



Legislation Text

File #: 260192, Version: 1

ORDINANCE NO. 260192

Sponsor: Councilperson Crispin Rea

Authorizing the City Manager to enter into a Tax Redirection Agreement with HS KC PLAZA, LLC for the purpose of supporting the renovation of the Seville Plaza Hotel.

WHEREAS, HS KC PLAZA, LLC (the “Developer”) has proposed improvements to the existing Seville Plaza Hotel which will include, but is not limited to, new furniture, fixtures, and equipment, new fire panel, window replacement, elevator upgrades, technology upgrades, and new linen and signage, (the “Seville Plaza Hotel Improvement Project” or “Project”); and

WHEREAS, the Project is located on a 0.833-acre site on the east side of Main Street between East 43rd Street and East 44th Street in Kansas City, Missouri (the “Project Area”) adjacent to the Country Club Plaza, which is a targeted investment area; and

WHEREAS, the Developer intends to complete the Seville Plaza Hotel Improvement Project in one phase, which includes rebranding the Seville Plaza Hotel, scheduled to be completed Spring 2026 in time for the hotel rooms to be used during the FIFA World Cup; and

WHEREAS, the Developer provides benefits to the community by offering discounted room rates to nearby schools and hospitals, maintaining commission partnerships with local entities such as the National WWI Museum and Memorial, and creating a hospitality internship program for students; and

WHEREAS, the Developer anticipates the Project creating seven (7) new jobs; and

WHEREAS, in order to assist with the completion of and the funding of the Project Costs defined in the Agreement, the Developer and the City believe that utilizing a portion of the City’s tax revenues generated within the Project Area will advance multiple primarily public purposes including, but not limited to (i) increasing employment, (ii) increasing the tax base for all affected taxing jurisdictions, (iii) stabilizing development in an essential target area, and (iv) furthering the City’s policy of encouraging economic stability and growth; and

WHEREAS, the impacts of the COVID-19 global pandemic and the construction of the streetcar have caused substantial decreases in the revenues of the Project Area; and

WHEREAS, the City therefore desires to encourage the Project for the purpose of realizing these public benefits by entering into an agreement to contribute certain revenues from City taxes generated by the Project in an amount needed to cause the Project to be undertaken; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is hereby authorized to execute a Tax Redirection Agreement in an amount not to exceed \$800,000.00 over fifteen (15) years with HS KC PLAZA, LLC. A copy of the Tax Redirection Agreement in substantial form is attached hereto and on file in the City Manager's Office.

Approved as to form:

Emalea Kohler
Associate City Attorney