



Legislation Text

File #: 230285, Version: 2

[COMMITTEE SUBSTITUTE FOR] ORDINANCE NO. 230285

Sponsor(s): Mayor Quinton Lucas and Councilmembers Kathryn Shields and Eric Bunch

Authorizing an application to the Missouri Development Finance Board (“MDFB”) for the authorization of state tax credits in an amount not to exceed \$15,000,000.00 to make possible the South Loop Link in Kansas City, Missouri; and authorizing the City Manager to execute a tax credit agreement in the event that the application is approved.

WHEREAS, the City of Kansas City (“City”), the Port Authority of Kansas City (“Port KC”), the Downtown Council of Kansas City (“Downtown Council”), and the Downtown Kansas City Community Improvement District (“Downtown KC CID”) (collectively, the “Partnership”) entered into that certain Memorandum of Understanding dated September 22, 2022, to form a public private partnership on the creation of an outdoor park and venue space with landscaping and recreational amenities covering 5.5 acres over I-670 from Wyandotte Street to Grand Boulevard (“South Loop Link”); and

WHEREAS, the South Loop Link will deliver new recreational opportunities for residents and visitors of Kansas City by providing an enhanced green mobility hub with green and healthy living space, a climate-responsive design, ongoing programming for recreational and wellness activities, and healthy connections between neighborhoods previously separated by I-670; and

WHEREAS, the South Loop Link will generate substantial additional revenues for the City and the State of Missouri, remediate the blighting effect of the trench designated I-670, promote the advancement of tourism, and enable regional job access and produce new jobs for Kansas City and Western Missouri; and

WHEREAS, the South Loop Link will increase economic activity throughout the Central Business District, Crossroads Arts District, Power & Light District, and other downtown areas shown on attached Exhibit A, and increase revenues generated by the Kansas City Convention Center, downtown hotels, the Power & Light Center, and other tourist opportunities; and

WHEREAS, the South Loop Link will benefit all citizens of the City of Kansas City; and

WHEREAS, similar improvements reconnecting neighborhoods impacted by interstate highways in downtown Indianapolis, Indiana, and Dallas, Texas have increased urban density, encouraged substantial private redevelopment, increased public revenues, and benefitted the citizens of such cities and states; and

WHEREAS, the Partnership has obtained a budget approximating \$200 Million for the South Loop Link and established a funding campaign for public and private monies to construct the project; and

WHEREAS, the Partnership has obtained commitments from the federal government, the City, and the private sector for approximately \$47 Million, as well as other contributions from businesses and property

owners adjoining the South Loop Link who have agreed to contribute additional monies to the project; and

WHEREAS, the Partnership's solicitations of the business community and others has resulted in numerous requests for the assistance of Missouri Contribution Tax Credits in return for the contingent contribution of substantial private monies; and

WHEREAS, the \$15 Million in contribution tax credits from the Missouri Development Finance Board ("MDFB") would generate up to \$50 Million in additional funds for the South Loop Link and is believed to make possible the project; and

WHEREAS, the Council desires that the City work with the MDFB to prepare, consider and file an application for contribution tax credits in an amount not to exceed \$15 Million with the MDFB for financing the South Loop Link through the State's Tax Credit for Contribution Program; and

WHEREAS, the Council desires to authorize the City Manager to execute a tax credit agreement in connection with the issuance of state tax credits, in the event that the City's application is approved; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY THAT:

Section 1. The Council intends to support the South Loop Link.

Section 2. The South Loop Link will benefit public health, safety, and welfare through the creation of new recreational opportunities, the generation of new jobs, the increase in convention activity in partnership with Kansas City's hotels, the improvement of Downtown's infrastructure, and the reconnections of Downtown and the City's other diverse neighborhoods.

Section 3. The South Loop Link will have a substantial benefit to the entire State of Missouri as a major tourist attraction and further increase what has become the largest source of revenue for the State of Missouri.

Section 4. The City Manager is authorized to continue to work with the Partnership on the development and funding of the South Loop Link.

Section 5. The City Manager is authorized to work with the Partnership on the preparation of an application to be filed with the Missouri Development Finance Board that, subject to receipt of contribution tax credits, makes possible the financial feasibility of South Loop Link project.

Section 6. The City Manager is authorized to file the completed application with the MDFB in an amount not to exceed \$15,000,000.00 for financing of the South Loop Link through the State Tax Credit for Contribution Program

Section 7. The City Manager is authorized to execute a tax credit agreement in connection with the issuance of state tax credits, in the event that the City's application is approved. Such agreement is approved in such form as the City Manager shall determine to be appropriate for the purposes contemplated by this ordinance.

Approved as to form:

Emalea Black
Associate City Attorney