



Legislation Text

File #: 240648, Version: 1

ORDINANCE NO. 240648

Sponsor: Councilmember Eric Bunch

Estimating revenue in the amount of \$3,591,162.50 in contributions from PortKC in the General Fund and appropriating a like transfer to the Capital Improvements Fund; estimating revenue in the Capital Improvements Fund and appropriating same to the Grand Avenue Bike/Pedestrian Bridge Project (the “Project”); estimating bond proceeds in the amount of \$7,300,000.00 and appropriating same to the Project; approving a plan of finance for the Project; designating requisitioning authority; declaring the City’s intent to reimburse itself for certain expenditures; authorizing the Director of Finance to close project accounts upon completion; and declaring this ordinance as having an accelerated effective date.

WHEREAS, the Grand Avenue Bike/Pedestrian Bridge Project (the “Project”) consists of the construction of a bicycle and pedestrian bridge designed to complement the construction of the Riverfront Streetcar Extension by allowing for safe bicycle and pedestrian access to Berkley Riverfront Park at a total cost of \$12.2 million; and

WHEREAS, the City approved Resolution No. 240336 which expressed support for grant funding for the Project which grant funding was ultimately not awarded; and

WHEREAS, the City Council appropriated \$750,000.00 in FY21 and \$1,750,000.00 in FY22 for the Project from the GOKC bond program, of which \$1,361,275.79 remains unexpended and is available for the remaining costs of the Project; and

WHEREAS, the City desires to advance funds for the Project to align with the completion of the Riverfront Streetcar Extension project; and

WHEREAS, on May 14, 1993, the City and Port Authority of Kansas City (“Port KC”) entered into the Kansas City Riverfront Lease Agreement, under which the City leased certain real property generally located between the Missouri River on the north, Front Street on the south, Broadway on the west and the property east of the I/29-35 on the east, (the “Leased Property”) to PortKC for development purposes, and which has been amended and restated on August 21, 2006, and further amended on September 21, 2011 (collectively, the “Riverfront Lease”); and

WHEREAS, under the terms of the Riverfront Lease the City is to receive 50% of the lease revenues as rent (the “City Share”), which the City will use for capital public improvements or development or redevelopment projects within the area of Kansas City lying north of Independence Avenue and south of the Missouri River, between Broadway on the west and I/29-35 on the east (the “Leased Property Revenues Projects”); and

WHEREAS, under the terms of the Riverfront Lease projects located within the River Market and

Columbus Park areas as specifically deemed eligible for funding from the City Share; and

WHEREAS, under the terms of the Riverfront Lease the City is required to annually submit the City Manager’s Certificate identifying the Leased Property Revenues Projects to be funded with the City Share; and

WHEREAS, the City Manager’s Certificate for FY2025, notifying PortKC of the City’s intent to use the City Share for the Grand Ave. Pedestrian Viaduct project, was submitted February 15, 2024; and

WHEREAS, the City has requested or will request from PortKC the FY2023 and FY2024 City portion of casino lease revenues in the total amount of \$3,591,162.50 and desires to allocate those funds to the Project; and

WHEREAS, the City Council desires to estimate and appropriate up to \$7.3 million in special obligation bond proceeds in advance of a Spring 2025 bond issuance to provide the balance of the funds needed to fund the Project; and

WHEREAS, City staff will work to reduce the amount of planned borrowing for the Project by exploring other sources to include Federal sources; and

WHEREAS, a potential source of funding exists through a partnership between the Kansas City Streetcar Authority (the “Streetcar Authority”), the Kansas City Area Transportation Authority (“KCATA”), and the City wherein KCATA would award 5337 State of Good Repair Federal Formula Funds to the streetcar system, consistent with program eligibility requirements. This source of funding would offset the cost of capital expenditures normally funded annually through the City’s \$2.039 million annual contribution to the Streetcar Fund, among other sources; and

WHEREAS, subject to the award of Federal funds and subject to the agreement of the Streetcar Authority, the City, and the Main Street Rail Transportation Development District (the “TDD”), the City Council will instead direct an amount up to \$2.039 million annually for three years toward payment of debt service on the bonds to be issued for the Project for the fiscal years 2025-26, 2026-27, and 2027-28; and

WHEREAS, the balance of the debt service is expected to be paid from net casino lease revenues received by the City through its agreement with PortKC or from any legally available revenue source of the City; NOW THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That revenue in the amount of \$3,591,162.50 is hereby estimated to the following account in the General Fund:

25-1000-640000-482090	Contr from KC Port Auth	\$3,591,162.50
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Section 2. That the sum of \$3,591,162.50 is hereby appropriated from the Unappropriated Fund Balance of the General Fund to the following account:

25-1000-129998-X	Transfer to Capital Improvements Fund	\$3,591,162.50
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Section 3. That revenue in the amount of \$3,591,162.50 is hereby estimated to the following account in

the Capital Improvements Fund:

25-3090-120000-501000	Transfer from General Fund	\$3,591,162.50
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Section 4. That the sum of \$3,591,162.50 is hereby appropriated from the Unappropriated Fund Balance of the Capital Improvements Fund to the following account:

25-3090-897086-B-89005595	Grand Av Bridge 3rd St-Riverfront	\$3,591,162.50
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Section 5. That Fund No. 3454 is hereby established as the Special Obligation Series 2025B Project Fund in the records of the City of Kansas City, Missouri.

Section 6. That revenue in the amount of \$7,300,000.00 is hereby estimated to the following account in Fund No. 3454, the Special Obligation Series 2025B Project Fund.

AL-3454-120000-590000	Bond Proceeds	\$7,300,000.00
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Section 7. That the sum of \$7,300,000.00 is hereby appropriated from the Unappropriated Fund Balance of the Special Obligation Series 2025B Project Fund to the following account:

AL-3454-897086-B-89005595	Grand Av Bridge 3rd St-Riverfront	\$7,300,000.00
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Section 8. That the plan of finance for the Project is hereby approved and the City Manager is authorized to execute a letter agreement with the TDD and the Streetcar Authority for the purpose of offsetting up to the City's annual contribution to the Streetcar Fund with a contribution towards debt service for the Project in each of Fiscal Years 2025-26, 2026-27, and 2027-28 and will use the offset to make debt service payments on the bonds.

Section 9. That the Director of Public Works is designated as requisitioning authority for Account Nos. 25-3090-897086-B-89005595 and AL-3454-897086-B-89005595.

Section 10. That the City Council hereby declares its official intent to reimburse itself for certain expenditures made within sixty (60) days prior to or on and after the date of this Ordinance with respect to appropriations in Section 5 (the "Appropriation") with the proceeds of bonds expected to be issued by the City. The maximum principal amount of bonds expected to be issued for the Appropriation is not to exceed \$7,300,000.00. This constitutes a declaration of official intent under Treasury Regulation 1.150-2.

Section 11. That the Director of Finance is hereby authorized to close project accounts, encumbrances and retainage related to the accounts in Section 5 and return the unspent portion to the fund balance from which it came upon the earliest of: (i) Project's completion; (ii) final maturity of financing, or (iii) five years after issuance.

Section 12. That this Ordinance is recognized as an ordinance with an accelerated effective date as provided by Section 503(a)(3)(C) of the City Charter in that it appropriates money and shall take effect in accordance with that section.

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 Queen
Director of Finance

Approved as to form:

Samuel Miller
Assistant City Attorney