



Legislation Text

File #: 240333, Version: 1

ORDINANCE NO. 240333

Sponsor: Director of Housing and Community Development Department

Accepting the recommendation of the Central City Economic Development Tax Board for additional funding in the amount of \$2,355,939.00; reducing an existing appropriation by \$2,355,939.00; appropriating \$2,355,939.00 from the Unappropriated Fund Balance; and authorizing the Manager of Procurement Services to execute the necessary documents to amend the funding agreements and expend up to \$2,355,939.00 from the funds appropriated in the Central City Economic Development Tax Fund.

WHEREAS, Section 67.1305 of the Revised Statutes of Missouri authorizes the City to impose a retail sales tax not to exceed one-half of one percent if the imposition of such a retail sales tax is submitted to, and then approved by, a majority of the votes cast; and

WHEREAS, on April 4, 2017, pursuant to authority granted by Section 67.1305, RSMo, a majority of Kansas City, Missouri voters approved a new 1/8 of one percent retail sales tax for funding economic development projects within the area bounded by 9th Street on the north, Gregory Boulevard on the south, Paseo Boulevard on the west and Indiana Avenue on the east; and

WHEREAS, the Developers requested a public contribution and the Central City Economic Development Sales Tax Board recommended that funding be approved; and

WHEREAS, the Developers subsequently identified a need for additional funding due to increases in construction labor and construction material; and

WHEREAS, the projects serves a predominantly public municipal purpose because, without limitation, completion of the project (i) enhances the tax base of the Project Site; (ii) retains and generates jobs; (iii) promotes economic development in the area of the City in which the Project Site is located, and promotes consideration of areas of the City that the City Council has determined to be blighted as a location for business operations; (iv) results in generation of tax revenues to the City from the conduct of business and other activities in the City that would not otherwise occur; (v) serves as a catalyst for additional investment in and further redevelopment and rehabilitation of the area of the City in which the Project Site is located; and (vi) furthers the City's policy of encouraging economic stability and growth; and

WHEREAS, the City desires to encourage the Developer to carry out the project for the purpose of realizing these predominantly public purposes by entering into an agreement to contribute certain revenues in an amount needed to cause the project to be undertaken and attract the necessary private investment; 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, and but for their contribution, the project would not proceed to the detriment of the public interest; and

WHEREAS, on March 12, 2024, the CCED Board voted to recommend an increase in funding for certain projects; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the recommendations of Central City Economic Development Tax Board that was issued March 12, 2024, are hereby accepted.

Section 2. That the following amount is hereby reduced from the Central City Economic Development Sales Tax Fund, Fund No. 2200, from the following account:

24-2200- 555998-B- 55BUDGET	Budget Integration Account	\$2,355,939.00
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Section 3. That the following amounts are hereby appropriated from the Unappropriated Fund Balance of the Central City Economic Development Sales Tax Fund, Fund No. 2200, to the following accounts:

24-2200- 555998-B-57190007	Ivanhoe Neighborhood Council	\$ 165,707.00
24-2200- 555998-B-57190662	Taliaferro & Brown Real Estate	475,000.00
24-2200- 555998-B-57190650	Palestine Economic Dev. Corp	572,000.00
24-2200- 555998-B-55ZHOU BARTKC	Zhou B Art Center	375,000.00
24-2200- 555998-B-55HHGTTRHMEX	Heroes Home Gate	375,000.00
24-2200- 555998-B-55MNQADVDEV	Monarque Advisory Development	393,232.00
	TOTAL	<u>\$2,355,939.00</u>

Section 4. That the Manager of Procurement Services is authorized to execute the necessary documents to amend the aforementioned funding agreements and expend up to \$2,355,939.00 from the funds appropriated in the Central City Economic Development Tax Fund herein.

Section 5. That the Director of Housing is designated requisitioning authority for Account Nos. 24-2200-555998-B-57190007, 24-2200-555998-B-57190662, 24-2200-555998-B-57190650, 24-2200- 555998-B-55ZHOU BARTKC, 24-2200- 555998-B-55HHGTTRHMEX, and 24-2200- 555998-B-55MNQADVDEV.

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.

Tammy L. Queen
Director of Finance

Approved as to form:

Joseph A. Guarino
Senior Associate City Attorney