



Legislation Details (With Text)

**File #:** 240811      **Version:** 1      **Name:**

**Type:** Ordinance      **Status:** Passed

**File created:** 9/6/2024      **In control:** Council

**On agenda:** 9/19/2024      **Final action:** 9/19/2024

**Title:** Sponsor: Mayor Quinton Lucas

Accepting the recommendations of the Housing Trust Fund Board; reducing an existing appropriation by \$6,762,549.55 and appropriating \$6,762,549.55 from previously appropriated fund balance in the Housing Trust Fund; authorizing the Manager of Procurement Services to execute various funding agreements in accordance with this Ordinance; and authorizing the Director of the Housing and Community Development Department to expend up to \$6,762,549.55 from funds appropriated in the Housing Trust Fund.

**Sponsors:** Director of Housing and Community Development, Quinton Lucas

**Indexes:**

**Code sections:**

**Attachments:** 1. Docket Memo-TMP 4720, 2. Admin\_Approp\_HTF.xlsx, 3. Authenticated Ordinance 240811

Date	Ver.	Action By	Action	Result
9/19/2024	1	Council	Passed	Pass
9/17/2024	1	Neighborhood Planning and Development Committee	Adv and Do Pass	Pass
9/12/2024	1	Council	referred	

ORDINANCE NO. 240811

Sponsor: Mayor Quinton Lucas

Accepting the recommendations of the Housing Trust Fund Board; reducing an existing appropriation by \$6,762,549.55 and appropriating \$6,762,549.55 from previously appropriated fund balance in the Housing Trust Fund; authorizing the Manager of Procurement Services to execute various funding agreements in accordance with this Ordinance; and authorizing the Director of the Housing and Community Development Department to expend up to \$6,762,549.55 from funds appropriated in the Housing Trust Fund.

WHEREAS, on December 20, 2018, by Committee Substitute for Ordinance No. 180719, the City Council established the Housing Trust Fund to implement neighborhood revitalization, housing development, and preservation projects proposed by the City and in coordination with private developers that are undertaking projects in alignment with the City’s Housing policy; and

WHEREAS, on May 27, 2021, by Ordinance No. 210392, the City Council adopted the City’s stimulus spending plan “RecoverKC” in which the City Council allocated \$12,500,000.00 to the Housing Trust Fund; and

WHEREAS, on November 4, 2021, by Committee Substitute for Ordinance No. 210873, As Amended, the City Council amended Section 2-1693, “Housing Trust Fund” and replaced it with a new Section 2-1693 for

the purpose of establishing the Housing Trust Fund Board to review Housing Trust Fund applications, with reporting requirements, funding allocation direction and prioritization of fund use; and

WHEREAS, a special election was also duly held in the City on Tuesday, November 8, 2022 (the “2022 Election”), on the question of whether to issue general obligation bonds of the City in an amount not to exceed \$50,000,000.00 for the purpose of affordable housing through the rehabilitation, renovation, and construction of houses and buildings, including blight removal, to provide affordable housing for very low-to moderate-income households and the question was approved by voters; and

WHEREAS, the City Council adopted Resolution No. 220902 on October 13, 2022, expressing its intent that any sums from the General Obligation Bonds Question No. 2 would be appropriated from the bond fund into the Housing Trust Fund; and

WHEREAS, Ordinance No. 230371, passed on May 11, 2023, estimated bond proceeds and appropriated a transfer to the Housing Trust Fund for the purposes outlined herein; and

WHEREAS, Section 2-1693 (C)(3) sets forth following funding minimum allocations in determining awards to applicants:

- a) A minimum of 20% of awards shall be made for Affordable Rental Preservation, at or below 30% AMFI
- b) A minimum of 20% of awards shall be made for Affordable Rental Creation, at or below 60% AMFI
- c) A minimum of 10% of awards shall be made to create/support Dedicated Transitional Housing and Permanent Supportive Housing for the Homeless; and
- d) A minimum of 10% of awards shall be made for Homeownership support programs and/or retention programs for residents at income levels below 60% AMFI. Programs that provide a path for resident tenants to transition to ownership shall be eligible; and

WHEREAS, Section 2-1693 (C) (4) sets forth the following maximum awards to each project based on percent of total development costs:

- a) The maximum award given to for-profit developers is 20% of the development costs (loan) or 10% for a grant.
- b) The maximum award given to non-profit developers is 30% of the development cost (loan) or 15 for a grant; and

WHEREAS, the Housing Trust Fund Advisory Board was to prioritize projects that maximize:

- a) Total number of months of affordability, with longer periods of guaranteed affordability given higher priority;
- b) Affordability threshold, with higher priority for projects that serve very low income 50% of Area Median Family Income (AMFI) and extremely low income (30% of Area Median Family Income) households;

- c) Number of affordable units created per HTF dollar invested;
- d) Projects which include a higher percentage of units suitable for families (2 or more bedrooms); and
- e) Social housing opportunities such as cooperatives, community land trusts, and other options that allow for long-term community affordability; and

WHEREAS, in addition to the priorities named in the ordinance, the Housing Trust Fund Advisory Board considered project readiness, creativity, capacity of applicant, financial feasibility, household income requirements, affordability, and the overall impact on the housing stock in their review of applications; and

WHEREAS, the contributions contemplated by the Funding Agreement are limited to those which have been determined to be needed for the purpose of ensuring that the project proceeds but, for their contribution, the project would not proceed, to the detriment of the public interest; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the recommendations of the Housing Trust Fund Board that was issued on September 5, 2025, are hereby accepted.

Section 2. That the sum of \$6,762,549.55 is hereby reduced in the following account of the Housing Trust Fund:

25-2490-552045-619080                      Housing Trust Fund-Bonds                      \$6,762,549.55

Section 3. That the Director of the Housing and Community Development Department is hereby authorized to expend up to \$6,762,549.55 from funds previously appropriated to Account No. 25-2490-552045-619080 in the Housing Trust Fund and to negotiate and execute funding agreements with the following contractors:

Budget Account	Project Name	Project Type	Funding Award
25-2490-555996-619080-55PARADEPK	Parade Park Redevelopment	Affordable Housing Creation	\$1,700,120.00
25-2490-555996-619080-55BANNISTER	Trails at Bannister Apt Homes	Affordable Housing Creation	\$1,000,000.00
25-2490-555996-619080-55MOHAWK	Mohawk at 15th St	Affordable Housing Creation	\$ 925,000.00
25-2490-555996-619080-55TEACHER	The Teacher Village	Affordable Housing Creation	\$ 412,868.00

25-2490-555996-619080-55CARDINAL	Cardinal Ridge Apartments	Affordable Housing Creation	\$1,500,000.00
25-2490-555996-619080-55MAYFAIR	Mayfair Apartments	Affordable Housing Creation	\$ 600,000.00
25-2490-555996-619080-55LIONHOUSE	Our Spot KC Lion House	Transitional and Supportive Housing	\$ 198,938.55
25-2490-555996-619080-55HEROESHOME	Heroes Homegate	Transitional and Supportive Housing	\$ 425,623.00
<b>Total</b>			<b>\$6,762,549.55</b>

Section 4. That the Manager of Procurement Services is authorize to execute Funding Agreements for the Projects set forth in Section 3 as negotiated by the Director of the Housing and Community Development Department that complies, when applicable, with the Missouri Prevailing Wage Law and any applicable provisions of the City’s Contracting Program Requirements set out in Article IV, Chapter 3, Code of Ordinances, including, but not limited to, the provisions concerning affirmative action, Minority and Women’s Business Enterprises and the Small Local Business Enterprises program. Further, the Funding Agreement shall prohibit the use of any HTF funding for the repayment of any preexisting debt or repayment for services or work performed prior to the execution of the funding agreement and must require the disclosure of total funding sources and projected costs and periodic reporting of project progress.

Section 5. That the Director of the Housing and Community Development Department is hereby designated as requisitioning authority for the following Account Nos.:

- 25-2490-555996-619080-55PARADEPK
- 25-2490-555996-619080-55BANNISTER
- 25-2490-555996-619080-55MOHAWK
- 25-2490-555996-619080-55TEACHER
- 25-2490-555996-619080-55CARDINAL
- 25-2490-555996-619080-55MAYFAIR
- 25-2490-555996-619080-55LIONHOUSE
- 25-2490-555996-619080-55HEROESHOME

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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Joseph A. Guarino  
Senior Associate City Attorney