

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 180469

Establishing a supplemental funding source for the Kansas City Water Services Customer Assistance Program.

WHEREAS, the financial demands on the Water Services Department's customers have continued to increase in recent years largely as a result of certain overflow control obligations of the City under the Consent Decree entered by the United States District Court for the Western District of Missouri on September 27, 2010 in the matter styled *United States of America v. The City of Kansas City, Missouri, et al.* (Civil Action No. 4:10-cv-0497-GAF), as amended from time-to-time; and

WHEREAS, the Mayor established a Kansas City Water Cost of Service Task Force in April 2016 to make recommendations on how to best address rising costs to the customers; and

WHEREAS, the City Council subsequently adopted Committee Substitute for Resolution No. 170543, directing the City Manager to consider implementation of the Task Force's recommendations, in whole or in part; and

WHEREAS, one of the Task Force's recommendation was that the Water Services Department utilize non-rate revenue to provide low-income customer assistance; and

WHEREAS, the Water Services Department funds a customer assistance program through the Mid America Assistance Coalition for some customers having difficulty paying their water bills (the "Kansas City Water Services Customer Assistance Program"); and

WHEREAS, the program has historically been funded with non-rate revenue and has increased in recent years, however there are still customer needs that are unmet; and

WHEREAS, the City periodically receives distributions of surplus economic activity taxes ("Surplus EATS") and a pro rata share of surplus payments in lieu of taxes ("Surplus PILOTS") when tax increment financing plans expire or are otherwise terminated; and

WHEREAS, the City Council previously established the Shared Success Fund and provided that it be funded from Surplus PILOTS; and

WHEREAS, the Surplus EATs have not been dedicated to the Shared Success Fund and should be utilized to assist those whose water services are in danger of being shut off, or have been shut off and need to be restored; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

ORDINANCE NO. 180469

Section 1. That any Surplus EATS distributed to the City from and after the effective date of this ordinance, shall be utilized for the purposes of providing supplemental funding for the Kansas City Water Services Customer Assistance Program.

Section 2. That the Water Services Department is authorized to utilize the supplemental revenues provided herein to be earmarked specifically to assist those customers in danger of having their water services shut-off, or if water services have already been shut-off to assist in having them restored.

Section 3. That the direction of any one-time revenues to the Kansas City Water Services Customer Assistance Program shall be deemed an appropriate use for non-recurring expenditures pursuant to Section 2-1970(g), Code of Ordinances.

Approved as to form and legality:

Brian T. Rabineau
Assistant City Attorney