of funds will be contingent upon the prompt return of the disbursement file to the city and the contractor's compliance with the requirements of section 2-936.

#### **Sec. 2-938. Administration of neighborhood tourist development fund.**

The Neighborhoods and Community Services Department will be designated to provide staff support to the neighborhood tourist development activities, by assisting the committee and by administering and monitoring all projects funded by this activity. The council expresses its desire that if the proper administration of this fund requires staff in excess of that currently budgeted, the need be met by the addition of staff.

#### **Sec. 2-940. City Sponsored Events.**

(a) Twenty percent of the neighborhood tourist development fund of the convention and tourism tax will be appropriated into the NTDF City Sponsored Event accounts. The funds in the NTDF City Sponsored Event accounts shall be used for events for which the City is an organizing sponsor.

(b) The City Manager is authorized to enter into contracts for the expenditure of NTDF City Sponsored Event accounts funds in accordance with code section 3-41.

(c) No event shall be awarded funds both from the NTDF General accounts and the NTDF City Sponsored Events accounts.

(d) At the end of the fiscal year, any unencumbered NTDF City Sponsored Event accounts funds shall be rolled into the NTDF General accounts.

#### **Sec. 2-941. Major Events.**

(a) Ten percent of the neighborhood tourist development fund of the convention and tourism tax will be appropriated into the NTDF Major Event accounts. The funds in the NTDF Major Event accounts shall be used for major city events, including but not limited to, major sporting events, major parades, and major rallies. For the purpose of this section, major events shall have an anticipated attendance of at least 15,000 participants.

(b) The City Manager is authorized to enter into contracts for the expenditure of NTDF Major Event accounts funds in accordance with code section 3-41.

(c) The NTDF Committee may also recommend to the city council the use of Major Event funds to fund applications which come before them through the NTDF General accounts process, but which also qualify as major events.

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Approved as to form and legality:

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Emalea Black  
Assistant City Attorney