

COMPARED VERSION
COMMITTEE SUBSTITUTE TO ORIGINAL ORDINANCE

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 211077

Directing the City Manager to continue to use certain incremental property and economic activity taxes to support affordable housing in the Midtown Redevelopment Tax Increment Financing Plan; and ~~Authorizing~~authorizing the City Manager to enter into a funding agreement with the Planned Industrial Expansion Authority of Kansas City, Missouri for funding of projects ~~in~~on the Armour-Gillham PIEA Planning Area.

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WHEREAS, the Midtown Redevelopment Tax Increment Financing Plan (the “Redevelopment Plan”) was approved December 15, 1992 by the Tax Increment Financing Commission of Kansas City; and

WHEREAS, the objectives of the Redevelopment Plan include (1) eliminating blight; (2) enhancing the tax base of the City; (3) increasing employment in the city; and (4) preserving and rehabilitating the existing residential development, and constructing new residential development in the vicinity of the Redevelopment Plan’s redevelopment area; and

WHEREAS, the Redevelopment Plan will expire April 12, 2023; and

WHEREAS, upon expiration of the Redevelopment Plan, the City and other taxing jurisdictions will begin to collect full property and sales taxes for the Midtown Tax Increment Financing District (the “District”); and

WHEREAS, the Redevelopment Plan has furthered the City’s goals of supporting commercial development, single-family development through the Rehabilitation Assistance of Midtown Properties (“RAMP”) Program, and multi-family development through the Business Interruption Fund; and

WHEREAS, certain economic activity taxes are statutorily committed and not subject to redirection for affordable housing uses (“Restricted Economic Activity Taxes.”); and

WHEREAS, certain property taxes are statutorily committed and not subject to redirection for affordable housing uses (“Restricted Property Taxes”); and

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WHEREAS, the City desires to use the City’s incremental property taxes ~~excluding the Restricted Property Taxes~~ and fifty percent of the City’s economic activity taxes excluding the Restricted Economic Activity taxes collected in the area currently within the District, (the “Redirected Funds”) to support affordable housing in the district; and

WHEREAS, the City Manager has estimated the amount of Redirected Funds to be collected by the City in Fiscal Year 2024 to be \$1,~~838,345~~008,400.00; and

WHEREAS, the City desires to support the furtherance of Midtown housing growth, consistent with the City policy goals of increased affordable housing and workforce housing, beyond the Redevelopment Plan's expiration date ~~by contributing the Redirected Funds to projects within the Armour Gillham PIEA Planning Area~~; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the City Manager is authorized to contribute 33.33% of the Redirected Funds collected per year, beginning ~~is in~~ Fiscal Year 2024, to the RAMP Program, to be administered by the Economic Development Corporation of Kansas City with assistance from City staff.

Section 2. That ~~the City Manager is directed to establish a program utilizing beginning in Fiscal Year 2024, 33.33 % of the Redirected Funds to support~~ shall be directed to the Housing Trust fund and used for the creation ~~or preservation~~ of new residential units in the vicinity of the Midtown Redevelopment Tax Increment Financing Plan-Affordable Housing.

~~Section 3. That the City Manager is directed to contribute 33.33% of the Redirected Funds as subsidies for Kansas City renters who live in what is now the Midtown Tax Increment Financing District.~~

~~Section 4. That as part of the program referenced in Section 2,~~

~~Section 3. That~~ the City Manager is hereby authorized to execute a funding agreement with the Planned Industrial Expansion Authority of Kansas City, Missouri ~~for a term of twenty years~~ to contribute a portion of the Redirected Funds in the amount ~~not to exceed \$526,051.82~~ per year for use in the ~~Armour Main Redevelopment Plan~~ located within the ~~Armour-Gilham PIEA Planning Area~~, beginning to no earlier than May 1, 2024.

~~Section 4.~~ That the City Manager is authorized to execute the funding agreement in substantially the form attached to this Ordinance with such changes and clarifications as are determined necessary by the City Manager.

~~Section 5.~~ That this ordinance shall be effective until April 30, 2049, unless extended by council.

Approved as to form and legality:

Emalea Black
Assistant City Attorney

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