File #: 250484

ORDINANCE NO. 250484

Accepting the recommendation of the Housing Trust Fund Advisory Board to rescind the funding award in the amount of $1,235,999.00 previously allocated to the DeLano Youth Housing and Supportive Services Redevelopment project, to be developed by Kansas City Public Schools, and located at 3708 Linwood Boulevard, due to the project's inability to proceed with contracting; and authorizing the Director of Housing and Community Development to return the funds to the unappropriated fund balance of the Housing Trust Fund.

WHEREAS, on December 20, 2018, by Committee Substitute for Ordinance No. 180719, the City Council established the Housing Trust Fund to implement neighborhood revitalization, housing development, and preservation projects proposed by the City and in coordination with private developers that are undertaking projects in alignment with the City's Housing policy; and

WHEREAS, on November 4, 2021, the City Council passed Ordinance No. 210873 establishing the Housing Trust Fund Advisory Board to review applications, with reporting requirements, and funding allocation direction and prioritization of fund use; and

WHEREAS, on November 30, 2023, by Ordinance No. 230962, the City Council accepted the recommendation of the Housing Trust Fund Advisory Board to allocate $1,235,999.00 to Kansas City Public Schools for redevelopment of the historic R.J. DeLano School at 3708 Linwood Boulevard to provide 18 transitional living units; and

WHEREAS, the Housing and Community Development Department maintains a 12-month contracting policy for awarded projects, which the DeLano project has exceeded without successfully securing all financing needed or entering into a funding agreement; and

WHEREAS, in January 2025, the awardee informed the Housing Trust Fund Advisory Board of concerns regarding the contract's repayment provision, conceding that the awardee was too early in the development process to assume risk of repaying the Housing Trust Fund award; and the Board granted an extension of the contracting deadline through February 2025; and two subsequent 30-day extensions were granted in March and April 2025, respectively, to allow the awardee additional time to explore a path forward to contracting; and

WHEREAS, due to the project's inability to proceed with contracting, the Housing Trust Fund Advisory Board voted unanimously on April 28, 2025, to rescind the award and recommended that the funds be returned to the Unappropriated Fund Balance of the Housing Trust Fund for reallocation through the Round 5 Request for Proposals, which is currently open

through June 20, 2025, with awards anticipated approximately 60 days thereafter; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the recommendation of the Housing Trust Fund Advisory Board to rescind the funding award in the amount of $1,235,999.00 previously allocated Kansas City Public Schools for the DeLano Youth Housing and Supportive Services Redevelopment project is hereby accepted.

Section 2. That the appropriations in the following account of the Housing Trust Fund, Fund No. 2490, is hereby reduced by the following amount:

26-2490-555996-619850-55DELANOHTF	Delano Youth Housing HTF	$1,235,999.00

Section 3. That the sum of $1,235,999.00 is hereby appropriated from the Unappropriated Fund Balance of the Housing Trust Fund, Fund No. 2490, to the following account:

26-2490-552045-619080	Housing Trust Fund - Bonds	$1,235,999.00

Section 3. That the returned funds shall remain in the Unappropriated Fund Balance of the Housing Trust Fund and shall be made available for future allocation to eligible affordable housing projects in accordance with the priorities and procedures established by the Housing Trust Fund Advisory Board and the City Council.

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.

Tammy L. Queen
Director of Finance

Approved as to form:

Joseph A. Guarino
Senior Assistant City Attorney

Authenticated as Passed

Mayor

City Clerk

JUN 26 2025

Date Passed