



Legislation Text

File #: 230402, Version: 1

ORDINANCE NO. 230402

Sponsor(s): Councilmembers; Kevin O’Neill, Andrea Bough and Ryana Parks-Shaw

Authorizing the City Manager to execute a Contract, Wage, and Labor Addendum with Velvet Tech Services, LLC and authorizing City officials to execute additional documents, including a supplemental lease and supplemental trust indenture, in connection with Project Velvet.

WHEREAS, the City of Kansas City, Missouri, a constitutional charter city and municipal corporation of the State of Missouri (the "City") is authorized pursuant to the provisions of Article VI, Section 27(b) of the Missouri Constitution, as amended, and Sections 100.010 to 100.200, inclusive, of the Revised Statutes of Missouri, as amended, and the City of Kansas City Charter (collectively, the "Act"), to issue its revenue bonds for carrying out a project or projects under the Act, such revenue bonds to be paid solely from revenue received from such project, and to enter into leases of certain property associated with the project to be financed with the proceeds of such revenue bonds with any person, firm or corporation; and

WHEREAS, on April 29, 2021, the City adopted Ordinance No. 210313 approving an Industrial Development Plan for the Golden Plains Technology Park (the "Plan") involving two projects for industrial development under Chapter 100 of the Missouri Revised Statutes, Project Diode and Project Velvet (the "Project"); and

WHEREAS, in Ordinance No. 210313, City Council authorized the City to issue and sell its Taxable Industrial Revenue Bonds (Golden Plains Technology Park Project), in one or more series, in a maximum aggregate principal amount not to exceed \$103,796,000,000.00; and

WHEREAS, in Ordinance No. 210313, City Council also authorized the City to enter into a trust indenture, lease agreement, purchase agreement, supplemental lease, and supplemental trust indenture with Velvet Tech Services, LLC ("Developer") for Project Velvet to authorize abatement of taxes and exemption of sales taxes for construction materials as authorized therein; and

WHEREAS, Ordinance No. 210313 further authorized the Mayor, Director of Finance, the City Treasurer and other officials, agents and employees of the City as required, to take such further action, and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of Ordinance No. 210313 and to carry out, comply with and perform the duties of the City with respect to the previously authorized documents; and

WHEREAS, on December 22, 2021, the City and the Developer entered into a trust indenture and lease agreement effectuating Ordinance No. 210313 through the issuance of \$7,200,000,000.00 of taxable revenue bonds; and

WHEREAS, the City and the Developer intend to enter into a supplemental lease and supplemental trust indenture to govern the issuance of additional authorized taxable revenue bonds to fund additional

development authorized under the Plan and Ordinance No. 210313; and

WHEREAS, City Code imposes several obligations on Chapter 100 leases, including but not limited to, the Affirmative Action program in Code Chapter 3, Art. IV, Div. 1, the MBE/WBE program in Code Chapter 3, Art. IV, Div. 2, the Construction Workforce Program in Code Chapter 3, Art. IV, Div.3, non-discrimination as provided in Code § 38-103, no gratuities or kickbacks as provided in Code § 3-30, and criminal records in employment restrictions in Code § 38-104; and

WHEREAS, City Council wishes to specifically memorialize some of the relevant City Code obligations applicable to Project Velvet for ease of administration; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That City Council affirms the determinations and authorizations made in Ordinance No. 210313.

Section 2. That the City Manager is authorized to enter into a Contract, Wage, and Labor Addendum with Velvet Tech Services, LLC. A copy of the Contract, Wage, and Labor Addendum in substantial form is attached hereto and is on file in the City Manager's office.

Section 3. That the Mayor, City Manager, Director of Finance, Director of Civil Rights and Equal Opportunity, City Treasurer and other officials, agents and employees of the City as required, are hereby authorized and directed to take such further actions, and execute such other documents, certificates, and instruments as may be necessary or desirable to carry out and comply with the intent of Ordinance No. 210313 and the Contract, Wage, and Labor Addendum, including the supplemental lease and supplemental trust indenture and the issuance of additional taxable revenue bonds.

Approved as to form:

Emalea Black
Associate City Attorney