



Legislation Text

File #: 240044, Version: 1

ORDINANCE NO. 240044

Sponsor: Councilmember Crispin Rea

Appropriating the sum of \$750,000 to support phases 3 and 4 of the Midtown Plaza multifamily development project; authorizing the City Manager to execute a funding agreement with the Planned Industrial Expansion Authority.

WHEREAS, the City Council of Kansas City, Missouri adopted Ordinance No. 150465 on July 9, 2015 finding a blighted, unsanitary or undeveloped industrial area exists in an area generally bounded by West 34th Street on the north, West 36th Street on the south, Wyandotte Street on the east and Pennsylvania Avenue on the West ("Plan Area") as prepared by the Planned Industrial Expansion Authority of Kansas City, Missouri (the "Authority"); and approving the Second Amended and Restated General Development Plan for the Plan Area; and

WHEREAS, MGE Capital, LLC (the "Developer") submitted a proposal to redevelop the property located at 3420 Broadway, and generally bounded by West 34th Street on the north, Broadway Boulevard on the east, West 34th Terrace on the south, and Pennsylvania Avenue on the east (the "Property"), which Property is located within the Plan Area; and

WHEREAS, on May 19, 2016, the PIEA's board by Resolution No. 1815, approved the proposal and notified the Council of its intent to execute an industrial development contract for development at the Property; and

WHEREAS, the project calls for the conversion of the seven-story MGE Building located on the Property into approximately 106 apartments featuring such amenities as a fitness center, cinema, game and yoga rooms, and outdoor pool, with approximately 4,279 square feet of ground floor commercial space and surface parking ("Phase I"), and for the new construction of an approximately 21,435 rentable sq. ft. retail/office building ("Phase II"), another approximately 114 unit apartment building with 142 surface parking spaces ("Phase III"), and approximately 20 rental townhomes ("Phase IV")(Phase I, Phase II, Phase III, and Phase IV are individually referred to as a "Project Phase" and collectively referred to as the "MGE Project"); and

WHEREAS, the Developer has completed Project Phases I and II of the MGE Project and now wishes to proceed with the completion of Project Phases III and IV which will provide for the construction of approximately new 202 multifamily units, and

WHEREAS, the City of Kansas City, Missouri (the "City") and the Authority wish to enter into a Funding Agreement whereby the City will provide funding in an amount not to exceed \$750,000 to support the Authority's efforts to remediate blight in connection with the MGE Project; and

WHEREAS, in accordance with the Funding Agreement, the Authority intends to enter into a Redevelopment Agreement with the Developer, whereby the funds received under the Funding Agreement shall be used exclusively for blight remediation in connection with the MGE Project; NOW THEREFORE

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the revenue in the following account of the General Fund, No. 1000, is hereby estimated in the following amount:

24-1000-120000-480560	Contr-TIF District	\$750,000.00
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Section 2. That the sum of \$750,000 is hereby appropriated from the Unappropriated Fund Balance of the General Fund to the following account in the General Fund:

24-1000-642102-610700	Midtown Housing Contributions	\$750,000.00
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Section 3. That the City Manager is hereby authorized to negotiate and execute a funding agreement with the PIEA in an amount not to exceed \$750,000 for the remediation of blight in connection with the MGE project.

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:

Emalea Kaye Black
Associate City Attorney