

GENERAL

Ordinance Fact Sheet

211015

Ordinance Number

Brief Title

Approval of Further Restated and Amended Cooperative Agreement between the City and Kansas City Missouri Homesteading Authority to increase cap of value of City owned real property to be transferred from City to KMCHA for public purposes.

Approval Deadline

November 11, 2021

Reason

City owned property, that might otherwise be surplus, has been identified to serve public purposes through the Kansas City Missouri Homesteading Authority. The aggregate value of that property exceeds \$400,000, which is the cap that would otherwise apply to Cooperative Agreements under Section 3-41 of the Municipal Code. City Council approval is needed to increase that monetary cap.

Details

<p>Reason for Legislation</p> <p>Section 3-41 of the Municipal Code imposes a contractual monetary cap of \$400,000 to contracts, including a Cooperative Agreement, unless City Council approval is obtained. The City and the Kansas City Missouri Homesteading Authority (KCMHA) entered into a Cooperative Agreement on June 14, 2021, and a Restated and Amended Cooperative Agreement on August 18, 2021, pursuant to which real property was to be conveyed to the KCMHA (collectively referred to as "Agreement") for public purposes, including affordable housing, and conservation areas. The Agreement allowed City owned properties to be transferred to the KCMHA provided that the aggregate value of the properties transferred did not exceed the \$400,000 contractual monetary restriction of Section 3-41. The valuation was based on the market values as determined by the Assessment Department of Jackson County. Additional properties have been identified to be transferred to the KCMHA that would cause the monetary cap to be exceeded. For that reason, City Council approval is being sought to increase that monetary cap through the authorization of the execution of a Further Restated and Amended Cooperative Agreement.</p>
<p>Discussion</p> <p><i>(Including relationship to other Council actions)</i></p> <p>The City Council directed the City Auditor to evaluate whether City owned property could be leased or sold. See Committee Substitute for Resolution No. 200679, adopted on August 20, 2020. Recommendation No. 6 of that Audit suggested that the General Services Department confirm and track why the City owns various parcels, and which department is responsible for that parcel. As a part of the implementation of that recommendation the Housing Department through the affiliated Kansas City Missouri Homesteading Authority has identified parcels that can continue to serve public purposes, and may continue to do so. The City and the KCMHA entered into a Cooperative Agreement dated June 14, 2021 designating parcels to be transferred to the KCMHA that had an aggregate value as determined by the Assessment Department of Jackson County of \$280,000. Subsequently additional properties were identified, and a Restated and Amended Cooperative Agreement was executed on August 18, 2021, that increased the aggregate market value to \$316,500 of properties identified.</p>

Positions / Responsibilities

Sponsor	General Services Department and Housing and Community Development Department
Programs, Departments, or Groups Affected	Kansas City Missouri Homesteading Authority, General Services and Housing and Community Development Departments. Community Builders of Kansas City.
Applicants / Proponents	<i>Applicant</i> Ashley Wise, City Real Property Manager, and Diane Binckley, President, and Jennifer Tidwell, Vice-President of KCMHA <i>City Department</i> General Services Department and Housing and Community Development Department <i>Other</i>
Opponents	<i>Groups or Individuals</i> None known <i>Basis of opposition</i>
Staff Recommendation	<input checked="" type="checkbox"/> <i>For</i> <input type="checkbox"/> <i>Against</i> <i>Reason Against</i>
Board or	<i>By</i>

Community Builders of Kansas City is seeking the former Chick School site that is owned by the City and it is the preference of the Housing Department to have the Chick School site transferred to the KCMHA so that entity can enter into a development agreement to use that site for public purposes. The market value of that site would cause the \$400,000 monetary cap under Section 3-41 of the Municipal Code to be exceeded.

Additional City owned properties are anticipated to be identified as appropriate to be used for public purposes through the oversight of the KCMHA. A future monetary cap is being sought of \$1,000,000.00.

Commission Recommendation	<input type="checkbox"/> For <input type="checkbox"/> Against <input type="checkbox"/> No action taken <input type="checkbox"/> For, with revisions or conditions <i>(see details column for conditions)</i>
Council Committee Actions	<input type="checkbox"/> Do Pass <input type="checkbox"/> Do Pass (as amended) <input type="checkbox"/> Committee Sub. <input type="checkbox"/> Without Recommendation <input type="checkbox"/> Hold <input type="checkbox"/> Do Not Pass

Details

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Policy / Program Impact

Policy or Program Change	<input type="checkbox"/> <i>No</i> <input type="checkbox"/> <i>Yes</i>
Operational Impact Assessment	

Finances

Cost & Revenue	<i>Cost of Legislation \$</i> _____
	<i>Increase/Decrease in Revenue Expected Annually</i>
	Projected:
Fund Sources	

(Use this space for further discussion, if necessary)

Applicable Dates

Fact Sheet Prepared by:

Reviewed by: