



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250287

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

Approving a modification of the incentivized project construction timeline for the Promise Place Central City Economic Development affordable housing project located at 4423 Olive Street.

Discussion

On September 23, 2021, Council passed Ordinance No. 210695 that authorized the City Manager to negotiate and execute a \$2,666,667.00 development agreement for the purpose of constructing a 101-unit affordable housing development located at 4423 Olive Street; and

On May 26, 2022, Council passed Ordinance No. 220430 that authorized the Director of Housing and Community Development to negotiate and execute a CCED Funding Agreement with Promise Place, LLC in the amount of \$3,600,000.00 for the same development at 4423 Olive Street; and

On July 18, 2024, Council passed Ordinance No. 240504 that awarded the project \$250,000.00 in Community Development Block Grant (CDBG) dollars and \$250,000.00 in federal HOME dollars; and

The proposal provides for the creation of 101 units of affordable housing for families with incomes between 30% - 60% of AMI, consisting of one, two- and three-bedroom units, a community room, leasing office, and fitness center; and

On April 13, 2023, Council approved Ordinance No. 230316, enacting Code § 74-12, which provides default construction timelines for incentivized projects; and

Code § 74-12 provides that construction of the Project must be substantially complete by September 23, 2026; and

The construction delay for the Project is due to no fault of the developer, as the developer has to rebuild its capital stack and will resubmit for a 4% low-income housing tax credit; and

The Original Redeveloper has remained unable to complete construction for the Project; and

The Council believes that the public purpose supporting the Project remains unchanged and the incentives remain appropriate; and

Code § 74-12 provides that Council may modify the construction timelines for projects.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
Central City Economic Development fund 2200
3. How does the legislation affect the current fiscal year?
N/A
4. Does the legislation have a fiscal impact in future fiscal years? Please note the difference between one-time and recurring costs.
N/A
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
N/A

Office of Management and Budget Review

(OMB Staff will complete this section.)

1. This legislation is supported by the general fund. Yes No
2. This fund has a structural imbalance. Yes No
3. Account string has been verified/confirmed. Yes No

Additional Discussion (if needed)

There is no fiscal impact.

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 220430

Service Level Impacts

The construction delay for the Project is due to no fault of the developer, as the developer has to rebuild its capital stack and will resubmit for a 4% low-income housing tax credit; and

The Original Redeveloper has remained unable to complete construction for the Project; and

The Council believes that the public purpose supporting the Project remains unchanged and the incentives remain appropriate; and

Code § 74-12 provides that Council may modify the construction timelines for projects.

Other Impacts

1. What will be the potential health impacts to any affected groups?
NA
2. How have those groups been engaged and involved in the development of this ordinance?
NA
3. How does this legislation contribute to a sustainable Kansas City?
The proposal provides for the creation of 101 units of affordable housing for families with incomes between 30% - 60% of AMI, consisting of one, two- and three-bedroom units, a community room, leasing office, and fitness center
4. Does this legislation create or preserve new housing units?
Yes (Press tab after selecting)

Total Number of Units 101
Number of Affordable Units 101

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:
N/A

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)