



City of Kansas City, Missouri

Docket Memo

Ordinance/Resolution #: 240156

Submitted Department/Preparer: City Manager's Office

Revised 11/01/23

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

Estimating and appropriating bond proceeds to fund a contribution for a parking facility for the Midland Theater apartments. Reducing revenues and appropriations in the 3439 Fund. Establishing Fund 3451, the Taxable Series 2024C Project Fund. Estimating and appropriating revenues in the 3451 Fund.

Discussion

The City committed to supporting the Midland Office Building's conversion to apartments units by contributing \$38,889 per residential unit for the construction of a parking garage. Ordinance 180057 estimated and appropriated \$3,900,000 for the project, when the project included developing 100 units. The number of units has increased to 135, thereby increasing the amount of City support required under the Master Development Agreement.

Fiscal Impact

1. Is this legislation included in the adopted budget? Yes No
2. What is the funding source?
Bond financing 3451-078847-B
3. How does the legislation affect the current fiscal year?
There is no affect on the current fiscal year.
4. Does the legislation have a fiscal impact in future fiscal years? Please notate the difference between one-time and recurring costs.
The City will pay debt service on special obligation bonds issued to fund the parking grant. The debt service on the bonds will average \$484,200 for the next 20 years, based on a preliminary debt service model.
5. Does the legislation generate revenue, leverage outside funding, or deliver a return on investment?
The project will receive a 25-year abatement throught the Planned Industrial Expansion Authority (PIEA). During the abatement term the developer will pay annual PILOT payments for the benefit of all affected taxing jurisdictions. The

PILOTs range from \$118,353 in year one to \$200,715 in year twenty-five, averaging \$154,447. The City's share is estimated to be 19% of the total and ranges from \$22,487 in year one to \$38,136 in year twenty-five, averaging \$29,345.

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)

Click or tap here to enter text.

Citywide Business Plan (CWBP) Impact

1. View the [FY23 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 180057 approved the 13th amendment to the Master Development Agreement between the City and Kansas City Live, LLC and appropriated \$3,900,000 for the Midland parking grant. Ordinance 220232 approved an industrial development

plan, per Chapter 100 RSMo, to facilitate the conversion of the Midland office building into 133 residential units.

Service Level Impacts

N/A

Other Impacts

1. What will be the potential health impacts to any affected groups?
N/A
2. How have those groups been engaged and involved in the development of this ordinance?
N/A
3. How does this legislation contribute to a sustainable Kansas City?
The project facilitates the development of affordable housing units. The project fulfills City obligations under the Master Development Agreement, which governs large-scale public and private investments in the City's central business district. The redevelopment project is an adaptive reuse of a former office building to a residential building.
4. Does this legislation create or preserve new housing units?
Yes (Press tab after selecting)

Total Number of Units 135
Number of Affordable Units 45

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.

Yes - I have submitted documents for CREO Review (Press tab after selecting)
Please attach or copy and paste CREO's review.
Click or tap here to enter text.

6. Does this legislation seek to approve a contract resulting from an Invitation for Bid?

No(Press tab after selecting)

Click or tap here to enter text.

7. Does this legislation seek to approve a contract resulting from a Request for Proposal/Qualification (RFP/Q)?
No(Press tab after selecting)