

COMPARED VERSION  
COMMITTEE SUBSTITUTE TO ORIGINAL RESOLUTION

COMMITTEE SUBSTITUTE FOR RESOLUTION NO. 260362

Directing the City Manager to implement a pilot program for the purpose of securing financing through the U.S. Department of Housing and Urban Development (HUD) Section 108 Loan Guarantee Program for eligible economic development and community development projects for the express purpose of removing chronic and long-term slum and blight and that compliment adopted policy such as the vacant land activation initiative; authorizing the pledge of some future Community Development Block Grant (CDBG) funds as security; and recommending requirements and a process to the City Council.

WHEREAS, the City of Kansas City, Missouri is an entitlement jurisdiction under the federal Community Development Block Grant (CDBG) program administered by the U.S. Department of Housing and Urban Development (HUD); and

WHEREAS, Section 108 of the Housing and Community Development Act of 1974, as amended, allows eligible jurisdictions to obtain federally guaranteed loans by pledging future CDBG funding, thereby providing communities with a powerful source of financing for economic development, public facilities, housing rehabilitation, and other CDBG-eligible activities; and

WHEREAS, the HUD Section 108 Loan Guarantee Program enables local governments to undertake large-scale, transformative projects that would otherwise would not be feasible through annual CDBG allocations alone, while maintaining long-term community benefit; and

WHEREAS, the use of Section 108 financing may support economic development, with an emphasis on city-owned parcels zoned as commercial, or housing with vacancy rates of at least 10 years to promote rapid neighborhood revitalization, job creation, and the development of property to be made available for purchase or creation of quasi-public facilities that benefit a mix -of -income -persons, and remove slum and blight, consistent with CDBG national objectives; and

WHEREAS, federal regulations require local legislative authorization for participation in the Section 108 program, including authorization to pledge future CDBG funds and to execute related agreements and certifications; NOW, THEREFORE,

BE IT RESOLVED BY THE COUNCIL OF KANSAS CITY, MISSOURI:

Section 1. Directing The City Manager to create a Section 108 loan pilot program with the intent to eliminate chronic slum, blight and long-term vacancy of at least 10 years among City-owned properties including Land Bank and Homestead Authority.

Section 2. Directing the City Manager to develop a process and requirements for eligible properties.

Section 3. Directing the City Manager to determine a reasonable amount of dedicated funds that limits exposure to Kansas City's general fund.

Section 4. Directing the City Manager to recommend requirements and a process to the City Council within 60 days of passage of this Resolution.

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