



Legislation Text

File #: 250809, Version: 2

ORDINANCE NO. 250809, AS AMENDED

Sponsor: City Manager's Office

Estimating revenue in the amount of \$15,080,817.20 in the Taxable Special Obligation Series 2026A Project Fund, Fund No. 3456 and appropriating the same to the Roy Blunt Luminary Park Project; authorizing the Director of Finance to close accounts upon project completion; declaring the intent of the City to reimburse itself from bond proceeds for certain expenditures; authorizing the City Manager to execute a Development Agreement with the Port Authority of Kansas City, Missouri (Port KC), Downtown Council (DTC), and DTC Community Development, Inc. (DTCCD); authorizing the City Manager to execute Amendment No. 4 of a design professional contract with HNTB Corporation for \$13,697,600.00; authorizing the City Manager to execute Amendment No. 2 of contract with ProjectFirst, LLC for \$670,269.46; authorizing the City Manager to execute Amendment No. 1 of a contract with JE Dunn and Clarkson Construction Company for \$712,947.74; directing the Roy Blunt Luminary Park Project to identify a total of \$50,000,000.00 in private commitments prior to the City Manager bringing an ordinance for Council consideration to request the issuance of Special Obligation Bonds in fiscal year ending in April 30, 2027; directing the City Manager to develop and implement strategies with the Downtown Council to ensure a welcome and inclusive environment for all residents; and recognizing this ordinance as having an accelerated effective date.

WHEREAS, on March 2, 2024, the City Council adopted Ordinance No. 240225 authorizing the City Manager to execute an Assignment and Assumption Agreement and Amendment No. 1 in the total amount of \$3,468,296.00 in connection with a contract between the Port Authority of Kansas City (PortKC) and HNTB which agreement provided for the completion of 30% design and National Environmental Policy Act ("NEPA") documentation for the Roy Blunt Luminary Park (f/k/a South Loop Project) ("Project"); and

WHEREAS, on July 6, 2024, the City Manager executed Contract Amendment No. 2 in the amount of \$250,000.00 with HNTB for Design Professional Services in Connection with the Project which agreement provided for additional design services related to the project; and

WHEREAS, on August 1, 2024, the City Council approved Committee Substitute for Ordinance No. 240642 authorized the City Manager to execute a Contract Amendment No. 3 with HNTB for Design Professional Services in Connection with the Project which provided for the completion of 60% design; and

WHEREAS, on December 5, 2024, the City Council approved Ordinance No. 241029 which authorized the City Manager to execute a Professional, Specialized or Technical Services contract with ProjectFirst, LLC in the amount of \$450,000.00 in connection with the Project which provided for project and construction management services through August 31, 2025, in which the term has been extended by amendment to August 31, 2026; and

WHEREAS, on December 5, 2024, the City Council approved Ordinance No. 241029 which authorized

the City Manager to execute a Construction Manager/General Contractor (CM/GC) contract with JE Dunn and Clarkson Construction Company, a joint venture, in the amount of \$0.00 in connection with the Project which provided for pre-construction services through April 30, 2025; and

WHEREAS, on April 6, 2023, the City Council approved Committee Substitute for Ordinance No. 230285 authorized an application to the Missouri Development Finance Board for the authorization of state tax credits in an amount not to exceed \$15 million and to execute a tax credit agreement for the purpose of funding the Project; and

WHEREAS, on June 8, 2023, the City Council approved Committee Substitute for Ordinance No. 230477 appropriating the amount of \$10 million from the Convention and Sports Complex Fund for the purpose of funding the City's contribution to the Project; and

WHEREAS, on May 23, 2024, the City Council approved Committee Substitute for Ordinance No. 240450 authorizing the City Manager to execute a funding agreement with the Missouri Department of Economic Development, which agreement provided funding in the amount of \$28.6 million to the Project; and

WHEREAS, on May 23, 2024, the City Council approved Committee Substitute for Ordinance No. 240449 authorizing the City Manager to negotiate and execute a Surface Transportation Block Grant Agreement with the Missouri Highways and Transportation Commission, which agreement provided funding in the amount of \$28.6 million to the Project; and

WHEREAS, on August 1, 2024, the City Council approved Committee Substitute for Ordinance No. 240642 estimating and appropriating the amount of \$1 million from a Contribution Agreement with DTCCD for the purpose of contributing funding to the Project; and

WHEREAS, the City, Port KC, DTC, and DTCCD are parties to a Memorandum of Understanding dated September 22, 2022, to forming a public private partnership related to the Project; and

WHEREAS, the City, Port KC, DTC, and the DTCCD desire to enter into a development agreement to document their understanding of the undertakings and commitments to be taken by each with respect to the design, development, construction, maintenance, management, use and operation of the Project;

WHEREAS, the City intends to issue Special Obligation Bonds to fund \$15,080,817.20 of contributions in the current fiscal year and issue Special Obligation Bonds to fund the remaining \$64,919,182.80 in contributions to the project in fiscal year ending on April 30, 2027, with a total issuance of \$80,000,000.00 of Special Obligation Bonds to contribute to the total project funding; and

WHEREAS, the cost of the Project will be funded with the issuance of special obligation bonds ("Bonds") in the Spring 2026 and the payment of scheduled debt service payments on the bonds will be made from the proceeds of convention and tourism tax, and any legally available revenue source of the City, as needed, over a successive fifteen (15) year period; NOW, THEREFORE;

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. Estimating revenue in the amount of \$15,080,817.20 in Fund No. 3456, 2026A Taxable Special Obligation Bond Fund in the following account:

AL-3456-120000-590000	Bond Proceeds	\$15,080,817.20
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Section 2. That the sum of \$15,080,817.20 is hereby appropriated in Fund No. 3456, 2026A Taxable Special Obligation Bond Fund, to the following account:

AL-3456-107040-B-10LUMINARYPK	Luminary Park	\$15,080,817.20
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Section 3. That the City Manager is hereby designated as requisitioning authority for Account No. AL-3456- 107040 -B-10LUMINARYPK.

Section 4. That the Director of Finance is hereby authorized to close accounts, open encumbrances and retainage related to the accounts in Section 2 and return the unspent portion to the Fund balance from which it came upon the earliest of: (i) the provisions of this ordinance; (ii) final maturity of financing or (iii) five years after issuance.

Section 5. That the City Council hereby declares its official intent to reimburse itself for certain expenditures made within sixty (60) days prior to or on and after the date of this Ordinance with respect to appropriations in Section 2, (the "Appropriation") with the proceeds of bonds expected to be issued by the City. The maximum principal amount of bonds expected to be issued for the Appropriations is not to exceed \$15,080,817.20. This constitutes a declaration of official intent under Treasury Regulation 1.150-2.

Section 6. That the City Manager is authorized to execute a Development Agreement with the Port Authority of Kansas City, Missouri (Port KC), Downtown Council (DTC), and DTC Community Development, Inc. (DTCCD) in connection with the Project. A copy of the agreement, in substantial form, is on file in the office of the City Manager.

Section 7. That the City Manager is authorized to execute Amendment No. 4 of design professional contract no. 89022041-001 with HNTB Corporation for \$13,697,600.00 for the Project. A copy of the amendment is on file in the office of the City Manager.

Section 8. That the City Manager is authorized to execute an Amendment No. 2 of contract no. 89022041-01 with ProjectFirst, LLC for \$670,269.46 for the Project. A copy of the amendment is on file in the office of the City Manager.

Section 9. That the City Manager is authorized to execute Amendment No. 1 of contract no. 89022041 with JE Dunn and Clarkson Construction Company, a joint venture, for \$712,947.74 for the Project. A copy of the amendment is on file in the office of the City Manager.

Section 10. That the Roy Blunt Luminary Park project is directed to identify a total of \$50,000,000.00 in private commitments prior to the City Manager bringing an ordinance for Council consideration to request the issuance of Special Obligation Bonds in fiscal year ending in April 30, 2027.

Section 11. That the City Manager shall develop and implement strategies to ensure a welcome and inclusive environment for all residents, and these strategies will be included in the operations agreement with Downtown Council.

Section 12. That this ordinance, relating to the design, repair, maintenance or construction of a public improvement, is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)

(D) of the City Charter and shall take effect in accordance with Section 503, City Charter.

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the forgoing 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.

William Choi
Interim Director of Finance

Approved as to form:

Dustin E. Johnson
Assistant City Attorney