City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 250163
Submitted Department/Preparer: City Manager's Office
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

Authorizing the Director of Public Works to enter into a five-year lease agreement with Aladdin Propco LLC for 80 spaces at the Auditorium garage to enable the execution of a development and rehabilitation project at the historic Aladdin Hotel.

Discussion

The historic Aladdin Hotel is undergoing significant renovation and conversion to provide approximately one hundred and twenty units of multifamily housing. The property is currently vacant and in need of repairs and rehabilitation. The building was designated a part of the National Historic Registry in 1983 and a tunnel was constructed connecting the building and the Auditorium garage.

To secure funding and complete the rehabilitation and conversion to residential, the development team has identified a requirement for off-street parking. City staff has worked with the team to negotiate a market-rate lease of up to eighty spaces in the Auditorium garage for five-years with options to extend subject to future council approvals. The development team has also agreed to allocate one hundred and fifty thousand dollars towards the Housing Trust Fund and secure ten percent of the housing at sixty percent AMI.

The leasehold would activate upon completion of both the rehabilitation and conversion of the Aladdin and the construction at Barney Allis Plaza and the Auditorium garage. The City will administer access to the garage for residents as needed.

Fiscal Impact

1. Is this legislation included in the adopted budget? ☐ Yes ☒ No

2. What is the funding source?

NA

3. How does the legislation affect the current fiscal year?
   The legislation does not affect the current year.

4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
   There will be revenues anticipated in future fiscal years.

5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
   Yes, the legislation will generate revenue in the future upon completion of both projects.

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)
The legislation is for the purpose of levying taxes to support revenue generation in the General Fund, Health Fund, General Debt and Interest Fund, and Museum Fund.

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

NA

Service Level Impacts

This legislation generates revenue for the City and supports the development of workforce and affordable housing. It will require support in ensuring operations and lease management are maintained by Public Works.

Other Impacts

1. What will be the potential health impacts to any affected groups?
   No.

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?
   This legislation supports rehabilitation of historic property.

4. Does this legislation create or preserve new housing units?
   Yes (Press tab after selecting)

   Total Number of Units 120
   Number of Affordable Units 12

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)