



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250177

Submitted Department/Preparer: Housing

Revised 6/10/24

Docket memos are required on all ordinances initiated by a Department Director. More information can be found in [Administrative Regulation \(AR\) 4-1](#).

Executive Summary

Providing for the temporary suspension of the Property Owner Support Program until the conclusion of certain litigation.

Discussion

The City of Kansas City is committed to promoting fair and equitable housing practices for all its residents, recognizing that access to safe and affordable housing is fundamental to individual well-being and community prosperity.

The City Council, after careful consideration and extensive community engagement, enacted Ordinance No. 231019, as amended, which prohibits discrimination based on source of income, including the use of housing vouchers, in the rental of housing.

This ordinance was crafted with the understanding that discrimination based on source of income disproportionately affects vulnerable populations, including families with children, people with disabilities, and veterans, limiting their housing options and perpetuating cycles of poverty.

In recognition of the concerns raised by housing providers regarding potential financial risks associated with accepting housing vouchers, the City Council, in a spirit of compromise and collaboration, established the Landlord Risk Mitigation Fund Pilot Program, now known as the Property Owner Support Program.

This Fund, with an initial allocation of \$1,000,000.00, represents a significant and ongoing commitment by the City to support its housing providers and mitigate any legitimate concerns they may have about participating in programs designed to expand housing opportunities for all residents.

The creation of this Fund was a key component of the City's comprehensive approach to addressing housing discrimination, demonstrating a good-faith effort to balance

the needs of both tenants and landlords and ensure a fair and inclusive housing market.

After passage of Ordinance No. 231019 in 2024, a legal challenge to the City's source-of-income discrimination ordinance was filed in the United States District Court for the Western District of Missouri, captioned as Kennedy F. Jones, et al. v. City of Kansas City Missouri, Case No. 4:24-cv00649-RK.

On February 11, 2025, the United States District Court granted the plaintiffs' motion for a preliminary injunction, enjoining the City from enforcing its source-of-income discrimination ordinance as it pertains to the Housing Choice Voucher (Section 8) program.

During the pendency of this litigation and the preliminary injunction, continuing to operate the Property Owner Support Program would be imprudent given the uncertainty surrounding the enforceability of the underlying source-of-income discrimination provisions and the upsetting of the careful balance of policy considerations struck by the City Council.

The City Council believes it is in the best interest of the City to temporarily pause the Property Owner Support Program until there is a final resolution of the constitutional challenges pending before the District Court.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
The General Fund (Landlord Programs 1000-552516-619850)
3. How does the legislation affect the current fiscal year?
No impact to the current fiscal year
4. Does the legislation have a fiscal impact in future fiscal years? Please note the difference between one-time and recurring costs.
This funding is a one-time budget to support the Landlord Pilot Program
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
No revenue

Office of Management and Budget Review

(OMB Staff will complete this section.)

| | | |
|---|---|-----------------------------|
| 1. This legislation is supported by the general fund. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 2. This fund has a structural imbalance. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |
| 3. Account string has been verified/confirmed. | <input checked="" type="checkbox"/> Yes | <input type="checkbox"/> No |

Additional Discussion (if needed)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [Adopted 2025-2029 Citywide Business Plan](#)
2. Which CWBP goal is most impacted by this legislation?
Housing and Healthy Communities (Press tab after selecting.)
3. Which objectives are impacted by this legislation (select all that apply):
 - Utilize planning approaches in neighborhoods to reduce blight, ensure sustainable housing, and improve resident wellbeing and cultural diversity.
 - Maintain and increase affordable housing supply to meet the demands of a diverse population.
 - Address the various needs of the City's most vulnerable population by working to reduce disparities.
 - Foster an inclusive environment and regional approach to spur innovative solutions to housing challenges.
 - Ensure all residents have safe, accessible, quality housing by reducing barriers.
 - Protect and promote healthy, active amenities such as parks and trails, play spaces, and green spaces.

Prior Legislation

Ordinance No. 231019

Service Level Impacts

No services will be provided with the temporary suspension of the Landlord Mitigation program (Property Owner Support Program) until the conclusion of certain litigation.

Other Impacts

1. What will be the potential health impacts to any affected groups?
The pilot program will provide more fair and equitable housing practices for all.
2. How have those groups been engaged and involved in the development of this ordinance?
Based on the legal challenge that was filed after the passage of Ordinance 231019, the City Council believes that it is in the best interest of the City to suspend this program until the final resolution has been identified.
3. How does this legislation contribute to a sustainable Kansas City?
The City to support its housing providers and mitigate any legitimate concerns they may have about participating in programs designed to expand housing opportunities for all residents thus creating sustainable housing opportunities for all.
4. Does this legislation create or preserve new housing units?
No (Press tab after selecting)

Click or tap here to enter text.

Click or tap here to enter text.

5. Department staff certifies the submission of any application Affirmative Action Plans or Certificates of Compliance, Contractor Utilization Plans (CUPs), and Letters of Intent to Subcontract (LOIs) to CREO prior to, or simultaneously with, the legislation entry request in Legistar.

No - CREO's review is not applicable (Press tab after selecting)

Please provide reasoning why not:

Click or tap here to enter text.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No (Press tab after selecting)

7. Does this legislation seek to approve a contract resulting from a Request for
Proposal/Qualification (RFP/Q)?

No(Press tab after selecting)