



Legislation Details (With Text)

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

**File created:** 8/11/2022      **In control:** Neighborhood Planning and Development Committee

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**Title:** Establishing administrative processes for awarding standard incentive packages to residential, office, and industrial developments that meet certain criterial and directing the City Manager and the Director of Finance to take certain acts to implement the standard incentive packages.

**Sponsors:** Quinton Lucas

**Indexes:**

**Code sections:**

**Attachments:** 1. No Fact Sheet, 2. Fiscal Note 220701, 3. Attachment A. Minimum Standard Incentive Packages 2022-2027 with maps 8.15.2022, 4. Committee Sub 220701, 5. Compared Version 220701, 6. 20220822 - Stokes - KC tax subsidies

| Date       | Ver. | Action By                                       | Action         | Result |
|------------|------|---|----------------|--------|
| 3/15/2023  | 1    | Neighborhood Planning and Development Committee |                |        |
| 3/1/2023   | 1    | Neighborhood Planning and Development Committee |                |        |
| 1/18/2023  | 1    | Neighborhood Planning and Development Committee |                |        |
| 11/30/2022 | 1    | Neighborhood Planning and Development Committee | Hold on Agenda |        |
| 10/12/2022 | 1    | Neighborhood Planning and Development Committee | Hold on Agenda |        |
| 9/28/2022  | 1    | Neighborhood Planning and Development Committee | Hold on Agenda |        |
| 9/14/2022  | 1    | Neighborhood Planning and Development Committee | Hold on Agenda |        |
| 8/17/2022  | 1    | Neighborhood Planning and Development Committee | Hold on Agenda |        |
| 8/11/2022  | 1    | Council   | referred       |        |

ORDINANCE NO. 220701

Establishing administrative processes for awarding standard incentive packages to residential, office, and industrial developments that meet certain criterial and directing the City Manager and the Director of Finance to take certain acts to implement the standard incentive packages.

WHEREAS, the City Council, by Committee Substitute for Ordinance No. 140031, As Amended, adopted the City’s Economic Development and Incentives Policy and directed the City Manager to develop the scoring system set forth therein; and

WHEREAS, the City Council, by Ordinance No. 140375, adopted a certain scoring system for purposes

of implementing the City's Economic Development and Incentives Policy, and the City Council has, from time to time, adopted revisions to this scoring system; and

WHEREAS, the City Council wishes to prioritize incentives to achieve the City's development goals, and provide staff, outside agencies, and potential developers a clear understanding of those goals; and

WHEREAS, the Council desires to provide an administrative pathway to accessing incentives, so they can be granted consistently and in a more expedited fashion to developments that deliver community benefit aligned with the City's articulated goals; and

WHEREAS, the Council desires that City staff undertake the following steps in order to create a program that implements standard incentive packages; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. The Council establishes administrative processes for awarding standard incentives to residential, office, and industrial developments in order to achieve the following goals by December 31, 2027:

- (a) 10,000 units of affordable housing in target areas, as part of new multifamily development.
- (b) 60,000 additional target sector employees in target areas or increased speculative Class A office space to 15% market share.
- (c) 1,750,000 square feet of new speculative Class A industrial space or 8% industrial vacancy rate for four consecutive quarters.

Section 2. That the standard incentive packages available to qualifying developments and the criteria required for developments to qualify for administrative approval of these incentive packages are enumerated in Attachment A.

Section 3. That the City Manager is directed to establish the standard incentive packages described in Attachment A and is authorized to negotiate and execute agreements with the Economic Development Corporation of Kansas City, Land Clearance for Redevelopment Authority, Port KC, and Kansas City Area Transportation Authority, as necessary to provide the standard incentive packages outlined in Attachment A in a manner that is substantially consistent with the eligibility criteria in Attachment A. To the extent necessary to effectuate the standard incentive packages described in Attachment A, the City Manager is further directed to initiate the creation of urban redevelopment corporations, development plans, or urban renewal plans, and amendments thereto, along with any necessary revisions to Resolution No. 191024.

Section 4. That, in order to effectuate the standard incentive packages outlined in Attachment A, the Director of Finance is authorized to administratively negotiate and execute agreements that allow a redirection of 50% of increased economic activity taxes for up to 15 years for office and industrial developments eligible for such as outlined in Attachment A, subject to annual appropriation and applicable law. This authorization to execute contracts expires December 31, 2027. The City Manager is directed to prepare a comprehensive list of terms and requirements for administrative redirection agreements, which shall be circulated to the Council and posted on the City's website.

Section 5. That any third-party financial analysis requirements that have previously been established by ordinance or resolution are waived for projects that receive standard incentive packages, as outlined in

Attachment A. This section shall not be construed as repealing any other exceptions or requirements that may have previously been enacted by the Council.

Section 6. That this ordinance and the standard incentive packages outlined in Attachment A will be reviewed by the City Council no later than five years from the effective date of this Ordinance to evaluate impact on the target thresholds outlined in Section 1.

Section 7. That the City Manager is directed to monitor all standard incentives packages and annually report to the Council regarding the granting and progress of standard incentive packages and the City's progress in achieving the goals established in Section 1.

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Approved as to form and legality:

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Emalea Black  
Associate City Attorney