



Legislation Text

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File #: 240477, Version: 2

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[COMMITTEE SUBSTITUTE FOR] ORDINANCE NO. 240477

Sponsor: Mayor Quinton Lucas  
COMMITTEE SUBSTITUTE

Authorizing the Director of Parks and Recreation to enter into a Funding Agreement with Starlight Theater Association of Kansas City, Inc., and its affiliates and assigns for the reimbursement of certain funds provided by Kansas City (the “City”) to cover a portion of the costs required to make improvements to the existing Starlight Theater at Swope Parkway and 63rd Street; appropriating the sum of \$3,500,000.00 from the Unappropriated Fund Balance of the Parks Sales Tax Fund; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, Starlight Theater Association of Kansas City, Inc., and its affiliates and assigns (the “Association”) has proposed improvements to the existing Starlight Theater on the southeast corner of Swope Parkway and 63rd Street (the “Starlight Improvement Project”); and

WHEREAS, the Starlight Improvement Project will include, but is not limited to, development of a new accessible venue entrance, construction of a light bridge and partial canopy and increasing food, beverage, and restroom facilities; and

WHEREAS, the City Council desires to appropriate funds to be used for Phase I of the Starlight Improvement Project and only in the event of a shortfall in fundraising by the Association which said shortfall must be evidenced to the City via monthly updates and further, that any appropriation of the City must be repaid pursuant to the terms of the Agreement approved herein; and

WHEREAS, the Association has current operating reserves of \$3.6 million; and

WHEREAS, the Phase I gap is projected to be \$5 million to be funded as \$1.5 million from the Association’s operating reserves and \$3.5 million from the Parks Sales Tax Fund; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of Parks and Recreation is hereby authorized to execute a Funding Agreement with the Association. for the reimbursement of certain funds provided by Kansas City (the “City”) to cover a portion of the costs required to make improvements to the existing Starlight Theater at Swope Parkway and 63rd Street.

The material terms of the Funding Agreement shall include the following:

- a) A commitment by the Association to contribute at least \$1.5 million to cover the Phase 1 gap using Association sources, which could include Association operating reserves, or additional philanthropic giving.

- b) The Association must provide monthly updates to the City Council, the Board of Parks and Recreation Commissioners, the City Manager, and the Director of the Parks and Recreation Department regarding the status of fundraising efforts in the form and manner prescribed by the Director of the Parks and Recreation Department.
- c) The City appropriation provided for herein will not be used unless and until the Association demonstrates a shortfall in cashflow from fundraising and reimbursement of capital costs for Phase I, with any shortfall evidenced through a cost certification process administered by the Parks and Recreation Department; and
- d) On or before April 30, 2025, the Association shall submit to the Parks Department its projections based on its fundraising efforts as to whether it intends to use the City Bridge Funds; and if the Association's projections indicate by that date that the City's Bridge funds are not necessary, the City's obligation to provide the City's Bridge Funds immediately terminates.
- e) The City appropriation provided for herein must be first in priority for repayment from cashflow from fundraising efforts and must be repaid no later than January 1, 2030.
- f) The Repayment of City Bridge Funds shall be made according to the following repayment schedule by January 1 of each fiscal year 2025-29: the greater of (i) the Association's Fundraising contributions received in fiscal years 2025-29 in excess of the amounts necessary to fund project costs incurred; or (ii) 20% of the total City Bridge Funds provided for Project costs due to the City ; and the remainder of all City Bridge Funds provided for Project costs due to the City on January 1, 2030.
- g) Future appropriations, if any, for the Starlight Improvement Project will be reviewed in connection with the City's annual budget processes.

Section 2. That the sum of \$3,500,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Parks Sales Tax Fund to the following account:

25-2030-708025-B-70065933	Starlight Theater Improvements	\$3,500,000.00
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Section 3. That the Director of the Parks and Recreation Department is hereby designated as requisitioning authority for Account No. 25-2030-708025.

Section 4. That this ordinance is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(C) of the City Charter in that it appropriates money and shall take effect in accordance with that section.

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I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

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Tammy L. Queen  
Director of Finance

Approved as to form:

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Lana K. Torczon  
Senior Associate City Attorney