Ordinance #250132

Directing the City Manager to develop finance plan options to support the development of the Northland Workforce Development Center (NWDC) facility and report back to Council within 45 days

Renderings

NWDC
NORTHLAND
Workforce Development Center

https://drive.google.com/file/d/1dfPCAfJdhZLcRZaT4ZDOSHv2avodKYRz/view?usp=sharing

23 Career focused programs (11 new)

Aerial View:
This facility is located at the 9500 block of Platte Purchase Road in Kansas City, MO. It is ½ mile north of the 152 Hwy and Platte Purchase Road. The "Epicenter" of the Northland in centralized between both Clay and Platte Counties. This site is not only centralized, but is located in a region to provide social mobility for those in the immediate area and potentially extending into the urban core.

Location:

- Heart of KC - Northland
- County line
- Centralized Location
- Reduces Bus times for NKC Students from 40 minutes to 15 minutes

The benefits of this new center include:

- Develop a workforce center in a more demographically diverse and accessible area while creating greater social mobility for all of Kansas Citians
- Generate qualified candidates for local, in-demand, high-wage workforce positions
- Provide more relevant, career focused opportunities for more students while reducing current waitlists for students who desire to enroll
- Create a natural pipeline from high school to higher education in partnership with MCC and other post-secondary entities in the KC area.
- Foster real-world learning opportunities and educator externships.
- Serve as a community asset and resource for Kansas Citians of all ages.
- Increase access to Kansas Citians (~70 to 75% of the students of the new center will be KCMO residents)

The programs that will be offered at this center for adult learners during evening and weekend format are:

Program (New programs in BLUE)	Academy/ Career Cluster (Click)	High School Offerings	Number of High School Students that can attend	City-Wide Adult Offerings	Number of Adults that can attend
Agricultural Sciences (at MCC)	Agriculture	Yes	40	Yes	NA
Automotive Technology	Supply Chain and Transportation	Yes	40	Yes	20
Aviation Technology	Supply Chain and Transportation	Yes	40	Yes	20
Baking and Pastries	Hospitality, Events and Tourism	Yes	40	Yes	24
Construction Technology	Construction	Yes	40	Yes	24
Cosmetology	Healthcare and Human Services	Yes	40	No	NA
Culinary Arts	Hospitality, Events, and Tourism	Yes	40	Yes	24
Dental Assisting	Healthcare and Human Services	Yes	32	Yes	16
Digital Design, Programming and Cybersecurity	Digital Technology	Yes	40	Yes	20
Diesel Technology	Supply Chain and Transportation	Yes	40	Yes	20
Electrical and Plumbing	Construction	Yes	40	Yes	20
Fire Science and EMT	Public Services and Safety	40	40	Yes	20
Health Sciences (CNA +)	Healthcare and Human Services	Yes	60	Yes	20
Health Tech Careers	Healthcare and Human Services	Yes	60	Yes	20

Program (New programs in BLUE)	Academy/ Career Cluster (Click)	High School Offerings	Number of High School Students that can attend	City-Wide Adult Offerings	Number of Adults that can attend
Heating, Ventilation, Air Conditioning and Refrigeration	Construction	Yes	40	Yes	20
Hospitality and Event Management	Hospitality, Events, and Tourism	Yes	20	Yes	20
Industrial Automation and Robotics	Advanced Manufacturing	Yes	40	Yes	20
Industrial Machining	Advanced Manufacturing	Yes	40	Yes	20
Industrial Welding	Advanced Manufacturing	Yes	40	Yes	20
IT Professionals	Digital Technology	Yes	40	Yes	20
Junior Reserve Officer Training Corps	Public Service and Safety	Yes	40	NO	NA
Law Enforcement/Crime Scene Investigation	Public Service and Safety	Yes	72	Yes	20
Teaching Professions	Education	Yes	40	Yes	NA
Totals		**23**	**924**	**20**	**388**

*Note: these courses above are ONLY the long-term courses. There are shorter, community education courses now in Platte City at NCC, and there will be a great opportunity to expand offerings for adults, senior citizens and children.

Opportunities for Adults City-Wide
Up to nearly 400 per semester at this site

Northland Workforce Development Center Partnership with Metropolitan Community College

- This will be a robust partnership that will support high school students to earn relevant dual credit during the daytime classes and will provide relevant, high wage coursework and training for adults in the evening and weekends including 20 programs with a capacity of 388+ adult students

- By situating the Northland Workforce Development Center in a thriving business and residential area, it will reduce commute times for adult learners. This strategic location makes it easier for non-traditional students to attend classes, removing a significant barrier to education.

- MCC continues to prioritize affordability by offering programs that defray the cost of education. Scholarships, grants, and flexible payment options make it easier for working adults to invest in their futures without incurring significant financial burdens. Students who live in-district will pay half in tuition versus those who live out of district.

Social and Economic Mobility

Metropolitan Community College (MCC) in Kansas City, focusing on non-traditional learners and the new Northland Workforce Development Center:

- **Flexible Scheduling for Working Adults:**
  The Northland Workforce Development Center's (in partnership with MCC) evening and weekend classes are specifically designed to accommodate the schedules of working adults, parents, and caregivers. This flexibility ensures that individuals balancing job and family commitments can pursue higher education without sacrificing their responsibilities.
- **Strategic Location for Accessibility:**
  By situating the Northland Workforce Development Center in a thriving business and residential area, it will reduce commute times for adult learners. This strategic location makes it easier for non-traditional students to attend classes, removing a significant barrier to education.
- **Career-Focused Programs:**
  The center will offer workforce-related degrees and credentials that align with in-demand careers. This focus ensures that non-traditional learners can gain skills and qualifications that directly translate to job opportunities and career advancement.
- **Support Services for Adult Learners:**
  MCC's commitment to supporting non-traditional students includes career counseling, financial aid assistance, and academic advising. These services help adult learners navigate their educational journey, from selecting the right program to completing their coursework successfully.
- **Cost-Effective Education:**
  MCC continues to prioritize affordability by offering programs that defray the cost of education. Scholarships, grants, and flexible payment options make it easier for working adults to invest in their futures without incurring significant financial burdens. Students who live in-district will pay half in tuition versus those who live out of district.

Social and Economic Mobility

Metropolitan Community College (MCC) in Kansas City, focusing on non-traditional learners and the new Northland Workforce Development Center:

- **Inclusive Learning Environment:**
  Both MCC and the Northland Workforce Development Center will provide a supportive network of instructors and staff who understand the unique challenges faced by non-traditional learners. This inclusive environment fosters success for students from diverse backgrounds and life circumstances.
- **Pathways to Economic Mobility:**
  By offering accessible, career-oriented education, MCC empowers non-traditional learners to improve their economic standing. This aligns with the broader mission of workforce development and community upliftment.
- **Community Partnerships:**
  The center's location near businesses and residential hubs opens opportunities for partnerships with local employers. These collaborations can lead to internships, apprenticeships, and job placements for students, further enhancing their career prospects.
- **Technology-Enhanced Learning:**
  MCC integrates technology into its programs, offering hybrid and online learning options alongside in-person classes. This approach provides additional flexibility for adult learners who may need to balance coursework with other commitments.
- **Lifelong Learning Opportunities:**
  The Northland Workforce Development Center will emphasize the importance of lifelong learning, encouraging non-traditional students to continuously upskill and adapt to changing workforce demands. This mindset is critical in today's rapidly evolving job market.
- **Focus on Reducing Barriers:**
  MCC's dedication to overcoming barriers to education—such as time, cost, and accessibility—ensures that more adult learners can achieve their academic and career goals. The Northland Workforce Development Center is a testament to this commitment.
- **Impact on the Local Economy:**
  By equipping non-traditional learners with relevant skills and credentials, MCC contributes to the growth of the local workforce. This, in turn, strengthens the regional economy and benefits the broader community.

NWDC Key Data

- The KC Northland School Districts have a large portion of KC Residents PreK-12
    - Of the 50,579 students Pre-K through 12th grade that attend North Kansas City School District, Park Hill School District, Liberty School District, or Platte County School District, 35,758 (70.7%) reside in the city of Kansas City.
- The NWDC Campaign has raised approximately $6 Million locally to match the $37 Million state grant. Many of these recent investments come from KC Area Businesses, Individuals, and Foundations.
- The Northland Career Center currently has over 300 business partners who support the current center and will support the NWDC once it is built. Partnership includes hiring, investments and coaching.

- The KC Northland School Districts have a large portion of KC Residents PreK-12. Of the 50,579 students Pre-K through 12th grade that attend North Kansas City, Park Hill, Liberty, or Platte County, **35,758** (**70.7%**) reside in the city of Kansas City.

    - North Kansas City School District | PreK-12th Grade Enrollment: 21,972 | KC Residents: 19,508 | 88.79%
    - Park Hill School District | PreK-12th Grade Enrollment: 11,967 |
    - KC Residents 7,879 | 65.84%
    - Liberty School District | PreK-12th Grade Enrollment: 12,216 |
    - KC Residents: 6,531 | 53.47%
    - Platte County School District | PreK-12th Grade Enrollment: 4,424 |
    - KC Residents: 1,840 | 41.60%

Our state has set aside **$37 million** for local match. We do not want to have these dollars returned and spent in other parts of the state.

- The NWDC Campaign has raised approximately $6 Million locally to match the $37 Million state grant. Many of these recent investments come from KC Area Businesses, Individuals, and Foundations.

Directing the City Manager to develop finance plan options to support the development of Northland Career Center's workforce development facility and report back to Council within 45 days.

WHEREAS, the current Northland Career Center is limited in capacity and programs offered; and

WHEREAS, there is currently a capital campaign to build a new Northland Workforce Development Center to expand the programs offered and number of students and adults enrolled; and

WHEREAS, workforce development in trades and specialized programs are essential for social and economic mobility; and

WHEREAS, the State of Missouri has appropriated $37,000,000.00 to be used to match contributions to the project; and

WHEREAS, the City wishes to explore the use of certain sources of funds to be dedicated to providing local matching funds for this project;

WHEREAS, the City Council would like a look at variety of finance plan options for funding; NOW, THEREFORE,

Location of PILOTs and other Tax Generators:

-Data Parks

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is directed to develop a finance plan options to support the development of the Northland Career Center's workforce development facility in an amount not to exceed $30,000,000.00.The finance plans may rely on the PILOT payments paid to the City pursuant to the Lease Agreement with Velvet Tech Services, LLC dated December 1, 2021 and the First Amended and Restated Lease Agreement with Velvet Tech Services, LLC dated December 1, 2023, as provided in the Golden Plains Technology Park Industrial Development Plan approved by City Ordinance No. 210313. If that source of financing is insufficient, the finance plan shall include, but not be limited to, the following sources of funds:

a) Other PILOT payments paid to the City pursuant to Golden Plains Technology Park Industrial Development Plan approved by City Ordinance No. 210313;

b) PILOT payments paid to the City pursuant to the Shalerock Project bond financing approved by Port KC Resolution 2019-07-02;

c) PILOT payments paid to the City pursuant to the Rocky Branch Creek Technology Park bond financing approved by Port KC Resolution 2022-12-05; and

d) A proactive Tax Increment Financing Plan.

Section 2. That the City Manager is hereby directed to report back to Council within forty-five (45) days of the passage of this Ordinance with the finance plan.

NWDC Alumni and Partners (All Kansas City Residents)

- **Robert (Robbie) Padilla** | Oak Park High School - 2001 | Current Executive Chef for Trezo Mare
- **Leyton Rhodes** | Platte County High School - 2020 | Kansas City Police Department
- **Caden Wiser** | Winnetonka High School - 2021 | Member of KC Local 8, Lexington Plumbing and Heating
- **McKenzie Carr** | Platte County High School - 2022 | Snyder's Plumbing, Heating & Cooling
- **Max Alvarez** | Staley High School - 2024 | Park Hill School District Technology Department

Ordinance #250250

Funding local match to the
Northland Workforce Development Center - KC

Sponsors - Kevin O’Neill, Mayor Quinton Lucas, Nathan Willett, Lindsay French, & Crispin Rea

On February 13, 2025, the City Council adopted Committee Substitute for Ordinance No. 250132 directing the City Manager to develop a plan of finance to support the development of the new workforce development facility in an amount not to exceed $30,000,000.00. The total cost of the new workforce development facility is estimated to be approximately $74,000,000.00 and the State of Missouri has appropriated $37,000,000.00 towards the development of a Northland Workforce Development Center with the balance to come from $7 million in private donations and a City contribution. The City Council allocated $500,000.00 as a contribution to the Northland Workforce Development Center through its FY2024-25 Adopted Budget and said contribution was made on October 16, 2024, reducing the City's current contribution for the project to an amount not to exceed $29,500,000.00 with said contribution being counted toward the estimated $7 million in private donations. The City desires to support the project but will have no responsibility for maintenance or operation of the facility and will impose certain conditions to reflect the level of contribution being made by the City. The Finance Department has developed several options for a plan of finance to fund debt service on bonds issued to provide cash for the City's contribution and the City Council desires to approve the plan outlined in Attachment A to this ordinance.

Section 6. That the City Manager is hereby authorized to execute a contribution agreement with the Northland Workforce Development Center to provide a City contribution not to exceed $29.5 million towards the Northland Workforce Development Center, to include the following conditions:

a) **That the City shall have no financial, legal, or operational responsibility for the maintenance, upkeep, or repair of the Northland Workforce Development Center, either now or in the future.**

b) **That the City shall have the ability to use the Northland Workforce Development Center, at no charge, for activities including, but not limited to, community meetings, training facilities/courses for City Departments, and career fairs.**

c) **That the Northland Workforce Development Center's student population must be comprised of no less than two-thirds (2/3) from incorporated Kansas City, Missouri.**

d) **That the Northland Workforce Development Center will provide a discounted tuition rate for employees of the City of Kansas City, Missouri.**

NWDC Students (All Kansas City Residents)

- **Harmoni Leal** - Law Enforcement
- **Keaton Douglas** - Industrial Automation and Robotics (manufacturing)
- **Ethan Perry -** Construction Trades
- **Azrah Al-Amin -** Aviation Technology

Career Center ~ $74 Million

State Match up to
$37 Million (expires June 2025)

Local Dollars
$37 Million

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Tax Exempt Bond Proceeds	29,500,000	29,500,000	29,500,000	11,246,000	26,090,000
Expected Development					
Data Center PILOTs	$ 18,057,955	$ 18,057,955	$ 18,057,955	$ 18,057,955	$ 18,057,955
City Tax Redirection	$ 556,167	$ -	$ 556,167	$ 556,167	$ -
TIF Redirection	$ -	$ 2,674,800	$ -		$ 2,674,800
	$ 18,614,122	$ 20,732,755	$ 18,614,122	$ 18,614,122	$ 20,732,755
Potential Development					
Data Center PILOTs	$ -	$ 17,081,466	$ 17,081,466	$ -	$ 17,081,466
City Tax Redirection	$ -	$ -	$ 743,398	$ -	$ -
TIF Redirection	$ -	$ 5,698,200	$ -	$ -	$ 5,698,200
	$ -	$ 22,779,666	$ 17,824,864	$ -	$ 22,779,666
Total Sources of Funds	$ 18,614,122	$ 43,512,421	$ 36,438,986	$ 18,614,122	$ 43,512,421
Cumulative Debt Service	$ 49,594,613	$ 49,594,613	$ 49,594,613	$ 18,578,213	$ 44,850,163
Projected Cumulative Excess / (Shortfall)	$ (30,980,491)	$ (6,082,192)	$ (13,155,627)	$ 35,909	$ (1,337,742)
Projected Average Annual Excess / (Shortfall)	$ (1,549,025)	$ (304,110)	$ (657,781)	$ 1,795	$ (66,887)

Scenario #4

State Match up to
$37 Million (expires June 2025)

$18.75 Million Returned to the State

$36.5

Local Dollars
(expires June 2025)

$18.75 Million Gap

$11.25 Million

$7 Million

Scenario #6

State Match up to
$37 Million (expires June 2025)

Local Dollars
$37 Million

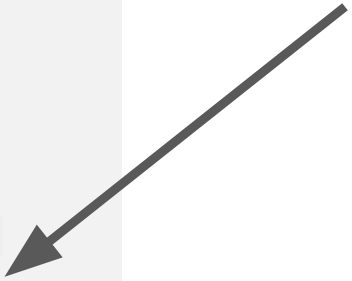
$5 Million
Other Sources & PIAC

$25 Million

$7 Million

	Scenario 1	Scenario 2	Scenario 3	Scenario 4	Scenario 5
Tax Exempt Bond Proceeds	29,500,000	29,500,000	29,500,000	11,246,000	26,090,000
Expected Development					
Data Center PILOTs	$ 18,057,955	$ 18,057,955	$ 18,057,955	$ 18,057,955	$ 18,057,955
City Tax Redirection	$ 556,167	$ -	$ 556,167	$ 556,167	$ -
TIF Redirection	$ -	$ 2,674,800	$ -		$ 2,674,800
	$ 18,614,122	$ 20,732,755	$ 18,614,122	$ 18,614,122	$ 20,732,755
Potential Development					
Data Center PILOTs	$ -	$ 17,081,466	$ 17,081,466	$ -	$ 17,081,466
City Tax Redirection	$ -	$ -	$ 743,398	$ -	$ -
TIF Redirection	$ -	$ 5,698,200	$ -	$ -	$ 5,698,200
	$ -	$ 22,779,666	$ 17,824,864	$ -	$ 22,779,666
Total Sources of Funds	$ 18,614,122	$ 43,512,421	$ 36,438,986	$ 18,614,122	$ 43,512,421
Cumulative Debt Service	$ 49,594,613	$ 49,594,613	$ 49,594,613	$ 18,578,213	$ 44,850,163
Projected Cumulative Excess / (Shortfall)	$ (30,980,491)	$ (6,082,192)	$ (13,155,627)	$ 35,909	$ (1,337,742)
Projected Average Annual Excess / (Shortfall)	$ (1,549,025)	$ (304,110)	$ (657,781)	$ 1,795	$ (66,887)

	Scenario 6
Tax Exempt Bond Proceeds	**~25,000,000**
Expected Development	
Data Center PILOTs	$ 18,057,955
City Tax Redirection	$ -
TIF Redirection	$ 2,674,800
	$ 20,732,755
Potential Development	
Data Center PILOTs	$ 17,081,466
City Tax Redirection	$ -
TIF Redirection	$ 5,698,200
	$ 22,779,666
Total Sources of Funds	$ 43,512,421
Cumulative Debt Service	$ **~43,512,421**
Projected Cumulative Excess / (Shortfall)	$ **0**
Projected Average Annual Excess / (Shortfall)	$ **0**



Takes the Projected Cumulative Shortfall to Zero.

Scenario #6

- Fully Unlocks State Match
- KC Users **>67%** (37) (.67) = ~$25 Million
- Provides a plan of Finance that lowers the risk to dip into the General Fund
  - 100% Debt Service Plan
  - All sources have came about within the last 5 years

Citywide Business Plan (CWBP) Impact

“Engage in workforce planning including employee recruitment, development, retention, and engagement.”

“Foster a solutions-oriented, welcoming culture for employees and City Partners.”