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**File #: 260300**

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ORDINANCE NO. 260300

Accepting the assignment and assumption agreement from the Maintenance Reserve Corporation; appropriating \$404,221.07 from the Unappropriated Fund Balance of the Maintenance Reserve Corporation and estimating the same as revenue in the Housing Trust Fund; and closing on the books of the City Fund No. 6930, Maintenance Reserve Corporation Fund.

WHEREAS, the Kansas City, Missouri Rehabilitation Maintenance Corporation was established as a general not-for-profit corporation within the State of Missouri in 1975 with the civic purpose of contracting with owners of residential property in Kansas City, Missouri, to perform maintenance on such property after rehabilitation to preserve the benefit of such rehabilitation for the community as a whole; and

WHEREAS, the name of the corporation was changed to the Maintenance Reserve Corporation (MRC) in 1977; and

WHEREAS, throughout its existence, the MRC has accomplished many things in pursuit of its mission, including assisting many Kansas City homeowners with urban revitalization efforts by providing low-interest loans for residential home and neighborhood improvements; and

WHEREAS, in 1994, the MRC received an Exemplary State and Local Award from the National Center for Public Productivity for having produced exceptional cost savings, measurable increases in quality and productivity, and improvements in the quality and effectiveness of government services; and

WHEREAS, in 2016, the MRC provided funding support to the Local Initiatives Support Coalition (LISC) to help them establish the KC Predevelopment Fund (formerly called the Catalytic Urban Predevelopment Fund) which has provided millions of dollars in low-interest financing in support of early-stage development costs for affordable housing projects in the greater Kansas City region; and

WHEREAS, in 2021, the MRC provided \$300,000 in support to the Santa Fe Neighborhood Council's housing rehabilitation program for residential projects in the Santa Fe neighborhood for low-moderate income homeowners; and

WHEREAS, funding for the MRC was previously generated from federal grant award programs including the Department of Housing and Urban Development Community Development Block Grant and appropriations from the City's general fund, and those funding sources are now allocated to other programs and no longer available to support the MRC; and

WHEREAS, in light of the lack of sustainable funding for the MRC, the redundancy of its purpose with the Housing Trust Fund, and to reduce the administrative burden associated with continued operations of the organization, the MRC Board of Directors voted to adopt a plan of dissolution on March 11, 2026, assigning its remaining assets to the City with the recommendation that the funds be transferred to the Housing Trust Fund;

WHEREAS, pursuant to §355.676.1, RSMo., the MRC board provided written notice of dissolution to the Attorney General of the State of Missouri on March 18, 2026, and must wait 20 days before transferring or conveying any assets to the City as part of the dissolution; NOW, THEREFORE

**BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:**

Section 1. That the Council accepts the assignment and assumption agreement issued by the Maintenance Reserve Corporation Board of Directors and directs the City Manager to execute the Assignment and Assumption Agreement on behalf of the City.

Section 2. That the amount of \$404,221.07 of the unappropriated fund balance of the Maintenance Reserve Corporation Fund, Fund No. 6930, is appropriated as follows:

26-6930-129998-902490	Transfer to Housing Trust Fund	\$404,221.07
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Section 3. That revenue in the amount of \$404,221.07 is estimated in the Housing Trust Fund, Fund No. 2490, as follows:

26-2490-120000-506930	Transfer from Maintenance Reserve Corp.	\$404,221.07
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Section 4. That the Director of Finance is authorized to record the appropriations and revenue estimates in Sections 2 and 3 of this ordinance in the books and records of the City contingent on the Attorney General of the State of Missouri approving the dissolution plan or 20 days after March 18, 2026, whichever is earlier.

Section 5. That the Director of Finance shall close on the books of the City the following fund to the Housing Trust Fund, Fund No. 2490:

6930 Maintenance Reserve Corporation

I hereby certify that there is a balance, otherwise unencumbered, to the credit of the appropriation to which the foregoing expenditure is to be charged, and a cash balance, otherwise unencumbered, in the treasury, to the credit of the fund from which payment is to be made, each sufficient to meet the obligation hereby incurred.

William Choi  
William Choi  
Interim Director of Finance

Approved as to form:

Joseph A. Guarino  
Joseph A. Guarino  
Senior Associate City Attorney



Authenticated as Passed  
Ryan P. Lucas  
Quinton Lucas, Mayor

Marilyn Sanders, City Clerk  
APR 02 2026  
Date Passed