



Legislation Details (With Text)

File #: 211077 **Version:** 3 **Name:**

Type: Ordinance **Status:** Passed

File created: 12/2/2021 **In control:** Finance, Governance and Public Safety Committee

On agenda: 12/8/2021 **Final action:** 1/20/2022

Title: Directing the City Manager to continue to use certain incremental property and economic activity taxes to support affordable housing in the Midtown Redevelopment Tax Increment Financing Plan.

Sponsors: Katheryn Shields

Indexes:

Code sections:

Attachments: 1. No Fact Sheet 211077, 2. Public Testimony - Elizabeth Davis, 3. 211077 Fiscal Note, 4. Angie Lile FW_ Support Committee Sub for Ordinance 211077, 5. 211077 cs to org ord - com, 6. 211077 cs to org ord - com, 7. funding agreement, 8. 211077 - revised fiscal note, 9. Authenticated Ordinance 211077 C.S. As Amended

Date	Ver.	Action By	Action	Result
1/20/2022	1	Council	Move to Amend	Pass
1/20/2022	1	Council	Move to Re-refer	Fail
1/20/2022	1	Council	Move to Advance	Pass
1/20/2022	1	Council	Passed as Substituted as Amended	Pass
12/8/2021	1	Finance, Governance and Public Safety Committee	Hold on Agenda	
12/2/2021	1	Council	referred	

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 211077, AS AMENDED

Directing the City Manager to continue to use certain incremental property and economic activity taxes to support affordable housing in the Midtown Redevelopment Tax Increment Financing Plan.

WHEREAS, the Midtown Redevelopment Tax Increment Financing Plan (the “Redevelopment Plan”) was approved December 15, 1992 by the Tax Increment Financing Commission of Kansas City; and

WHEREAS, the objectives of the Redevelopment Plan include (1) eliminating blight; (2) enhancing the tax base of the City; (3) increasing employment in the city; and (4) preserving and rehabilitating the existing residential development, and constructing new residential development in the vicinity of the Redevelopment Plan’s redevelopment area; and

WHEREAS, the Redevelopment Plan will expire April 12, 2023; and

WHEREAS, upon expiration of the Redevelopment Plan, the City and other taxing jurisdictions will begin to collect full property and sales taxes for the Midtown Tax Increment Financing District (the “District”); and

WHEREAS, the Redevelopment Plan has furthered the City’s goals of supporting commercial

development, single-family development through the Rehabilitation Assistance of Midtown Properties (“RAMP”) Program, and multi-family development through the Business Interruption Fund; and

WHEREAS, certain economic activity taxes are statutorily committed and not subject to redirection for affordable housing uses (“Restricted Economic Activity Taxes.”); and

WHEREAS, certain property taxes are statutorily committed and not subject to redirection for affordable housing uses (“Restricted Property Taxes”); and

WHEREAS, the City desires to use the City’s incremental property taxes excluding the Restricted Property Taxes and fifty percent of the City’s economic activity taxes excluding the Restricted Economic Activity taxes collected in the area currently within the District, (the “Redirected Funds”) to support affordable housing in the district; and

WHEREAS, the City Manager has estimated the amount of Redirected Funds to be collected by the City in Fiscal Year 2024 to be \$1,008,400.00; and

WHEREAS, the City desires to support the furtherance of Midtown housing growth, consistent with the City policy goals of increased affordable housing and workforce housing, beyond the Redevelopment Plan’s expiration date; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is authorized to contribute 33.33% of the Redirected Funds collected per year, beginning in Fiscal Year 2024, to the RAMP Program, to be administered by the Economic Development Corporation of Kansas City with assistance from City staff.

Section 2. That beginning in Fiscal Year 2024, 66.67 % of the Redirected Funds shall be directed to the Housing Trust fund and used for the creation or preservation of Affordable Housing.

Section 3. That this ordinance shall be effective until April 30, 2049, unless extended by council.

Approved as to form and legality:

Emalea Black
Assistant City Attorney