

COMPARED VERSION
COMMITTEE SUBSTITUTE (VERSION 1) TO ORIGINAL ORDINANCE

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 260485

Calling an election on August 4, 2026, for the purpose of renewing a one-eighth cent central city economic development sales tax for ten years; enacting the sales tax contingent upon voter approval; directing the City Clerk to provide notice of the election; directing the City Clerk to provide notice to the Director of Revenue if the sales tax question is passed by the voters; and recognizing an accelerated effective date.

WHEREAS, Section 67.1305 of the Revised Statutes of Missouri authorizes the City to impose a retail sales tax not to exceed one-half of one percent if the imposition of such a retail sales tax is submitted to, and then approved by, a majority of the votes cast; and

WHEREAS, Ordinance No. 160861, As Amended, submitted to the voters a one-eighth of one percent retail sales tax for funding economic development projects within the area bounded by 9th Street on the north, Gregory Boulevard on the south, Paseo Boulevard on the west and Indiana Avenue on the east, said tax to last for ten years; and

WHEREAS, on April 4, 2017, a majority of Kansas City, Missouri voters approved the “Central City Economic Development Sales Tax;” and

WHEREAS, the City Council desires to submit to the voters a renewal of the central city economic development sales tax for a new ten-year period; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. ELECTION CALLED. That an election is called on August 4, 2026, for the purpose of submitting to the voters of Kansas City the question of renewing an economic development sales tax devoted to projects located within the area bounded by 9th Street on the north; Gregory Boulevard on the south; The Paseo on the west; and Indiana Avenue on the east.

Section 2. BALLOT TITLE. The ballot title for the sales tax proposition shall be:

QUESTION ____
(Central City Economic Development Sales Tax)

SHALL THE FOLLOWING BE APPROVED?

Shall the City of Kansas City be authorized to renew a sales tax authorized by Section 67.1305 of the Revised Statutes of Missouri for a period of 10 years at a rate of 1/8% to be used for funding economic development projects within the area bounded by 9th Street on the north; Gregory Boulevard on the south; The Paseo on

the west; and Indiana Avenue on the east, which may include the retirement of debt under previously authorized bonded indebtedness or to repay bonds not yet issued?

This sales tax would continue the existing sales tax authorized by Section 67.1305 of the Revised Statutes of Missouri and scheduled to expire on September 30, 2027.

Section 3. ELECTION NOTICE. The Notice of Election shall read as follows:

NOTICE OF ELECTION
CITY OF KANSAS CITY, MISSOURI

Notice is given to the qualified voters of the City of Kansas City, Missouri, that the City Council of the City has called an election to be held in the City on August 4, 2026, commencing at 6:00 A.M. and closing at 7:00 P.M., on the questions contained in the following sample ballot:

OFFICIAL BALLOT CITY OF KANSAS CITY
PRIMARY ELECTION
AUGUST 4, 2026

QUESTION ____
(Central City Economic Development Sales Tax)

SHALL THE FOLLOWING BE APPROVED?

Shall the City of Kansas City be authorized to renew a sales tax authorized by Section 67.1305 of the Revised Statutes of Missouri for a period of 10 years at a rate of 1/8% to be used for funding economic development projects within the area bounded by 9th Street on the north; Gregory Boulevard on the south; The Paseo on the west; and Indiana Avenue on the east, which may include the retirement of debt under previously authorized bonded indebtedness or to repay bonds not yet issued?

This sales tax would continue the existing sales tax authorized by Section 67.1305 of the Revised Statutes of Missouri and scheduled to expire on September 30, 2027.

YES _____
NO _____

Instructions to voters will be supplied by the election authorities.

A complete copy of Ordinance No. 260485 submitting this question to the electorate is on file in the Office of the City Clerk of Kansas City, Missouri, and is open for inspection and copying.

The election will be held at the following polling places in the City of Kansas City, Missouri:
[insert list in last publication only]

I hereby certify that the foregoing is the legal notice to be published pursuant to Section 115.127, RSMo, as amended.

Given under my hand and the official seal of the Kansas City, Missouri, this ____ day of _____, 20__.

(SEAL)

MARILYN SANDERS
City Clerk of Kansas City, Missouri

Before me, a notary public, personally appeared Marilyn Sanders, to me known to be the City Clerk of the City of Kansas City, Missouri, and the person who acknowledged to me that she executed the same for the purposes therein stated.

Notary Public

My commission expires: _____

Section 4. NOTICE TO ELECTION AUTHORITIES BY CITY CLERK. That following passage of this ordinance the City Clerk shall deliver certified copies of this ordinance and notice of election to the Clerk of Cass County, Board of Election Commissioners of Clay County, Board of Election Commissioners of Kansas City, and Board of Election Commissioners of Platte County, not later than May 26, 2026, which shall be the authority of each election authority of the City to submit the amendment to the electors of Kansas City and to give public notice as provided by law.

Section 5. ENACTMENT OF SALES TAX. That contingent upon the approval of the voters, Article VII, entitled "Sales Taxes," of Chapter 68 of the Code of Ordinances, entitled "Taxation," is amended by enacting a new Section 68-449.1, to read as follows:

Sec. 68-449.1. - Imposition of tax (Central City Economic Development Sales Tax 2027).

(a) *Sales tax enacted.* Pursuant to the authority granted by and subject to the provisions of RSMo § 67.1305, a tax for the benefit of the city is hereby imposed upon all sellers for the privilege of engaging in the business of selling tangible personal property or rendering taxable services at retail to the extent and in the manner provided in RSMo §§ 144.010—144.525, and the rules and

regulations of the director of revenue issued pursuant thereto. The rate of the tax shall be 1/8 percent on the receipts from the sale at retail of all tangible personal property or taxable services at retail within the city, if such property and such services are subject to taxation by the state under the provisions of RSMo §§ 144.010—144.525. The tax shall become effective October 1, 2027, for a period of 10 years and shall apply to all sales made after September 30, 2027, and shall be collected as provided in RSMo § 67.1305.

(b) *Use of sales tax - geographic limitations.* The sales tax authorized pursuant to this section shall be used for projects located in the area bounded by 9th Street on the north; Gregory Boulevard on the south; The Paseo on the west; and Indiana Avenue on the east.

(c) *Economic development tax board.* A five-member economic development tax board shall be established with city representatives appointed by the mayor and approved by the city council pursuant to RSMo § 67.1305, prior to the expenditure of any revenue received pursuant to this sales tax for the purpose of:

- (1) Considering economic development plans, economic development projects, or designations of an economic development area;
- (2) Holding public hearings and providing notice of any such hearings;
- (3) Recommending to the city council actions concerning the adoption of or amendment to economic development plans, economic development projects, or designations of an economic development area;
- (4) Considering, as to each proposed project, the following criteria: (i) effect on the city's long-term strategic plans for the impacted community, (ii) economic impact, including impact on the tax base, (iii) compliance with the city's existing zoning and area plan, (iv) relevant demographic data, including, but not limited to, the current population and expected population growth or decline in the impacted community, (v) current neighborhood stabilization and potential disruption of the neighborhood and (vi) environmental impacts; and
- (5) Performing other duties established by the city council.

(d) *Exclusion of revenues.* When imposed within a special taxing district this economic development sales tax shall be excluded from the calculation of revenues available to such districts, and no revenues from this sales tax shall be used for the purposes of any such special taxing district unless recommended by the economic development tax board and approved by the governing body imposing the tax. A special taxing district includes but is not limited to a tax increment financing district, neighborhood improvement district, or community improvement district.

(e) *Debt retirement.* No revenues generated from the sales tax authorized pursuant to this section shall be expended for the retirement of debt under previously authorized bonded indebtedness or to repay bonds not yet issued unless such expenditures are expressly authorized by ordinance or resolution adopted by the city council. The appropriation of funds to the Central

City Economic Development Sales Tax Fund shall not be deemed sufficient for purposes of granting the authorization required herein.

(f) *Assistance of strategic long-term planner.* Without utilization of revenues from this sales tax, the economic development tax board may be provided with an experienced long-term strategic planner to assist it in carrying out its responsibilities. In addition to other assigned responsibilities, the strategic long-term planner will assist the economic development tax board with analyzing all of the criteria listed above in subsection 68-449.1(c)(4), as well as with the preparation of a chronological timeline of activities related to the assessment of proposed projects, an evaluation presented in an easily understood format compiling relevant data regarding each proposed project's impacts on population growth or decline, economic impact, economic impact on the tax base, a detailed listing of the individual and business organizations working on the proposed project and a detailed compilation of resources related to the proposed project and any cross benefits to be derived from the proposed project.

Section 6. REIMBURSEMENT FROM BONDS. The City may make expenditures on and after the date of adoption of this Ordinance in connection with the projects, and the City intends to reimburse itself for such expenditures with the proceeds of the Bonds.

Section 7. NOTICE TO DIRECTOR OF REVENUE BY CITY CLERK. If approved by the voters, the City Clerk shall, within 10 days after the approval, forward to the Missouri Director of Revenue by United States registered or certified mail, a certified copy of this ordinance together with certifications of the election returns accompanied by a map of the City clearly showing its boundaries.

Section 8. ACCELERATED EFFECTIVE DATE RECOGNIZED. This ordinance, providing for the submission of a question to the people of Kansas City, Missouri, is hereby recognized to be an ordinance with an accelerated effective date within the meaning of Section 503(a)(3)(A) of the City Charter because it calls an election and provides for the submission of a proposal to the people; and as such shall become effective immediately following approval by the Mayor, or five days after passage if no action is taken by the Mayor to approve or veto the ordinance.

Approved as to form:

Samuel Miller
Assistant City Attorney