Unified Government of Wyandotte County and Kansas City, Kansas

Economic Development & Finance Meeting
5th Floor Conference Room
701 N. 7th Street Trafficway, Kansas City, KS 66101

Commissioner Tom Burroughs, Chair
Commissioner Gayle Towsend – Commissioner Chuck Stites – Commissioner Bill Burns – Commissioner Phil Lopez – Stevie Wakes, BPU Board Member

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AGENDA
Monday, December 9, 2024
5:00 PM

I. Call to Order/Roll Call

II. Revisions to Agenda

III. Approval of Minutes from October 9 and December 4, 2023

IV. Committee Agenda

IV.1. **RESOLUTION: AUTHORIZING THE BILL OF SALE, GENERAL ASSIGNMENT AND INDEMNITY REGARDING SIGNAGE AT VILLAGE WEST**
Synopsis: Adoption of a resolution authorizing the execution of a Bill of Sale, General Assignment and Indemnity for certain signage at Village West in Kansas City, Kansas.
Tracking #: 21563

IV.2. **RESOLUTION: AUTHORIZING EXECUTION OF PROPERTY EXCHANGE AGREEMENT WITH BUC-EE'S**
Synopsis: Adopting a resolution authorizing a Property Exchange Agreement between the Unified Government of Wyandotte County/Kansas City, Kansas and Buc-ee's, and involving a land swap related to the right of way for Village West Parkway.
Tracking #: 21587

IV.3. **PRESENTATION: 2024 THIRD QUARTER INVESTMENT REPORT**
Synopsis: A summary of the investment report going over the investment portfolio for Quarter 3, 2024, from July 1, 2024, through September 30, 2024.

For information only
Tracking #: 21532

IV.4. **RESOLUTION: THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (KANSAS ENTERTAINMENT LLC)**
Synopsis: A resolution approving the Third Amendment to the Development Agreement between the UG and Kansas Entertainment, LLC.
Documents can be accessed at the link below.
https://xfer.wycokck.org/public/file/fVbQ_a_T90SW0Imh-J9w9A/UG%20Summary%20of%20Impact%20of%20Hotel.pdf
Tracking #: 21372

IV.5. **RESOLUTION: APPROVING THE WAIVING OF CERTAIN APPLICATION AND PERMIT FEES FOR RESIDENTIAL DEVELOPMENT EAST OF 55TH STREET IN KANSAS CITY, KANSAS**
Synopsis: Requiring the County Administrator to waive certain enumerated application and permit fees for residential development east of 55th Street in Kansas City, Kansas, and repealing a previous resolution regarding the waiver of fees east of 78th Street.
Tracking #: 21308

IV.6. **RESOLUTION: AUTHORIZE THE COUNTY ADMINISTRATOR TO CALCULATE CERTAIN NEW GROWTH REVENUES AND TO RECOMMEND MILL LEVY REDUCTIONS**
Synopsis: A resolution authorizing the County Administrator, for a period of ten years, to calculate 25% of new growth revenues and to recommend to the UG Board of Commissioners corresponding reductions in mill levy.
Tracking #: 21406

V. Public Agenda

VI. Adjourn

The Unified Government of Wyandotte County and Kansas City, Kansas will provide necessary, reasonable auxiliary aids and services, such as ASL translators, machine-readable copies of meeting materials, or on-site language interpretation. Individuals requiring any auxiliary aids or services should contact the Unified Government Office of the Clerk by emailing or calling UGclerkrequest@wycokck.org or 913-573-5260 at least 48 hours in advance of the meeting.

Persons may address the Commission during the time set aside for Public Comment or at any time by suspension of the rules. All persons must address the commission and state their name and address for the record. Comments shall be limited to three (3) minutes for each participant.

Some commissioners, staff, and the public may attend remotely via Zoom or by phone. All participants joining by phone should mute their phones when not speaking to avoid background noise. During the meeting, all speakers are asked to please announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is current guidance from the Kansas Attorney General.

We invite you to view the meeting in person in the 5th Floor Conference Room, Suite 515, Municipal Office Building, 701 N. 7th Street, Kansas City, Kansas, or virtually via a Zoom webinar.

Please click this URL to join. https://us02web.zoom.us/s/82443762486
Webinar ID: 824 4376 2486

Or One tap mobile:
+12532050468,82443762486# US
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Or join by phone:
Dial (for higher quality, dial a number based on your current location):
US: +1 253 205 0468 or +1 253 215 8782 or +1 346 248 7799 or +1 669 444 9171 or +1 669 900 9128 or +1 719 359 4580 or +1 312 626 6799 or +1 360 209 5623 or +1 386 347 5053 or +1 507 473 4847 or +1 564 217 2000 or +1 646 558 8656 or +1 646 931 3860 or +1 689 278 1000 or +1 301 715 8592 or +1 305 224 1968 or +1 309 205 3325 or 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)
International numbers available: https://us02web.zoom.us/u/kdXjOJDlv0

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, October 9, 2023

The meeting of the Economic Development and Finance Standing Committee was held on Monday, October 9, 2023, at 5:00 p.m. The following members were present: Commissioner Burroughs, Chairman; Commissioners Davis, Townsend, Stites, McKiernan. BPU Board Member Haley was absent. The following officials were also in attendance: Wendy Green, Deputy Chief Counsel; Gunnar H. Hand, AICP, Director of Planning and Urban Design; Debbie Jonscher, Interim Chief Financial Officer; Brandon Grover, Public Works; Trent Foglesong, Public Works; LaVert Murray, Economic Development Advisor to the Mayor; and Monica Sparks, Deputy UG Clerk.

Chairman Burroughs said before I call the meeting to order, I want to announce that some committee members, staff, and the public are attending remotely via Zoom as well as on-site. All participants joining by phone should mute their phones when not speaking to avoid background noise. When speaking, please speak directly into the microphone to ensure everyone listening is able to hear your comments and to ensure a clear record is made. During the meeting, please make sure that you announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is the current guidance from the Kansas Attorney General.

The public is allowed to participate by Zoom or submit comments by email prior to the meeting. Those comments will be included in the record of this meeting. The public may also indicate their intent to provide remote public comments by contacting the Clerk's Office by 5:00 p.m. the Thursday before the meeting. The public also will have an opportunity to provide brief comments either by telephone or via Zoom from the 5th Floor Conference Room of the Municipal Office building.

Chairman Burroughs called the meeting to order. I'll ask the Clerk to please call roll. Roll call was taken and all members were present as shown above. I do know that Senator Haley usually notifies us that he is on his way. I anticipate him joining us shortly. That being said, I'll recognize the Clerk if there are any revisions to tonight's agenda. **Monica Sparks, Deputy Unified Government Clerk**, said there were none.

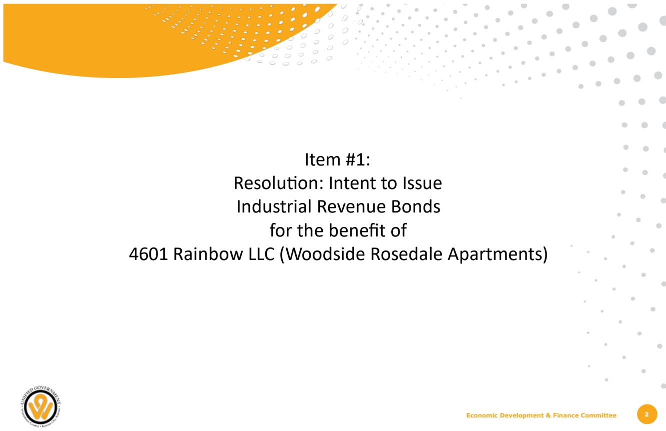
Approval of standing committee minutes from December 5, 2022. **On motion of Commissioner Townsend, seconded by Commissioner Davis, the minutes were approved**. Roll call was taken and there were five "Ayes," Davis, Townsend, Stites, McKiernan, Burroughs.

COMMITTEE AGENDA

Item No. 1 –212767...Item No. 1 – RESOLUTION: WOODSIDE IRB'S

Synopsis: Adopting a resolution determining the intent to issue Industrial Revenue Bonds in the of not to exceed $52,927,000 to finance the costs and equipping a Commercial Multifamily facility for the benefit of 4601 Rainbow, LLC., submitted by Jeff Conway, Assistant Counsel, Legal Department.

Wendy Green, Deputy Chief Counsel, said this is indeed a resolution to determine the intent of the Unified Government to issue the Industrial Revenue Bonds and this is for the project for the multi-family facility that's going to be at the corner of 46th & Rainbow Blvd. for the apartment complexes. We do have Kevin Wempe, our Bond Counsel, here. I'm going to go ahead and hand it over to him to get us started.

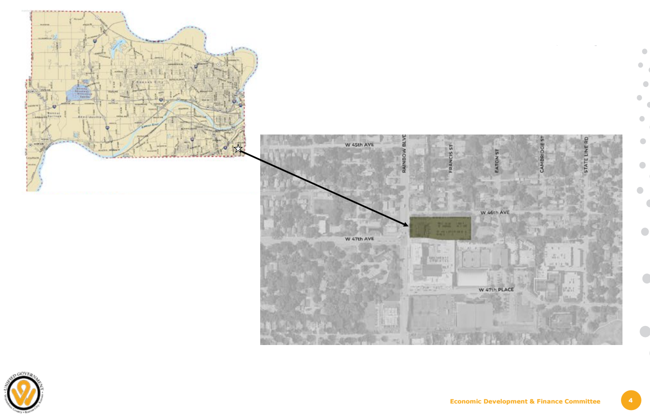


Kevin Wempe, Gilmore & Bell representing the UG as Bond Counsel, said this is a site familiar to this group, but to frame the discussion we're talking about 46th Avenue in Rainbow in the proposed multi-family facility. As you've seen, with other similar applications here the developer in this case has submitted an application requesting the issuance of Industrial Revenue Bonds. So, to take, you know, a one-minute refresher for this group, I'll sort of introduce what we're doing here tonight, a little bit about the project. Then representatives of the developer here from Polsinelli, Bob Johnson's here to walk through portions of the project.

Again, the refresher for this group is that what's proposed here is the issuance of Industrial Revenue Bonds or IRBs. They'll be purchased by the developer and so what this means is that this isn't construction financing. These bonds are not being issued to provide the upfront construction financing and instead are being used as a vehicle for granting incentives. As you all know, with IRBs the incentives here are sales tax exemption on construction materials and furniture fixtures and equipment, as well as a property tax abatement for a maximum term of up to 10 years.

Here's a summary slide about the economics of the deal and to again reframe the discussion what's anticipated at the site is an approximately $70M investment for 149 apartment units wrapped around a structured parking garage.

The middle tier of bullets there discuss the current base taxes as the lands currently used as a parking facility or parking lot and brings in $21,000 in change of current base sales tax, I'm sorry, property taxes. The abatement request before you that's encompassed in the resolution of intent, and also the payment in lieu of tax agreement that's authorized under that puts forth an approximately 50% 10-year property tax abatement, which is modeled off of similar requests for market rate apartments in the Unified Government. There's also an estimated annual taxes paid after the 10-year payment in lieu of tax period expires of a little over $367,000. Again, the principal amount of IRBs tonight is just under $53M.

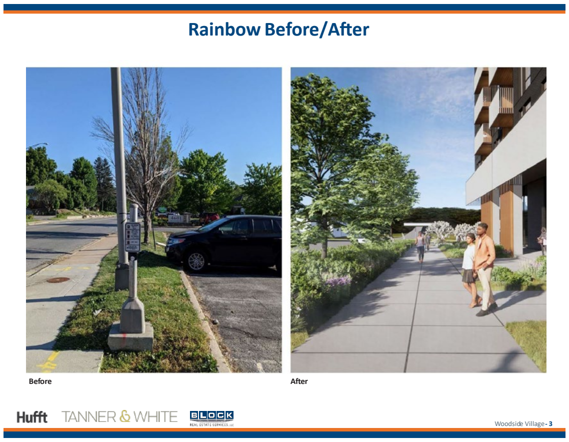


This slide shows again the subject property. With that quick overview, I'll seed the floor here to Bob to talk more about the project.

Bob Johnson, Polsinelli Law Firm, said Aaron Mesmer, a member of the development team, and representative of Block Real Estate Services, is here. Blair Tanner, Tanner & White, the other member of the joint venture development team may be appearing online. He had a previously scheduled flight at this time and so he may be on the ground and may be able to chime in as needed, but I should be able to get through the presentation myself, but if you'd like to hear from either of them, we're happy to bring them up. Appreciate being back in front of you and appreciate all of your support during the land use process. As you recall, we had a unanimous approval there. We're certainly not here to rehash or go through any of the land use issues again. Those were gone through very thoroughly as you recall, a long and very thoughtful process that we believe produced a very high quality and responsive project with the level of community engagement that we had throughout that long period of working with the community and the UG to arrive at the project that is approved to be built today.

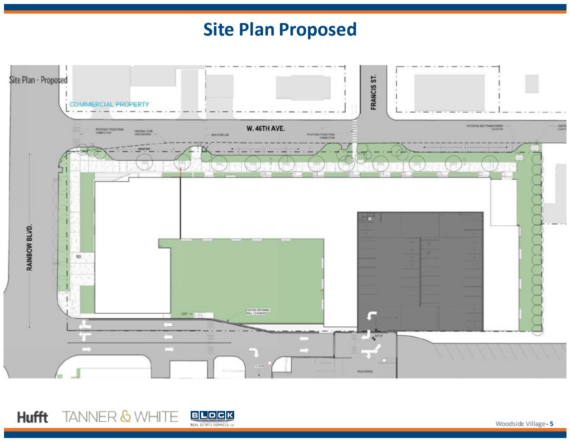
As discussed by Kevin here the project is let's see—as you recall at the northeast corner of 47th & Rainbow development of a long-underutilized site that today produces very minimal property taxes for the city and county and other taxing jurisdictions. Of course, we've discussed all these things before, but a reminder it's the gateway to the UG from the south. The goal of both us and of course the UG was to arrive at a project that will be a flagship, something that the UG will be very proud of we hope as the gateway to the city and something as you come in from Westwood or from any of the directions there as you reach that nexus of 47th & Rainbow that this is really truly something that stands apart and stands as a beacon of progress here and opportunity for different housing types and new development in the Rosedale neighborhood.

The design intent was to produce very high-quality development that dramatically increases pedestrian-friendly features in the environment. It enhances safety and frankly turns a dilapidated site into something that is of the highest quality and aesthetics. The developer believes it achieved all these through, what again, we believe is unprecedented community involvement and engagement.



The design process led to multiple iterations of the project as you can recall and led to some truly, we believe, wonderful transformational features that will benefit the community at large and the site itself. This is a good example. You may recall that the condition along Rainbow is quite dangerous with this sidewalk directly abutting the street, essentially slopes right into the street. We will take that sidewalk farther to the east and create a huge buffer there with very significant enhanced and costly landscaping.

Same on 46th. We'll create a walkable pedestrian environment. In the upper left is the current condition where you can see the parking that's on the street today constricting that drive there on 46th Avenue. We'll take that parking off the street, some of which will be within our own garage for guests of the facility and also there will be parallel spots on our property that will be no longer in the public right of way. Again, enhancing the safety of that area. I'm sure you remember all of these things so forgive me for going through them, but I think it's important to speak to the community enhancements that the project will bring in addition to the redevelopment of the site itself.



I do want to again reiterate the parking and landscaping conditions. This is a site overview 2D, which sometimes is hard to orient, but you recall that the garage is built within the site, it won't be visible from the exterior, takes all of the parking off the street, puts it interior to the site as this committee very well knows structured parking wrapped by units is very expensive, but it is the way to develop a high-quality project here that also creates those conditions that allows parking to be removed off the street.

All of that green you see around the project is also the significant landscape buffer that will be added around the project to enhance the aesthetic from all vantage points as you view the project from its exterior.

This is one of the renderings that I think best depicts how the site will look dramatically different once it's developed. You can see the landscaping, the sidewalk, the wide sidewalks that are moved toward the site away from the street. You can see the Bike-Sharing Program that'll be introduced. This is the corner of 46th & Rainbow, and I think again, something that once built will be very much a flagship and a source of pride for not only the owner, but we hope the UG at large.

The other component of this that we're proud of and that evolved over the course of the project is the creation of what we view as very unique community engagement features of the project. The Pocket Park here that you can see will lead to just natural interactions with folks that already live in the area. We thought that was very important after many of the conversations that we had with the folks that live nearby and also these kinds of walkup units on the base. You may recall those that are a unique feature that leads to kind of a townhome style feel where people are entering and exiting their units right there onto the 46th facing area so that community engagement is enhanced. This is not something where people will only enter their units from internal spaces, this truly walk-up townhome feel that we think is important for this location.

This is just another good look at moving that parking lot off the streets, some of the parallel parking, and the Pocket Park there. The high level of materials, the articulation of the façade that we discussed very often and numerous signs through the land use process and the high-quality materials that are utilized in the construction. All of these items of course bring cost, but it is the only way. I've heard this many times in my life, internal conversations with the developer are the only way they're going to develop this site. They're not going to develop this for something less than truly the highest-grade Class A project that is what this development team's intent is. That's what their track record is, that's something that as a dedicated long-term owner, that's their plan here. This is not a merchant build where they're going to look to build and get out of quickly. This is something where they want to be here and own a project and have a project that's high quality from day one. Of course, there's the immediate value that Kevin referenced as well of the economic impact to the taxing jurisdictions from a very low tax-based today to a much more significant tax base right away, which we think is a win-win. It allows the project to proceed and also gives immediate value to the taxing jurisdictions from day one and essentially shares in the benefit of moving forward with this structure as proposed.

No surprise quality here means cost. The site is costly to begin with the structured parking that we're building around, but that said this is the only way that we're going to this project is high quality and these materials do come at a premium. This design comes at a premium, but it's the right way to do it. Those features were held constant as you know, as the design dropped from 172 to 149 units. That's very straightforward in the math there. You lose units, you lose revenue, but the costs remain significant. That said, that's not something the developer is willing to sacrifice here, and we hope that shows in the design. The costs as this committee is aware are rising in this environment and have been for some time now, as the inflationary pressures on labor and materials and the cost of capital are the highest they've been in certainly over 10 years with interest rate rise. Not a sob story by any means, it's just a factor here as we look at incentivizing this project. It's the basis of the ask to create a project that is viable, but also, again, shares in that benefit day one. With that, we ask for your support and stand for any questions you have.

Chairman Burroughs said at this time I'll ask the committee if they have any comments or questions. **Monica L. Sparks, Deputy UG Clerk,** said no hands are raised. **Chairman Burroughs** said projects have been back before the public a number of times and the concessions that were made to ensure that the public had their input in the project. I commend the developers to taking the time to ensure they were able to communicate to the public as much as is allowable, so I do appreciate that.

I would have a question and in reference to the PILOT and the structured fee. I was trying to go through the contract agreement and maybe Bond Counsel can help me and Wendy. The 50% tax abatement for 10 years, as well as the PILOT, or is it the 50% because of the—**Mr. Johnson** said that's right. **Chairman Burroughs** said tax abatement over 10 years is inclusive of the PILOT—**Mr. Johnson** said that's right. That's how it's structured in Kansas. **Mr. Johnson** said that's right. **Chairman Burroughs** said I don't if maybe understand the Legalese of it but, I wanted to get that determination tonight. Okay, wonderful. That will heighten the visibility on that corner.

Chairman Burroughs said I would at this time if the Clerk had any comments from the public. **Ms. Sparks** said no comments have been received.

Chairman Burroughs asked if there were any members of the public who wish to address this issue this evening. You will be given up to three minutes to make your comments. Please state your name and address for the record.

Greg Kindle, President of the WYDEC, said I'm here in support of the resolution to issue IRBs for Woodside Rosedale Apartments and the Park and Garage Project at 4601 Rainbow Blvd. This development, as you noted, has been quite a while in the making, very appreciative of the developer team for taking the time. It's been over a year since we actually came before and had the last public meeting regarding this project. It is unusual in many cases for developers to stay with a project quite this long and engage the neighborhood at length like they have. We appreciate that work and that neighborhood engagement. Today this is a vacant building and a parking lot providing no real value to the community. This is not the highest and best use of this site.

Over the first 10 years, as you all saw, this project will generate a little over $1.7M in property taxes. If we left it completely the way it is today, it would generate about $250,000 over that same 10-year period, but there is truly a lot of economic benefit from the proposal that you have in front of you.

This investment focuses on that community connectivity by activating the Rainbow Blvd. with an eye towards pedestrian and bicycle safety, enhancing a neighborhood with beautification via landscaping, and connecting the neighborhood and the development to Rainbow with new sidewalks, creating architectural interest in that location. Moving what has become a blight in that location, supporting urban density with a design that incorporates the parking garage, which is fairly unique as well, meeting the demands for housing options near the KU Medical Campus and ultimately generating new revenue to the community. We believe the proposed development at the entrance to KCK provides quality housing and ask that you support the resolution before you.

Chairman Burroughs asked is there anyone else who would like to speak in support of? **Ms. Green** asked, did you say in the support of the project?

Aaron Mesmer, Block Real Estate Services, 4622 Pennsylvania, Kansas City, MO, said thank you for the time in front of the committee. We are excited about the project. We do think that we have one that is of the utmost quality like Bob talked about and so we appreciate your support.

Chairman Burroughs asked is there anyone online who would like to speak in support of. **Ms. Sparks** said no hands were raised.

Chairman Burroughs said I will now entertain those who are opposed to the project to be offered the opportunity to speak.

Kelly White, 4410 Francis, said I was the neighborhood president at the time of this project. Everything that they talked about was going on it was over a year. I would like to say this wasn't part of what I intended to say, but since he brought it up, I would like to point out the majority of the neighborhood was in fact not in support of this project. Evidence in the commissioner's packet so I just want to make sure that's clear. I would like to stress to you what this particular incentive request looks like to the taxpayers, to your voters. A developer is requesting tax exemption to build luxury apartments right next to the development to the complex that they currently own. As we had been repeatedly told by this developer, they are rented to full capacity all the time. Apartments, mind you that will have tenants, the owner knows will send business to their retail tenants and health club right next door that sits on the Johnson County side. We are in the middle of an affordable housing crisis, and we have developers and their legal team pulling up in their luxury cars asking for permission to avoid taxes in the most desirable area of the county. A county that has seen significant annual increases in their personal property tax since 2020. They've attempted to convince us how much of a need there is for diverse housing, but rather than finding their own financing, they are asking the county for tax breaks.

On several occasions over the past year, I have asked a variety of people that should all know the answer, how many current projects there are in the county that have received incentives and where the gains and losses of those projects are reported? For the sake of transparency, can the public view this information, and no one has ever been able to answer it? Maybe all the projects are doing well, maybe this IRB request is what is financially best for the county, but how would we know that? I'm aware a public meeting is not required for incentive requests, but it is not unreasonable to ask that you delay this vote and hold a public meeting that allows enough time to have this project explained to all Wyandotte County taxpayers even if it is an individual meeting remaining with the commissioner when they hold it in their district. If it is indeed more advantageous for the county to provide this tax incentive, then a meeting clarifying this would benefit everyone.

Erin Strika, 841 Shawnee Road, said I'm actually not here in support or opposition, but I do have a question if that's all right? At the beginning of the Bond Counsel's presentation there was a slide that was a slide listed community benefits, local women and minority-owned hiring goals, neighborhood engagement and one other. I'm wondering if I could just hear a little bit more about what those goals are, what the neighborhood engagement is beyond the Pocket Park, all of that.

Chairman Burroughs said, Counsel, I believe that's on page (inaudible). That's what I have it open to. I know it's cited within a couple of places within the proposal.

Mr. Wempe said it is Mr. Chairman. It's also part of the exhibit on the resolution of intent where the payment in lieu of tax schedule is presented and so this—I'm trying to avoid the use of the term PILOT, but this PILOT agreement settling for the payments comes with the usual attendant claw backs and requirements and performance covenants in similar UG projects which does include the local minority and women owned business projections. **Chairman Burroughs** said also if I remember correctly, it also has a punitive measure that if you don't meet the certain standard or certain requirements set forth in the contract, there's a financial penalty associated to that. **Mr. Wempe** said that's correct. The property taxes set forth in the agreement currently has a 2% annual escalator should the developer meet those milestones and if they don't, that would double to a 4% escalator each year, which would compound over the 10 years should they not meet those requirements. **Chairman Burroughs** said broken down I believe it's like $160,000 do not perform, not counting the first year. The first year is the same on PILOT for year one and both the 10-year abatement, as well as PILOT. I dismiss the first year and then I see that if you do not meet those requirements of the LBM requirements in the contract then it does escalate the PILOT, and which is to a tune I think over the 10-year period of about $166,000. **Mr. Wempe** said, yeah, I'm not going to attempt to do the math. It is significant by year 10 just to compare one year. Should the 2% against the 4% inflator it's coming up on in excess of $35,000, $36,000 difference in the payment in lieu of taxes.

Chairman Burroughs said one other question if I may. I'm looking at Section 3.9 on page 7. It talks about the tax abatement commences in the year following the year in which the bonds are issued. If you don't have a start date, Mr. Johnson, for the project until 2025 and a completion date of 2027 or 2028 if I remember correctly, I have to go back and look at my notes here, December 31, 2028. We're talking at this time, a four-year build-out. **Mr. Johnson** said I think I draw a distinction between what our outside dates are and what our goal dates, which would be sooner than that. I think that I would be hard-pressed to tell you the exact commencement date or completion date just given capital markets. That's what's going to control it. I will say that those are the dates that are outside dates, not the goal dates for us to hit. Those are the dates by which we get in the situation we'd have to come back to you and ask for an extension and we don't want to have to do that. Those are intentionally set farther than we hope to actually commence and complete the project.

Chairman Burroughs said I appreciate that. Presently in the documents this, I think in your statement you had made a comment that the property presently pays $23,000 and some change in property tax now, somewhere in the presentation I read, I believe tax presently. **Mr. Johnson** said I think that's roughly—**Chairman Burroughs** said I would assume that you would still be paying that? **Mr. Johnson** said correct. **Chairman Burroughs** said until the development occurs and then you would jump into the PILOT and the abatement which in turn jumps up to the $159,000. **Mr. Johnson** said that's correct. **Chairman Burroughs** said so four years we're still going to get property tax revenue from the property before any improvements are made. **Mr. Johnson** said you will never get any less than you get today, that's absolutely right. **Chairman Burroughs** said right, great. Thank you for your patience with me. I just wanted to ensure with the comments made by the public that there was a question in reference to the contract itself. Any other questions or comments from the committee?

Commissioner Townsend said I don't know who to really address this to within the Unified Government, but who monitors the actual compliance aspect for women and minority-owned businesses to make sure that we know what the appropriate PILOT would be for the project, this would be for any project. Who is actually monitoring? **Ms. Green** said that it would be the Procurement Department. **Commissioner Townsend** said Procurement Department. **Commissioner Townsend** asked when would that monitoring start because Chairman Burroughs just brought up a difference in timing here for the period of what three or four years that the taxes would be paid out at about '23 and then we jump into the higher PILOT. When does the monitoring for compliance start? **Ms. Green** said I want to say it probably starts with the beginning of the agreement. I think it would probably depend on the wording of each different agreement, but maybe Debbie is coming up to answer that question for us.

Debbie Jonscher, Interim Chief Financial Officer, said I don't know if I can answer that specific question, but I do know that on multiple projects where we get the project estimates to certify the project costs, I think we're also doing monitoring at that point, but I would assume that would start when the certification of those costs are coming in. **Mr. Wempe** said right. Commissioner, good question. The penalty that the Chairman was mentioning of the escalator in the payment of lieu of tax structure would go into effect in year one of that tax abatement and pursuant to the contract the last they anticipate being done several years from now with an outside date of 2027. I think the critical date would be at that near substantial completion when their projects coming online so that we can assess whether they're subject to the normal 2% property tax escalator or whether they have the penalty 4% escalator. At that time, I think that's going to be critical for procurement to give us some direction on whether those goals have been met.

Commissioner Towsend said my understanding that that determination where the goals have been met would be after the completion of the project. **Mr. Wempe** said I can't speak to how it's done during construction, but for the purposes of the tax abatement and the contract that's before you, that would be the critical time would be upon completion to know whether they'd hit those milestones, so we know which payment in lieu of tax schedule they're subject to. Whether they met compliance and they have a 2% escalator or whether they failed and they were subject to the penalty, 4% escalator. **Commissioner Townsend** said I would like to just have some follow-up on this so a little bit clear. I'm thinking and this is very simplistic because of the schedule that's performed, but we get into the nitty-gritty, but I really want to know how and when this monitoring begins so that we know that the correct amount of the PILOT would be paid.

Commissioner Davis said you all kind of remind me of where we are with the particular project. I remember you all being on the agenda and kind of going through Planning and Zoning. Can you all just provide an update in where you are regarding that? **Mr. Johnson** said the Planning and Zoning process? **Commissioner Davis** said, yes. **Mr. Johnson** said we came through the Commission with regard to our preliminary development plan and the rezoning which is really the main crux of the land use process. We have those approvals from you all and again appreciate working through that process with you. As design, you know, construction design, getting to actual plans move forward which is where they are now is really getting into the depth of you know true design plans. There's a gradient from a preliminary development plan to a final development plan and we'll move forward with that final development plan, which is essentially mirroring the preliminary development plan with only tweaks that your code would allow unless we'd have to back through the process of the preliminary development plan if we triggered some bigger changes. Very unlikely to happen, not typical, typically you're doing construction drawings and then getting the final development plan. That'll come back to the Planning Commission and then we'll be able to get our permits. That's where we are in the process is working the with the architect, working with the contractor to really to get to that next stage of design to where you can actually hand off those prints to a general contractor to go on site and build the thing. That's a long process, that's a time-intensive process. That's what we've been doing the last several months and after tonight what we'll do for the next several months and then there's also—this is not what you asked, but also kind of the financing component of it as well that's parallel path with that. Kevin, you can add anything else to that.

Mr. Wempe said good question. I allowed an opportunity another note or two to sort of frame the discussion for purposes of your upcoming commission meeting and what'll be asked then and I think it'll also address a comment or two from the public we've seen and I, but again, this is aimed towards your October 26th commission meeting. There are attendant state law notice and public hearing provisions that go along with considering this type of request.

Number one is the preparation of a cost benefit analysis. I know that those are in your packet tonight performed by Municipal Consulting, who's the usual third party to prepare those studies. For what it's worth, every jurisdiction cost-benefit or benefit cost in this came back positively over the 1.3 ratio that I think is sort of the benchmark on those types of things.

Before your October 26th meeting there will be notification provided to the school district, as well as the publication in the paper about the public hearing to be held on the 26th, and you hold the public hearing on the 26th and at that point be asked to consider the resolution of intent which would also authorize execution of the PILOT agreement. **Commissioner Davis** said that's very helpful. Thank you, because again, it's just been so long and I saw this—I didn't know what happened with the project, so that's very helpful just from a context point of view. Have we made the cost-benefit analysis available to the public for review? I know it's not in the agenda packet, but if not, that would be my request that we make this analysis public so that folks can look at this as well. I'm just trying to address the comment that was made there just so folks know what we're all looking at the same thing. That's a big concern of mine. 50% tax abatement is about $1.95M over the life of this in property taxes, over $400,000 in BPU PILOT payments. I see this as something that while doesn't necessarily address the housing crisis here, it also does address the issue of having an abandoned building that isn't really doing anything. I think for us and the work that we're trying to do is to find that happy medium between both developing our community because if we don't develop it, we don't have the revenue while also not leaving our residents behind, that is not an easy task at all. The numbers for this will go into the General Fund and when that budgeting process comes, we'll have to consider what priorities we want to fund. Gentlemen, thank you. This has been very educational.

Chairman Burroughs said, Madam Clerk, does anyone other than commissioner's have questions. **Ms. Sparks** said no hands are raised. **Chairman Burroughs** said I thought I saw one other person wanting to speak. Please clarify whether this is in opposition or support of the project.

Shirley Carter Ikerd, 804 S. 89th St., KCK, 66111, said I'm just kind of getting tired. I'm not easy to get tired. Every time we have a meeting when someone wants to build the big housing and stuff, I see no black people in the group wanting to get this done. I can't understand why we always have all of these white men telling us what we want to do or what they want to do that we don't want them to do. I don't think that we're giving the community a fair place to make recommendations because we need a lot of housing in Wyandotte County. We need a lot of housing for the homeless and we need a lot of housing for poor people before they get homeless. I'm very concerned about this. Every little corner of property we have to put up some very expensive apartments or something. People are still sleeping on the street and right down the street on 7th & Minnesota we have congestion down there every day because people have nowhere to go. This summer I took about 200 bottles of water down there when it was hot. There's nowhere for poor people and homeless people here to go. We need to be thinking about this when we get millions of dollars for someone to come in to do a project that's probably going to be too high for a lot of our citizens to live in. All of the projects going on out at the Legends, they are building tons of them. I see them every day. I go by them a couple of three times a day to see, they have not got any black people out there working. **Ms. Sparks** said one minute remaining. **Ms. Ikerd** said that is very disgusting to me and somebody needs to explain out of this group why there are no black men into your little cocoon that you're proposing to get our taxpayers, our tax money to build, that's what we're loaning you.

Jake Hudson, 4448 Francis, President of the Spring Valley Neighborhood Association, which is the neighborhood that this building is being proposed in. I would like for the commissioners to consider adding a condition to the issuance of these bonds that money go directly into the Spring Valley neighborhood, mostly in the means of pedestrian improvements along 46th Street clear to State Line and that any community building within site of these apartments would be available for the Spring Valley Neighborhood Association to use for meetings at no cost in perpetuity.

Chairman Burroughs asked, staff, did you get those requests? Counsel, you all got those comments and requests. **Mr. Wempe** said, yes, requests received. I don't have anything in the way of an immediate response, but I heard something about in perpetuity or negotiating for certain things, but when we talk about development incentives some are for a term of certain years and

IRB and tax abatement. Kansas is 10 years which in some cases is good, it's a shorter investment, but also our contracts usually last that long, so whenever I hear something about in perpetuity while the incentive is running that's sort of the limiting period by which we can negotiate for performance covenants and those types of things typically. **Chairman Burroughs** said I know we're not here to negotiate the contract. We're here to approve the IRBs and I want to make sure we keep our focus as to what we're doing and not get into a public discussion because I believe that'll happen at the full commission meeting when the entire public has a chance to raise its concerns.

Commissioner Davis said I will say, I do not think what the neighborhood is asking for is outrageous. Is it possible and maybe we don't have this discussion now, but for you all to think about those requests. I understand for some of these items, these are things that we, at the UG, can just say we will allocate, but I think as far as a partnership between the owners of the building and the neighborhood, it's not impossible. I don't know where that lives, but I would ask for you all to really dig deep and see what more can be done. If that is, you said I know the comment was made in perpetuity, if that's not perpetuity then maybe it is the life of the development agreement. That's 10 years where they're able to use that building space as available and be able to build up what they're trying to do within that community. They're residents there. They're going to be your neighbors there and I would like for us to come up with some sort of way of trying to at least meet one or two of those demands, if possible.

Mr. Johnson said I think information that might be good just since we're talking about it here. Just a couple of points that I think would be good to consider to those points. I think we've proven throughout this year that we have been very responsive and open to considering the neighborhood's feedback and working with the neighborhood and I certainly dispute the fact that the majority of the neighborhood is against it. I don't think we experienced that at the land use hearings, but regardless with regard to the sidewalks we've already committed to building those sidewalks along 46th along our property. We cannot commit any other properties that aren't our own to build sidewalks to State Line. I think that was the request and as you said, Commissioner, if that's something that the UG wanted to do as part of the PILOT money that's coming in, we would be all for that whatever we could do to facilitate that and coordinate that, but that is not within our power to build sidewalks to State Line with regard to the community. We don't have a community facility inside of our building, so I think we'd talk through that request, but we just don't have that space. I'm not sure how that request lands with our building, it really doesn't. It's not that we don't want to consider it, I just don't want it to pass and say yes, we'll go back and work on it when it's really not factually possible to address those exact concerns.

Chairman Burroughs asked if there were any other comments or questions.

Commissioner Townsend said this resolution is a request where the issuance of the bonds was $52.9M. What would be, if any, the downside to the UG for going forward with this? I see this is not an obligation to the UG, but could you speak to that a little bit more, Counselor? **Mr. Wempe** said sure, Commissioner, like most incentive requests, IRBs and tax abatement are at the governing body's discretion. I know we talk a lot about varying abatement levels and percentages and so forth, under state law you have the power to grant a full abatement or all or a portion of that. It allows for a lot of flexibility for finding the right bit, if you will, as to what you know the developer thinks makes a viable project given costs and their expenses.

Also, what makes a good, you know, policy decision from the UG standpoint? I say all that to say and this is at your discretion. If there is no appetite to consider a property tax abatement at this site, then it is within the UG's power to do that and, of course, the downside would be the developer wouldn't proceed with the project knowing it would have to pay full taxes and have to pay sales tax on the project and the project just wouldn't materialize. **Commissioner Townsend** said okay. The heart of my request really, I guess, assuming we do pass this what, if any exposure does the UG have for them? **Mr. Wempe** said thanks for highlighting that point. Industrial Revenue Bonds are not publicly offered again. They're purchased by the developer. The UG's full faith and credit is not pledged and is, in fact, prohibited from being pledged under state law, their repayable solely by the developer. I think that the point of your question is there's no credit exposure and no risk of repayment and a default.

Chairman Burroughs said if I remember correctly even if the start date is 2025, you're still paying property tax of just under $22,000 gentlemen, I stand corrected. In reference to the property and the IRBs are only allowed by the state government as to what purposes those dollars can be extended on. Any additional costs that aren't covered under the IRB for the tax-exempt status has to be paid in full by promissory or however you want to put it, if I remember correctly. **Mr. Johnson** said yeah, this is certainly a question Kevin can answer, but the IRBs are not public funding so much the UG funding our costs. That $52M number is sized to the costs of the project that need to be run through the transaction to effectuate the abatement. It's simply a tool to lead to the abatement and the sales tax exemption. It is not the UG issuing its debt to fund our costs. I believe the answer to your question, Commissioner, is yes, but I think it's yes in any course, that all of those dollars are coming from the developer. Regardless, the developer is paying for all those project costs. It is just merely a tool, a conduit, is the word we use to get to that exemption.

Chairman Burroughs asked any other questions.

Commissioner Davis said not specific to you all, but just to staff and a request. Chairman Burroughs, if we can have an update from the Procurement Office on both the local minority and women-owned business performances for projects that have received economic development incentives, as well as the overall performance of EcoDevo projects that have received incentives that would be very beneficial just so we can see in the last two, three years what have these projects done. Have they been able to live up to the agreement that we have in place, and kind of benchmark where we're at on performance? **Chairman Burroughs** said that's a good point, Commissioner Davis. I do know, I don't recall early on that we had claw back or punitive measures in place until as of last handful of years of major projects. I think one of them we started with was Rock Island Bridge. If I can remember correctly, we started putting a punitive measure if those numbers weren't met. I would agree we should probably have some kind of report out in reference to that. We can ensure that somewhere along the line we get a report as to the compliance measures of the LBE/MBE, as well as the LMW, I believe it is. I'm hoping I'm getting all my acronyms. **Ms. Green** said absolutely, we'll work with Administration and Procurement and we'll see what we can get you.

Chairman Burroughs said if there's no other comments or questions, I'd entertain a motion.

Action: **Commissioner Townsend made a motion, seconded by Commission Davis, to approve.** Roll call was taken and there were five "Ayes," Davis, Townsend, Stites, McKiernan, Burroughs.

Item No. 2 – 212759…UPDATE: UG OWNED LAND REDEVELOPMENT RFQ/RFP
Synopsis: An update on the RFQ/RFP process for the redevelopment of UG-owned land, including review of pre-qualified lists, county-wide analysis and next steps, submitted by Gunnar H. Hand, AICP, Director of Planning and Urban Design.

Gunnar Hand, Director of Planning and Urban Design, said I wanted to give a quick update today on the RFQ/RFP process for the UG-owned land that we're moving forward with. We have finished the request for qualifications RFQ process. We have pre-qualified a list of developers, which is what I handed out this information is all online as well, wycokck.org/redevelopment. We have pre-qualified three lead developers for the 4th & Minnesota site and three lead developers for the former Indian Springs Mall site. We have pre-qualified a much longer list of subcontractors for a varying degree of professions related to any redevelopment project from Economic Development,Legal, to design and laying down the asphalt. Multiple contractors have pre-qualified for that.

We received and we did not pre-qualify any lead developer for the 18th & Quindaro site. At this time, we will not be proceeding with a request for proposals for that site. We will focus our attention on the other two redevelopment sites that did prequalify a lead developer. As a part of this planning process, we have completed a countywide market analysis. That countywide market analysis has great utility for the plan KCK Comprehensive Plan, Economic Development Strategy and Housing Strategy that we are currently in process with, but it was designed as a tool for developers to use and potentially tier off of their own performas and own calculus that they do as they develop development proposals for these sites.

I would also just quickly plug that countywide market analysis would also have great utility for a whole host of other partner agencies be they school districts, Housing Authority, other UG departments, other developers. Our partner cities in Bonner Springs, Edwardsville and Lake Quivira can all use that countywide market analysis to their own utility, which is why we made it countywide, not citywide. This is the beginning of many public engagements that we will have over the next couple of months related to the RFQ/RFP process. We're here tonight to take any questions.

Quick status update. We have scheduled a meeting for Friday, October 27th from 4:30 to 6:30 at the Merc, which will be our public meeting for the 4th & Minnesota site. We have been partnering with the Downtown Shareholders. We're going to expand that to the other adjacent and abudding and all quite frankly, community members to participate in that October 27th event. The idea is to release the first request for proposal or RFP for the two sites by the end of this year. That will be the 4th & Minnesota Request for Proposal that will go out before the end of this year. We have a little due diligence and a couple more partnership meetings that we're going to have to have specific to the Indian Springs Mall site namely the KCATA at which their transit station is located on that site. We just haven't had that conversation with them quite yet. The intent of the RFP process is to gather the public input from this effort, that public meeting, and Downtown Shareholders and others to inform how we write that request for proposal. What are the community benefits that we expect out of this site and its redevelopment and then we put that into those RFPs and see how those developers respond, and score based on the response to those desired outcomes as established by ourselves and our community.

Again, we're really trying to redefine how we do community development while we have the leverage of we own the site, we own the property. We do believe that this if proves successful, the next two RFPs could unlock—now why these are easily the most developable of all the UG-owned parcels, there are still lots of UG-owned land, be it in the Land Bank or elsewhere that this could potentially set a model for the future. This could potentially become how we do future landbank groupings of properties, blocks at a time if you will, which we've talked about in previous discussions or other discussions, but it could just be a methodology by which we dispense of property that we think is or has that unique, developable opportunity like these sites do have. I will end my comments. I just wanted to give you all a quick update on where we are.

Again, you can go to wycokck.org/redevelopment and get all of this information, but as far as we understand it right now, we've gotten some pretty good media coverage. We've released those lists of lead developers and subcontractors publicly, so we are expecting contractors to be calling lead developers to be calling contractors, many of which are local businesses in and from Wyandotte County to be putting together these teams.

Chairman Burroughs asked any questions or comments from the committee.

Commissioner Davis said you may not know the answer to this and that's totally fine, but if we can get feedback and maybe not a report, but just something that clarifies what percentage of local minority and business-owned contractors are listed in the subcontractors. I think that it would be really cool just for the community to see who these teams will be made up of and to see local talent, to see women-owned and minority-owned businesses, minority women talent represented in these teams on the onset of this.

Chairman Burroughs said I'm going to play on that because I think that's extremely important. In this list that you gave us, is there a way to put an asterisk or an LBE or Alpha behind it to determine when we look at these what businesses are so that when we look at them, we can say that direct a business operator to a project, we know that's the business operator that meets some of the criteria LMB, LMW, whatever it may be, is there a way to do that? **Mr. Hand** said yes, those lists were generated by purchasing so we can just add a few columns to make sure that there's an address in what, of any, of the many duties that they may constitute.

Chairman Burroughs said great, thank you. The report is pretty thorough. I can't say I read every bit of it, but I did jump around to those items that were of interest to me while I went through preparing for tonight's meeting, but it's pretty thorough, some of it's very sober too. I do appreciate the opportunity to have this presentation this evening. **Mr. Hand** said while the countywide market analysis could be its own presentation and its own special session, what I will say as it's germane to some of the conversation tonight it does have projections for housing demand over the next decade and while every EcoDevo consultant does a market analysis a different way, it's basically a black box proprietary information input in, input out, we made specifically to this countywide market analysis as it relates to housing and the feedback we had been hearing through this process to specifically target different income brackets to define the demand in those income brackets unique to our community.

Again, not every market analysis does this best as practice. We broke it into I believe eight different subgroups to better understand geographically where some of this demand is occurring in our community because it's not equal across the entire county. It was important to make those differentiations. When it comes to housing, housing is in demand in every segment of our demographics, but in most demand in that missing middle, and for us, the missing middle in Wyandotte County is a different type of missing middle than this region. I say that because when you look at what low-income tax credits mean in our region, that 80% AMI is basically the missing middle when you're looking at Wyandotte County and that is the area of greatest need of housing. I mean we need housing everywhere, but what we're seeing happening is people from high incomes don't have a large supply of things they want or could afford in Wyandotte County, and they go down the demographics to grab housing out of others because they can pay for it. It exacerbates the quality for affordable housing in the middle and at the extremes. So, building luxury housing whether you believe in inclusionary housing or not, is not the point here. It's without building that housing as well those people move down the economic ladder to grab housing away from people who can afford it because that's where the supply is.

Chairman Burroughs said some of this information is pretty sobering and it gives us something to at least discuss and talk about. I do know that we have partners throughout the community interested in this issue of housing and homelessness and a number of other issues, food deserts, the lack of quality infrastructure investment, and the equity throughout our community. I would encourage everyone to read through this report and have those conversations, some of them can be tough, but they're necessary that we have them if we're going to move forward. Any other comments?

Commissioner Townsend said your last comments were very interesting and sobering. It almost sounds like the last issue that we dealt with, the Rainbow Apartments, the Woodside Apartments, they were characterized as upscale so based on your last comment that would lead me to believe that some of the people who are at the upper echelon looking for housing seems like presence of these apartments may fill that gap or I'm misinterpreting. **Mr. Hand** said I think that would be correct. Again, I wasn't specifically trying to direct my comments directly at Woodside, but I think it speaks to it's not as simple as we would like it to be. There are a lot of moving parts in the housing conversation in our community. **Commissioner Townsend** said I did read this not everyone, but definitely that pertains to the downtown District One, but it was hopeful. It did identify what our need was and how to go on from here. Let's go to the pre-qualified list. I'm so happy that particular areas, and particular sites were marketed. It's unfortunate that 18th &

Quindaro had no bidders, but we'll keep on trying. Was there any feedback that you got or anything you could share with us as to why nothing came from there? Now that we have pre-qualified lead developers for the other site, the Indian Springs and the 4th & Minnesota site, simply where do we go from there? We have qualified developers. Where do we go from there as to what is to be built on those sites.

Mr. Hand said as it relates to the 18th & Quindaro site, there's two things I would say. It's at a different scale than the other two projects so it's a smaller scale project. The risk for reward may be less than a large-scale project that either of those two sites really demands by their site location and zoning and land use.

That 18th & Quindaro site would have required a significant amount of land assemblage and the other two did not. If you don't have to do land assemblage, you can pretty much just avoid it. **Commissioner Townsend** said when you say land assemblage what are you talking about? I saw, but not contiguous all—**Mr. Hand** said the 18th & Quindaro site included multiple Land Bank parcels, and multiple UG-owned parcels. Again, the 4th & Minnesota and the Indian Springs Mall are not Land Bank parcels, they're owned by the UG right now so they don't have to go through the Land Bank process, but there were also private property both built and unbuilt properties in that general vicinity so it would have either required imminent domain from the city, or somebody buying up all those existing homes and/or vacant properties from many other private entities to assemble the land needed to even build a grocery store at 18th & Quindaro. I think land assemblage is probably the biggest reason why I think people stayed away from that specific site as it relates to sort of next steps. If we have this community engagement phase where we have a better understanding of the outcomes and community benefits, our community wants from these developments they could be anything from like urban design, reintroducing 4th Street to Minnesota as an example. At the 4th & Minnesota site connecting the Minnesota Avenue sidewalk down through the site and down into the Riverfront Heritage Trail. These are all sort of connectivity urban design standards. There could be something in there about mixed-income or type of affordability or number of jobs created. There's a whole host of benefits that we have to kind of work through to determine what that is. Then those three lead developers have the option to respond to that RFP and you know it's going to be a situation where the best proposal wins and the best proposal will be defined by the evaluation criteria developed through that public input process. We have an RFP, we selected a developer that has the best thing, they go through the entitlement process. They will probably have some level of development agreement process. Basically, after RFP some agreement between that developer and the UG is formalized and they begin, kind of like an option, if you will in Land Bank. They begin the entitlement and development agreement, if need be, for those sites just like any other project. The benefit here is they get the land for free.

Commissioner Townsend said these developers that have been pre-qualified have not come yet with particular projects in mind, that was not it. **Mr. Hand** said correct. **Commissioner Townsend** said they were pre-qualified on the basis of what? **Mr. Hand** said pre-qualified that they can build a project of similar size scale and complexity as those two sites. They demonstrated that they—now some of them put forward some ideas which is fine, but that's not part of the qualification process. It was part of the narrative and background context from them, what they'd like to see. It may turn into what their RFP is, but they were only asked to demonstrate can you do what you say you can do. **Commissioner Townsend** said they were chosen based on what their financial stability, the number of employees they have that makes them qualified to address these sites. **Mr. Hand** said essentially, do they have experience and expertise in the history of doing similar type projects, yes.

Commissioner Townsend said you mentioned earlier a meeting at the Merc. Could you just identify again, when that will be and again, its purpose. **Mr. Hand** said sure. Again, this is all on wycokck.org/redevelopment. The purpose of our next community engagement, which is on October 27th, Friday, 4:30 to 6:30 at the Merc Community Room right there at 5th & Minnesota. It is to host a public meeting specifically about the 4th & Minnesota site to figure out what the public wants from that development.

Chairman Burroughs said I do want to be respectful of Mr. Hand's time. He did say he had a meeting 12 minutes ago that he had to get to so if there's any other questions and Commissioner Davis if you want to ask your question Mr. Hand's willing to stick around.

Commissioner Davis said the timeline when could folks expect some kind of next phase for this and for that developer to be chosen. **Mr. Hand** said we hope to release the request for proposals for the 4th & Minnesota site before the end of this calendar year. I'm a big believer that no engagement should happen between Thanksgiving and New Year's. If we are to release it sometime in that period, we will add an extra-long response time that responses will be due probably sometime in the beginning of 2024.

Commissioner Davis said awesome. I know that there's public engagement for 4th & Minnesota, there's also public engagement for Indian Springs at the neighborhood summit, could you talk a little bit about that? **Mr. Hand** said yes. The day after the meeting, specific to the 4th & Minnesota, we will have another public engagement opportunity at the neighborhood summit that Saturday, October 28th, from 9:00 to 3:00 p.m. at Gloria Willis Elementary School. That will be more general about the RFQ/RFP process and then we have one more public meeting scoped specific to the Indian Springs Mall site. That could happen by the end of this calendar year, but my best bet is we're going to get through this first RFP and continue to do the background information work with the KCTA I mentioned earlier at Indian Springs and probably come out in early 2024 with a public meeting at Indian Springs. **Commissioner Davis** said awesome. I did a town hall in public, spring last year, so I'd love to partner on that.

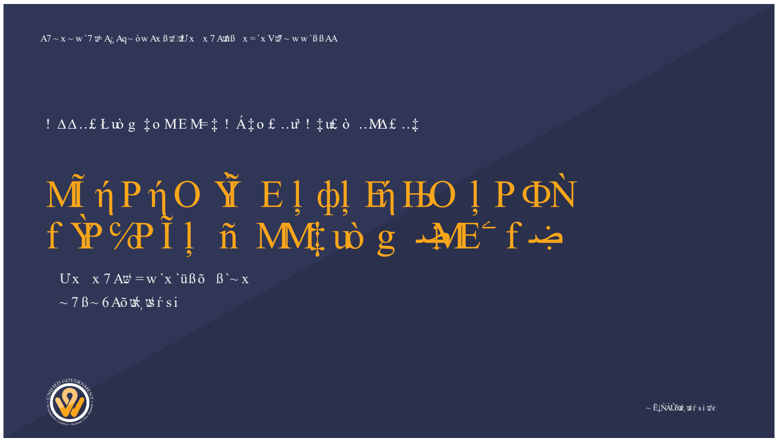
Chairman Burroughs asked, Madam Clerk, if there were any hands raised online. **Ms. Sparks** said no hands were raised.

Chairman Burroughs asked is there anyone in the audience that would care to speak to this issue. No one appeared. As I stated, this was for information only. Mr. Hand, thank you for your graciousness and staying for the questions that was asked by the committee. I do hope that you're still timely enough to do your next presentation. **Mr. Hand** said thank you for your time.

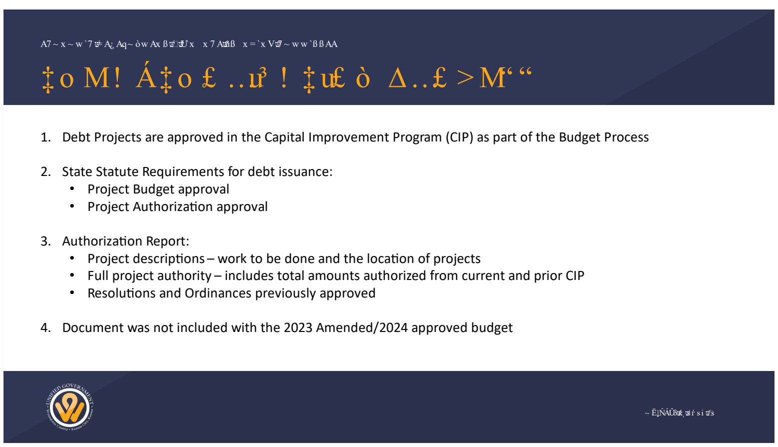
Action: Information only.

Item No. 3 - 212769…RESOLUTION/ORDINANCE: DEBT PROJECT AUTHORIZATIONS

Synopsis: A resolution and Ordinance authorizing 2024 debt projects submitted by Debbie Jonscher, Interim Chief Financial Officer.



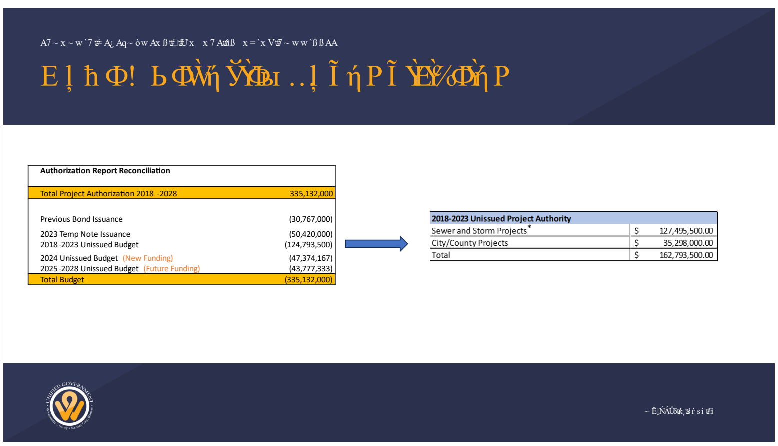
Debbie Jonscher, Interim Chief Financial Officer, said I do have a short presentation regarding the project authorizations. We are requesting approval of a resolution/ordinance authorizing various public improvements and the issuance of financing to fund those improvements. I just want to recognize some of the people that are here with me in case there's any questions. I have Elyse Villareal, she is our Debt Coordinator in the Finance Office. I also have from Public Works, Trenton Fogleson and Brandon Grover.



I wanted to kind of go over the authorization process. Kind of how we get to this point. First off, debt projects are approved in the Capital Improvement Program as part of the budget process. For the last several years this packet that you received that has all the authorizations and all the listing of all the projects has been included in the budget document. However, this year just due to staffing capacity we just were not able to complete—get these ready for the document this year. As we noted, going through the budget approvals that this item would come back at a later time, so we're bringing that forward. I did just also want to note the state statute requirements for debt issuance does require two approvals. One is the project budget approval which the Unified Government

Commission approves all the projects that have been identified for debt issuance. Those are included in our Capital Improvement Program as well as the project authorization approval which is required and that states the information related to each one of the projects and what the work is to be done.

Within the authorization report, you're going to find the project description which basically shows the work that is going to be done and the location of the projects. The full project authority which includes amounts authorized in the current CMIP could also be prior year CMIP issuances and then also the resolutions and ordinances that have it list the items that been previously approved by the Commission. As I stated, this document was not included in this year's budget so we're bringing it forward now. The intent would be that next year with being hopefully staffed, we can provide that document within the budget document like it should have been.

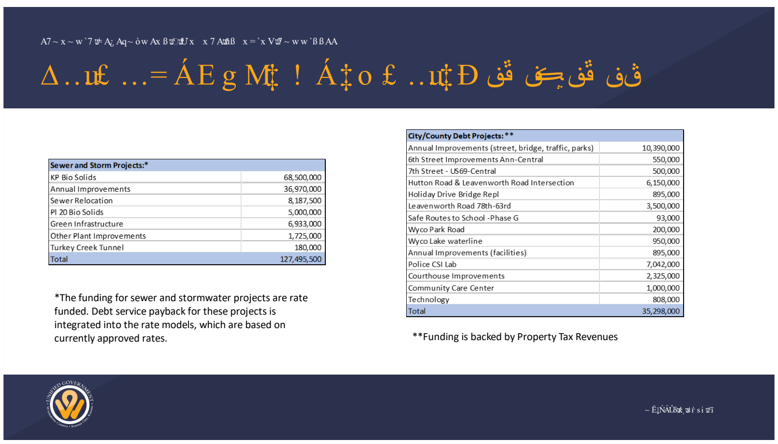


I'm just going to talk about the Debt Authority Reconciliation. If you go through this packet, it has a lot of large numbers for some of the projects. I just wanted to go through that and kind of explain what is included in there. If you were to add up all of the projects that are in your packet, you have a total authorization of $335.1M in authority. That includes projects from looking back to 2018 and going forward to 2028. I've kind of detailed on here how we reconcile to that number. As I get to the one that says 2018 to 2023, I did notice that after we sent this that there was a mistake in that number. I'll talk about that when I get there.

What's included is any authorized amounts that have been previously bonded through a bond issuance including 2023 total $30.7M. The 2023 temp note issuance includes $50.4M and then we've got the 2018 to 2023 unissued budget. I'm going to go into a little bit more detail in that number, but that number shows $124.7M, that should actually be $162.7M. What you're seeing over here on the second table—I must have had a typo in there when I was finishing getting this updated.

What also is included in there is the 2024 Budget Authority which are either new projects or new funding for 2024. The reason those are not issued yet is because we haven't done the 2024 bond issuance. Then, also, we have funding amounts in the CIP for 2025 through 2028 of about $43.7M. Those also haven't been issued because of their future fundings, so we'll bring those back at a future date, but that reconciles with the corrected number that reconciles to the 335.1M.

The second table I've broken out the unissued amounts so we have Sewer and Storm Projects totaling the $127.5M and then City and County Projects totaling $35.2M and together those total the $162.7M.



The next slide I have some additional details on those projects. We'll start on the left side there with the Sewer and Storm Projects and I did just want to note that the funding for Sewer and Storm Water Projects are rate funded so the debt is paid back through the rates that are collected for sewer are for sewer and storm charges.

I've listed out some of the bigger projects that are listed here. As you can see, the Kaw Point Biosolids is what makes up the largest and over half of the amount that we have there at $68.5M. Last year that project was put on hold, but I believe it is now moving forward, but it had $68.5M in authority from prior years. The total project is $80M that's been approved. We have about $12M out that's been issued so far so that is the remaining amount that has not been issued. We also have multiple annual projects of about $36.9M and then I've listed out some of the other large projects that make up that $127.4M. This is project authority that was approved by the

Commission, but we have not funded it. We have not issued debt on through the debt financing process.

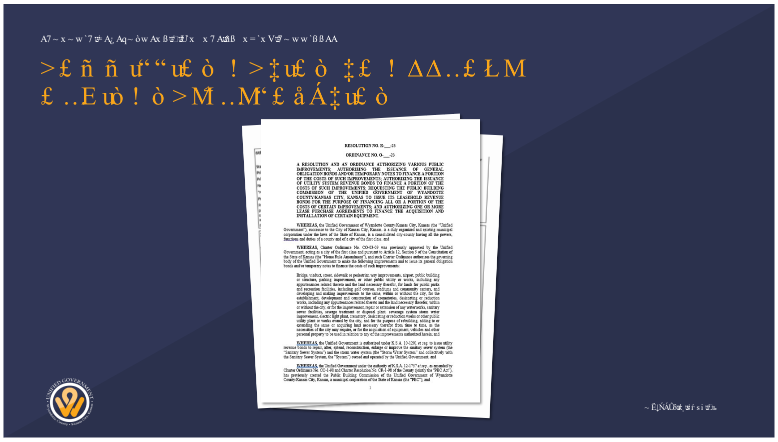
Now, the table on the right are the City and County Debt Projects. These projects are funded with property tax revenues. I've done the same thing here. I've listed out some of the projects that have additional authority. We have not issued any debt for these amounts, and it includes—the largest amount here is $10.3M which is for annual projects for streets, bridges, traffic, and parks.

I think I forgot to mention on the previous slide when we do the budget authority for projects if it's an annual project, we only authorize that year. We keep each issue for annual projects separate, but if you have a project that is a multi-year project, then we would issue the authority for the entire project. If it expands three or four years, we would include the entire authority in our authorization and then we update it each year in case there are any changes to the document.

The next slide just kind of shows that calendar of where we're at today. We're presenting the project authorizations and we're asking for approval to move that on to the full commission on October 26th.

In December, we would bring back the sale resolution. That's something that we do each year once we've gone through and we determined what authority we have on potential projects that could be included in the 2024 bond issue.

In the document here we're listing all the authority, but usually between now and then we will go through and figure out how much we think we're going to issue or how much we think we need for the next year and then put that in the sale resolution. Then we would have the sale of bonds and notes in February 2024 and the closing on those bonds and notes in March 2024 because then the current temp note that's outstanding matures April 1 of 2024. We would close on the new temp notes and then pay off the old temp notes.



What we are asking tonight is approval for the ordinance and resolution to authorize the projects for debt issuance. That's my presentation if there's any questions.

Chairman Burroughs asked if any questions, committee?

Commissioner Davis said I see in here one of the listed projects, it says Community Care Center. I know we had talked about that during the budget. Has there been any updates on kind of what that project will be and then just the reasoning as to why we would issue debt for it right now? **Ms. Jonscher** said I don't have any updates. I don't know if anyone here has updates on that project, but it's not—because it's in here for the authority does not mean that we will automatically issue debt for it. This just gives us the authority to issue debt, if we choose to. This is one of the requirements to get this approval done before we can proceed with issuing debt. **Commissioner Davis** said I mean it's a $1M, reissuing debt, paying interest on it. I just would like to know kind of a little bit more, everything else here looks familiar and things that I've seen.

The other thing I'll ask, are any of these ARPA-funded projects that just have yet to be executed on? **Ms. Jonscher** said I don't know—all of the amounts that are issued here would not be the ARPA. If they were funded with any part of ARPA, this would not be the funding for ARPA. This is for the actual debt issuance, but I don't know that any of these are part of the

ARPA funding. **Commission Davis** said now that makes sense given that was cash. I wasn't sure if we were using that to issue debt.

Chairman Burroughs said that's a good question. I do have a couple of questions. The rate on temp notes—are the temp notes done every year? **Ms. Jonscher** said we issue temp notes for one year and so yeah, the maturity—we pay those off, and then if we have projects that we want to renew for another year, we'll roll those over into the new temp note. **Chairman Burroughs** said I want to get back to the comment and question that Commissioner Davis requested. I know there's been projects that were requested four or five years ago and they're in there to be bonded, but they're still out there and no action has been taken on them. I just kind of wonder why we continue to have that in our bonded indebtedness if we're not going to move forward with the project. If it's to pacify an elected official or somebody, then we need to be mindful that if we're issuing debt and that's out there, it's included in our debt discussion, and it can give a false impression of how much debt we're really carrying or how much debt we may be carrying. I wanted to comment on Commissioner Davis's request about how many of this, how many of these may have ARPA funds because if ARPA funds came into the General Fund and General Fund supplanted to be bonded money, and then we're bonding ARPA funds later because we wanted to get on the project with ARPA funds, I think there's a nexus there. Anything that we can do to reduce today's rate compared to even two years ago is higher borrowing costs and credit rating compared to where we are in reference to Moody's and Standard and Poor's. I don't want to ramble Debbie, but this is kind of what many of us have talked about even through the budget process to ensure that if we're going to issue debt and it sits out here for five years and we keep issuing temporary notes on it and you say if we're not issuing temporary notes that's one thing, but it's still showing up as a debt item approval, right?

Ms. Jonscher said right. We've actually had some discussions with County Administrator Johnston about taking a look at some of these projects that have authority several years back. Should we be carrying—because usually we'll come to you with the authority and once we get the authority—now if the project budget goes down, we don't come back and say we're reducing the authority. If we have a project that's not moving forward, those are some things we want to take a look at. I will note that there are probably some projects out there that maybe started or were projected to start in 2018, 2019, and 2020, and then we had the pandemic and some projects were delayed, so that's probably part of the reason. We really want to look at the annual projects because the annual projects should be—you issue them for one year, if they don't get spent, they go away and then you go on to the next year's annual project. That's one of the things that we are going to be taking a look at is going back through and finding out if we got the authority two years ago and didn't spend it, we need to put it back in the budget in the future year so that it can be reviewed again versus just carrying the authority forward.

Chairman Burroughs said that comes at a higher cost when we have to re-authorize it or reissue the bonds for or should we have to issue the bonds because we haven't before. One of those projects if I remember maybe there's two. I'm going to talk about the waterline around Wyandotte County Lake and recently during the budget we discussed a wall that had collapsed around Wyandotte County Lake that we were talking about getting done. I didn't see that in a report, but it may be, and I just missed it, but that waterline at Wyandotte County Lake why wouldn't we have gotten on that and get it all done at one time when the rates were lower instead of breaking it out over four years and doing it a quarter at a time. Those are the kind—that's not an efficient way to do business and it's the same with the paving of Wyandotte County Lake. If we're going to repave the roads, why don't we repave a large section instead of a small section? Then come back and do another section and every time we do that the cost goes up because we have to borrow money at a higher rate. I'm just trying to find some ways to be a little more efficient, a little more effective with taxpayer dollars. **Ms. Jonscher** said I'm going to ask Public Works if they have any information on that as to why we spread that out.

Brandon Grover, Public Works, said I can speak to the waterline project itself. The reason that was phased over many years was because the prior Administration recommended we go with the route in order to forego a large dollar amount hitting us all at once.

Also, doing a large project like that in a confined area like the park would severely limit traffic capabilities so it was also broken into phases to help keep the park open and functioning as best possible. Doing this waterline, we do have to shut down some shelters at times in order to make their connections, so we didn't feel it was a good idea to shut off the entire water supply to the park losing revenue from shelter rentals and things like that, so it was spread out. It was slated to be completed in 2023, however; we put out two project bids and they came in well over budget because of material uncertainty. We pulled those bids and then recombined them into projects four and five, which bid out in June or July of this year and started construction last week.

Chairman Burroughs said I think it's important public know that if we're going to reissue bonds at a higher cost some of the reasoning behind that. I know that we went through COVID at that particular time and parks were important, but I don't know how many people would have gathered at the parks during that particular time. I know the materials were harder to get, but that's just a couple of the issues that we are concerned with. I know we have a lot of infrastructure needs in this community and our borrowing costs are going to become even more expensive. I think it's important for us, as Commissioner, to work with you all to determine what our real bonded indebtedness truly is. Is it the cash value that we presently borrow or is it the projected projects that are out there that are all inclusive so that we're not sending a mixed signal that we are borrowing far more than we can afford to pay at this time and those dollars aren't being used efficiently. So I'm just trying, as a member of this Commission, with the conversations that I've been privileged to have with my colleagues to try to get our hands around our bonded indebtedness.

Ms. Jonscher said I will just note, Commissioner, we look at that. We look at what projects we put in the budget. I know we've kind of had a limit on how much we do under the city debt portion kind of in line with what our mill levy was, but we are going to be looking at that—but you know that's something that we review every year we do look at, you know, how much is being issued and some of these projects we have not actually issued the debt on, that's part of our review. Elyse spends a lot of time going through them. Once this gets approved, we'll start working with the departments to say you have a $4M project, are you going to spend all of that $4M or are you only going to spend a million of it next year? Then we only issue what we believe they are going to spend because we don't want to issue the whole amount and have it just sitting there. We'll issue it over several years and then once we spend the money that we've issued in a temp note, we will bond that portion so that we don't keep rolling over money into a temp note that we've already spent. Those are things that we look at and we have reduced the amounts that we've been issuing. Some of the projects you know, in some years we bond more than we do others and that's just kind of when those projects are complete. Some projects take longer, and some projects finish very quickly. We're quick to make sure that if we spend the funding, we get it bonded so that we don't keep paying additional interest costs and issuance costs to roll those over.

Chairman Burroughs said I understand that. I think it's important to be mindful that inflation happens, but with a project of $4M four years ago and we're still issuing temps notes, and it's not finished, that project now is going to be closer to probably $6M and that's not a good use of taxpayer dollars and that's the difference. **Ms. Jonscher** said there is a limit on the amount of time that you can have a temp note, which is four years. I think most of our projects usually roll over to a bond within two to three years. Some smaller projects may roll over within a year, but most of them are within the two to three-year mark. We have some that go to four, but there's usually a reason why it's stretched out that long, maybe there's a delay on the project. We are kind of watching that because I do know that between the 2022 issuance and the 2023 interest rates did jump significantly. I think this financing in 2022 was one of the final lowest amounts that we received. It did start going up, so we are watching that. **Chairman Burroughs** said no further questions.

Commissioner Davis said that's very helpful. Ms. Jonscher, could you just clarify so we vote on this, send it to full commission, give staff authority? I'm having a hard time bridging between that kind of waiting period where the authority has been given to issue the bonds, but the Administrator has the discretion, and staff has the discretion on whether or not to issue them to that full extent or issue them at all. Can you help just provide some clarity on that middle? **Ms. Jonscher** said any new funding that we would be giving authority on would not be issued until next year. We're asking that any new authority that wasn't included previously if there was anything, any project that was ongoing, increased in cost that could increase the authority or it would be 2024 projects or beyond that could have funding that would be included. We're not doing that issuance until February of next year, but we want to get the project authorizations done now because that step is required before we can actually start working to put together the bond and temporary note issue. **Commissioner Davis** said what we have is a maximum amount by which that particular project, we can always find other ways to save money for the taxpayer and return that back. **Ms. Jonscher** said this is the maximum so if we issued a project and gave it an authority, you approved the authority for $1M, we could not issue more than $1M in debt for that project. That's something that you know our numbers are reviewed by the Bond Counsel. Kevin Wempe who was here earlier, he does the review on our project authorizations to make sure that we have all the information included that's required for debt issuance, as well as when we go to issue and we set the schedules, they are going back and looking at when was that approval done. What was the amount of the approval to ensure that we're not exceeding that authority? We will also bring back the sale resolution is the final step before issuance that we do and that will narrow down what we intend to issue within the next year. It won't be this full amount because some of this authority is for future years beyond 2024, where we would only be bringing a sale resolution to what we intend to issue in 2024.

Commissioner Davis said the last thing I'll say and kind of feel like I keep making a lot of requests of staff today, but if you all will indulge me, Chair, if we can have either and it doesn't—not annual, maybe biannual, maybe every two years updates on that, for lack of a better word, those projects that are in the waiting. Projects that we have approved as a Commission, but the Administrator has not given the green light for us to issue those notes. That would be very helpful for us to get better handling as Chairman Burroughs had alluded too of where our finances are at. I know you all are working very hard and we actually reduced some of our debt within this budget that we adopted. I want to commend you all for that, but just a report of some sort would be very helpful. **Ms. Jonscher** said we can provide that, and I believe also when we come back when we do the actual sale, I think we also do a reconciliation then for here's what we showed you in the sale resolution and if we reduce it even. Once you approve the sale resolution, you can never issue more than what you put in the sale resolution, but you can always go down and many times we reduce it even further and we provide that reconciliation the night of the sale. We'll make sure we do that.

Chairman Burroughs said I know that debt reduction has been much discussion with my colleagues during the budget process. It's interesting to hear the questions that are coming forward. I think it comes from education through the debt process, as well as the financial process to see them both side by side. Thank you for the presentation. I'm going to ask the Clerk is there anybody online with a hand-up or any questions. **Ms. Sparks** said no hands are raised. **Chairman Burroughs** asked anybody want to ask a question while Debbie's here. Hearing none, anybody from the audience care to speak on this issue.

LaVert Murray, Economic Development Advisor in Mayor's Office, said as it relates to the CMIP Project 6045, the Kaw Point BioSolids Digestion System for $80.5M, I thought that there had been a revision to that project that lowered the cost. I know it went up to over $100M and came back down to $80M, but I thought there was a further reduction on that project. Can anybody shed any light on that? **Trenton Foglesong, Public Works/Water Pollution Control,** said I'll attempt to share as much information as I have with you. I believe that it was budgeted for up to $80.5M in total. I think there was some speculation that said it was over $100M, but I'm not aware of any costs that actually came in over $100M. The last time we spoke to the Commission we were talking about that $100M price tag, and we were being directed to look at some alternative technologies and those folks never materialized, nothing ever came of that. We did present some potential cost savings that would affect the resultant cost or the net cost of the project such as the IRA tax credits that we valued at $26M. We do have a $2M earmark and then we just did find out Friday too, I guess I'll just share with you here too, that we've been forwarded on to the USDA grant for another $18M is what we think it's worth. I guess wrapping all that up we're I believe we still have the budget authority up to $80.5M. The project is going to cost total somewhere in the neighborhood of $100M to construct. However, with the $18M USDA, assuming that's realized, the $2M earmark and the $26M tax credits I would say the net effective cost of the project is down somewhere $60M more or less, something less than that. You know I'm being a little conservative on those numbers. I don't want to take credit for all of it because we haven't got through the details and all that. Does that answer your question, LaVert? **Mr. Murray** said okay.

Chairman Burroughs said I do believe that discussion, your accurate in that statement. I believe there was funds identified, grants that were funded and I think an outside auditor looked at that and identified those funds that were available that would lower the overall bonding costs to the city in reference to building out the project and the page that he's referring to is about four pages in from the very back of the documents. I have a circle of $80M for the Kaw Point BioSolids Digestion System. I know there's probably a number of questions in reference to this, but this isn't really what this was about. This is an opportunity for us to discuss the debt resolution to ensure that we can move forward. I know that there's going to be questions as we move forward in reference to projects. If there's no further questions I'd—Elyse you have a comment you'd like to make.

Elyse Villareal, Debt Administration, said I just thought it might be helpful to put this project as an example into how this works with our process. This process received budget authority over several different years totaling $80.5M. That budget authority gives the department the ability to go out and start spending those funds as soon as January 1 hits for that project, it goes for all projects. What we do on the debt side is we try to match their spending with our debt issuance. January 1 hits they get let's just say it's the full $80.5M for simplicity. They start encumbering the funds they bid out. They get a general contractor, whatever they do. We're not going to issue debt for that amount yet. What we're going to do is we're going to wait and we're going to say how much are you going to spend this year and within the next 12 months and that's how much will issue the debt for. That way we don't incur so much costs and then let's say that they do get grants and/or the project cost is lowered, we'll find that out through this process because we're in communication with the department about how much money are you going to need this year? There is a natural lag between it being in the budget and it receiving debt issuance.

Not only that, but I'd like to give you one more example. The way we do our debt issuance is we issue one-year temp notes first for a project while it's under construction. That's like financing something with a credit card. You don't actually realize it, like it doesn't hit your bank account, and we do this for up to four years. It's like we pay off a credit card with a credit card up to four times. When we finally pay off that credit card, with our bank account, when we bond it, that's when it starts impacting our indebtedness levels. That's when we have to start making payments on it and we make payments over 20 years usually. I think we bonded $4M on it. We've issued $8M in temporary notes. Not all of it's been spent. We can pay that down or whatever, but it's a very flexible process.

Chairman Burroughs said I just remember the discussion about BioSolids has taken this over a period of years and there was an audit done just to ensure because I believe there was contracts issued and we didn't know what we were getting or what we were doing. The project continued to grow and so those dollars were already spent. We don't know if we bonded those. We never did get a report at least, I know as Chairman, never got the report. I know the auditor had some questions too, but that's a discussion for another night. This is a resolution opportunity to advance the budgeting process. I do want to get into that because I think Biosolids, and that issue as Mr. Murray brought forward has had a lot of questions and that's just one. We just want to be fair and transparent to the taxpayers as to what their dollars are buying and how it's done. Thank you for your explanation.

Action: **Commissioner Townsend made a motion, seconded by Commissioner Davis, to approve as submitted.** Roll call was taken and there were five "Ayes," Davis, Townsend, Stites, McKiernan, Burroughs.

ADJOURN

Action: **Commissioner Stites made a motion, seconded by Commissioner Davis, to adjourn.** Roll call was taken and there were five "Ayes," Davis, Townsend, Stites, McKiernan, Burroughs.

The meeting was adjourned at 6:52 p.m.

tk

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, December 4, 2023

The meeting of the Economic Development and Finance Standing Committee was held on Monday, December 4, 2023, at 5:01 p.m. The following members were present: Commissioner Burroughs, Chairman; Commissioners Davis, McKiernan, Stites, and BPU Board Member Haley. Commissioner Townsend was absent. The following officials were also in attendance: Jeff Conway, Assistant Counsel; Debbie Jonscher, Interim Chief Financial Officer; Andrea Vinyard, Deputy Treasurer: Monica Sparks, Deputy UG Clerk.

Chairman Burroughs said before I call the meeting to order, I want to announce that some committee members, staff, and the public are attending remotely via Zoom as well as on-site. All participants joining by phone should mute their phones when not speaking to avoid background noise. When speaking, please speak directly into the microphone to ensure everyone listening is able to hear your comments and to ensure a clear record is made. During the meeting, please make sure that you announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is the current guidance from the Kansas Attorney General.

The public is allowed to participate by Zoom or submit comments by email prior to the meeting. Those comments will be included in the record of this meeting. The public may also indicate their intent to provide remote public comments by contacting the Clerk's Office by 5:00 p.m. the Thursday before the meeting. The public also will have an opportunity to provide brief comments either by telephone or via Zoom from the 5th Floor Conference Room of the Municipal Office building.

Chairman Burroughs called the meeting to order. Roll call was taken and all members were present as shown above.

Chairman Burroughs asked if there were any revisions to tonight's agenda.

Monica Sparks, Deputy UG Clerk, said yes commissioner, we have one addition to the committee agenda. We have added a new Item No. 6, which is the Community Benefits Fund.

Chairman Burroughs said our next order of business would be the approval of minutes, but there are no minutes to approve this month.

I do want to welcome our fellow colleague Commissioner Harold Johnson, to the panel and I also want to recognize Mr. Haley from the BPU board this evening. Thanks for joining us. Committee, we have five action agendas tonight and one for information only.

<u>COMMITTEE AGENDA</u>

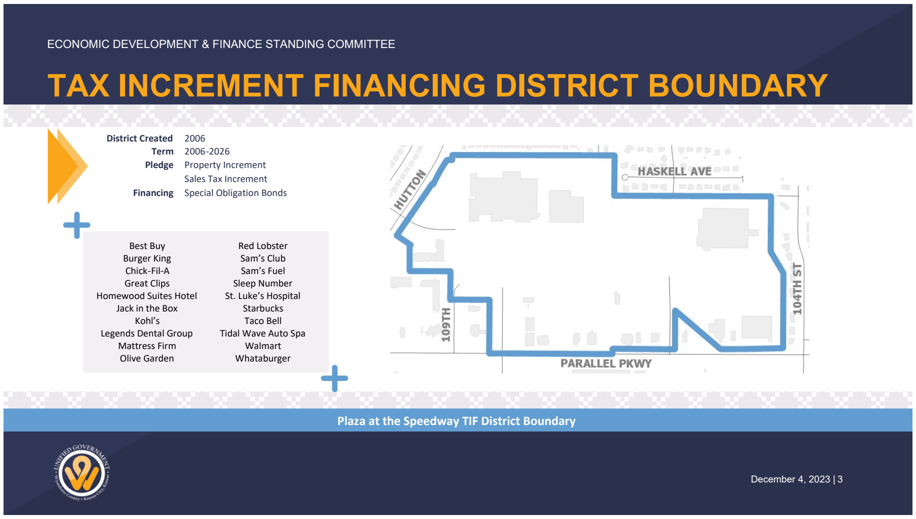
Item No. 1 – 212840…ORDINANCE: TERMINATING PLAZA AT THE SPEEDWAY TIF DISTRICT

Synopsis: An ordinance terminating the Plaza at the Speedway TIF District, submitted by Debbie Jonscher, Interim Chief Financial Officer.

Approve Ordinance

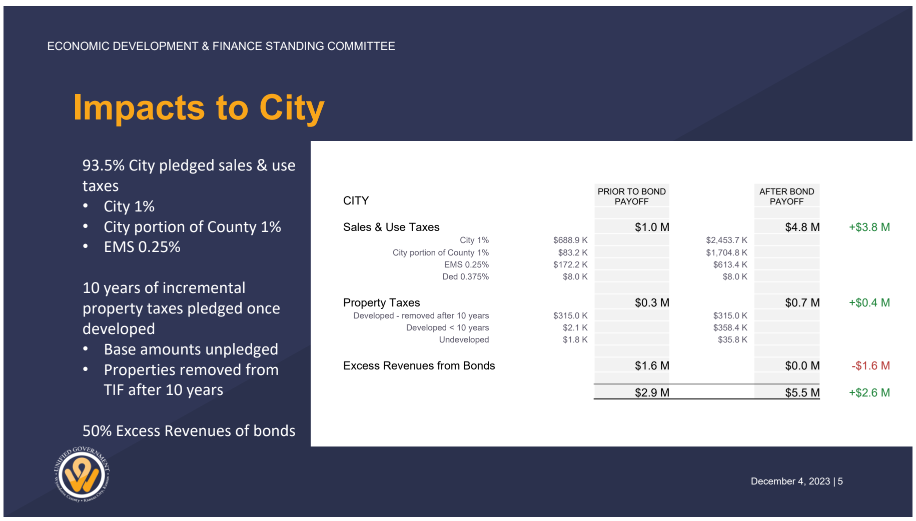
Debbie Jonscher, Interim Chief Financial Officer, said this first item is a bit of good news, this is we are terminating the Plaza at the Speedway TIF District. There were bonds issued on this project and they have paid off about 3.5 years early. So, I've got a short presentation, just to kind of talk a little bit about the project.

So for the development, it was a 92-acre redevelopment with 865,000 square feet of retail space as well as some public infrastructure regarding the widening of Parallel Parkway. There were some storm and sanitary sewer lines, some gas and electric utility work as well as some work on the commercial and residential zones.

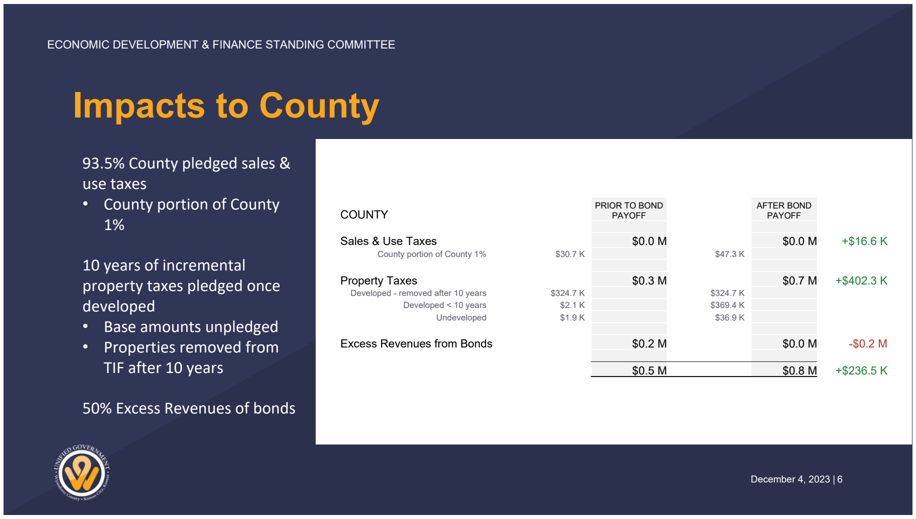


This next slide just gives some information on the district itself. The district was created in 2006. The pledges were Property Tax Increment and Sales Tax Increment, and the financing was a Special Obligation Bond. Over on the lefthand corner there, we've listed out the stores that are in the development district, and then there is also a map that shows the district.

Just a little bit about the bonds. The bonds were in the principal amount of $33.5 million. I don't have that on this slide, but the principal and interest amount was $44.5 million. I did just want to note it was a Series 2013 issue, and the property taxes that were pledged, each parcel that was in the district on the property tax pledged their property tax revenues for 10 years. So once a parcel had paid in for 10 years, then it was removed from the district and its payment went on the property tax rolls, and then we also had sales tax pledged. The term bond structure, there were mandatory redemptions in September and then in November, they would take a look for any advanced redemptions, 50% of the excess revenue went to those advanced redemptions, and then the other 50% went to the Unified Government. Payoff was originally scheduled for March of 2027, but the actual maturity was September of 2023. I did just want to note that the additional property taxes that we'll be receiving are about $1.37 million, and the additional sales tax is about $2 million.

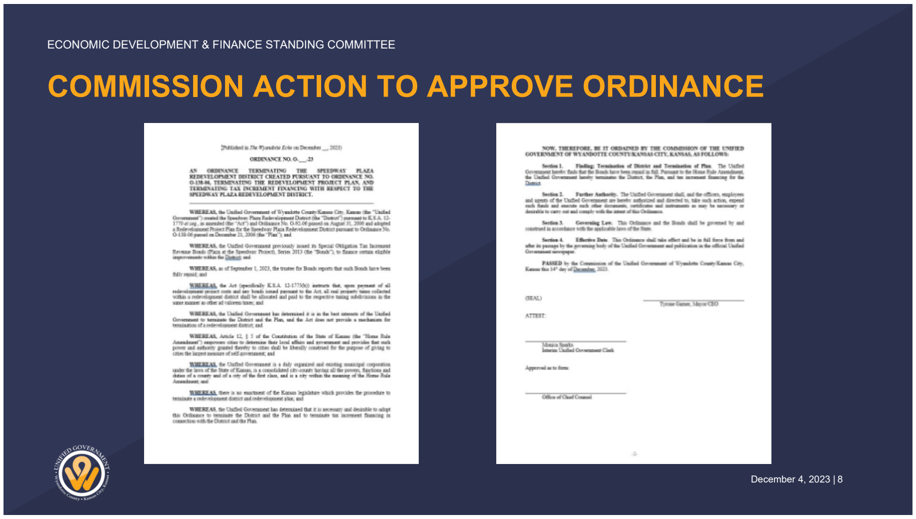


These next couple of slides just show some impacts to the city, the county, and the other districts. I probably won't go through all of the information on here, but maybe just to note that the impacts to the city were 93.5% of the city pledged Sales and Use Tax, which included the 1% city's tax, the city's portion of the county's 1%, and then the EMS 0.25%. I already talked about there were 10 years of Incremental Property Tax pledged on the development. So this just shows kind of what we were receiving prior to the payoff and then what we were receiving after the payoff for both the Sales and Use Tax as well as the property. So, I'm just going to skip to the bottom line here, so for prior to the bond payoff, we were getting excess revenues of about $2.9 million. Now, we will get excess revenues of about $5.5 million on the city side.



Impacts on the county side. The county's portion of the county 1% was pledged to this project, and I'll just note that on the county side, the property taxes split up between all of the cities within the county as well as the county gets a small portion of the taxes. So, it was only the portion of the county, that the county was receiving of the county property tax. None of the city portions on the county were pledged. So, this just shows prior to the payoff, on the county they were getting excess of revenues of about a half a million and now they'll get about $.8 million.

This net one is just impacts to the other entities. We kind of listed out all of the entities that were listed here. The other cities since they did not have a city tax pledge, there's no impact to them as well as the state. Their 1.5 mills was not pledged. As we were reviewing this this afternoon, I did notice I have an error on USD 203. We show the unpledged 20 mill, so there's no impact to that, but there was an impact on the remaining mills, and I think we calculated that they should receive about approximately $235,000 of additional revenue after the payoff. Then, you can see the community college is going to get about $230,000 and then the library $64,000. So, for total after the bond payoff, the impact to the other entities is about $1.1 million.



My final slide is we're requesting Commission action to approve the ordinance to terminate the Plaza at the Speedway TIF.

Chairman Burroughs said so if I may Debbie, total we're going to receive, city and county combined, is about $3 million additional revenue? **Ms. Jonscher** said I think so. **Chairman Burroughs** said the county and the city. **Ms. Jonscher** said $2.6 on the city and about $236,000 on the county. So, $2.6 million yeah, almost $3 million.

Chairman Burroughs said okay, that's good news anytime a bond pays off early. It tells us that things are working well. The project performed like it should. Okay, committee, any questions? I'll ask the clerk if there are any questions received from the public? **Ms. Sparks** said no comments were received. **Chairman Burroughs** said I'll recognize any of the public who wish to address the committee? I'll ask the clerk if there are any hands raised? **Ms. Sparks** said no hands are raised online. **Chairman Burroughs** said is there anyone in the audience that would care to speak to this? Anyone in the audience that wishes to speak will be given up to three minutes to make your comments. Please come to the podium, and state your name, and the city and residence of record. You have three minutes.

Lisa Yager, KCK, said I just wanted to ask a question or so to make sure I'm comprehending this correctly because I walked in as you were testifying. I just wanted to make sure the new community benefits funds for monies to receive as fees paid by the developers.

Chairman Burroughs said we're not on that. We're on a different part of the agenda. We will get to that later on in the agenda.

Ms. Yager said okay, so I'm looking at it wrong because I thought we were on number six. **Chairman Burroughs** said yes, that's the very last item on the agenda. We're on item number one.

Ms. Yager said okay, I'm sorry. I just seen that it was going for the tax part okay, terminating the plaza. Okay, I have no objections to that.

Chairman Burroughs said alright, would anyone else care to speak on the issue? Let the record show that no one came forward. I would now entertain a motion for approval for this item. It is an action item.

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Davis, to approve as submitted.** Roll call was taken and there were five "Ayes," Haley, Davis, Stites, McKiernan, Burroughs.

Item No. 2 – 212872…ORDINANCE: AUTHORIZING ISSUANCE OF INDUSTRIAL REVENUE BONDS (ECOVYST CATALYST TECHNOLOGIES, LLC PROJECT)

Synopsis: An ordinance authorizing the issuance of Taxable Industrial Revenue Bonds (Ecovyst Catalyst Technologies, LLC Project). Series 2023B in a principal amount not to exceed $633,537 for the purpose of providing funds to pay the cost of acquiring, improving, constructing, installing, and equipping of an industrial facility located at 1700 Kansas Avenue, submitted by Jeff Conway, Assistant Counsel, and Debbie Jonscher, Interim Chief Financial Officer.

Approve Ordinance and request to fast track to 12/7 Full Commission

Ms. Jonscher said this is for the issuance of Industrial Revenue Bonds. I have with me Lisa Russell from Gilmore and Bell. She's going to start off the discussion and then I'm not sure if the developer is here. If you want to come forward, you could also come forward.

Lisa Russell, **Gilmore and Bell Bond Counsel**, **to the Unified Government**, said I know you're more used to seeing Kevin Wimpy, but his wife had a baby yesterday, so I'm pinch-hitting for him today. This item relates to a request by Ecovyst Catalyst Technologies for the issuance of $633,537.00 of Taxable Industrial Revenue bonds. Ecovyst has a manufacturing facility located at 1700 Kansas Avenue.

Location: NEC S. 18th St. & Kansas Ave.

That's the corner of 18th Street and Kansas Avenue.

Brief History

- **1995.**
  - First bond issuance.
- **Late 1990s.**
  - Several smaller bond issuances.
- **2014-2018.**
  - IRB application received for $219M expansion plans.
  - Bonds issued over five years.
- **2019-Present.**
  - IRB application received for $100M expansion plans.
  - ~$48M of bonds issued, including Series 2023B.
- **Future.**
  - Sept. 2023 press release—increase silica catalyst production by 50%, anticipated to commence in 2025.

Just to give a little bit of an overview, the first bond issuance for their benefit was in 1995. As you can see on the slide there had been numerous other bond issues since then, typically annually. The last resolution of intent most recent was done in 2019 for $100 million and that was intended to be for bond issues over a number of years, including this one that we're considering today. We'd be at about $48 million of that $100 issued, and then there are future plans for significant expansion, which I'll let the applicant speak to in a moment.

Action Item: Ordinance

Ordinance approving issuance of Series 2023B Bonds

- $633,537 principal amount.
- Company is purchasing IRBs.
- Fast-track to Dec. 7 Commission to close bonds in 2023.

The action item today, we're asking the Commission to consider an ordinance approving the IRB's again in the amount of $633,537.00. This will provide sales tax exemption on construction materials and property tax abatement. As you're used to seeing on IRB's, the abatement for this project is 75% pursuant to the performance agreement that would be approved by the ordinance. As with the most IRB's, you see the applicant is responsible for debt service payments and will also buy their own bonds, so this is not a public bond issue and there is no liability for the UG. No impact on the UG's credit or credit ratings. This is requested to fast-track to the December 7th commission meeting to facilitate closing the bonds yet here in 2023. I'm happy to answer any questions, otherwise the representative of the company's here to give you a little bit more information about the project.

Dave Major, **Engineering Lead at Ecovyst**, said I'm one of the engineering leads there working on these expansion projects. Basically, came here to answer any questions you guys might have to be honest with you, nothing prepared.

Chairman Burroughs said thank you, please stand by. **Mr. Major** said sure.

Chairman Burroughs said any other questions?

Commissioner McKiernan said I'm not going to ask you any questions. I just want to thank you and your company for decades of improvement of that facility, increased numbers of employees on that site, regardless of any abatements that might have been in place or are currently in place you're paying more in taxes now than that site used to pay. You've been a great community partner. I am really pleased to have your company in the district. So, thank you very much. **Mr. Major** said thank you, I'll pass that along.

Chairman Burroughs said I echo those comments. It's nice to see the growth of the company and the quality of work that's been done down there. It's just a nice partnership. We appreciate your presence, thank you.

I'll ask at this time if there's any member of the public who wish to address the committee on this issue. Being none, I'll ask are there any residents present that would care to speak to this? Anybody online? **Ms. Sparks** said no hands are raised. **Chairman Burroughs** said okay, anybody in the audience wish to speak to this issue? Let the record show no step forward. I would entertain motion.

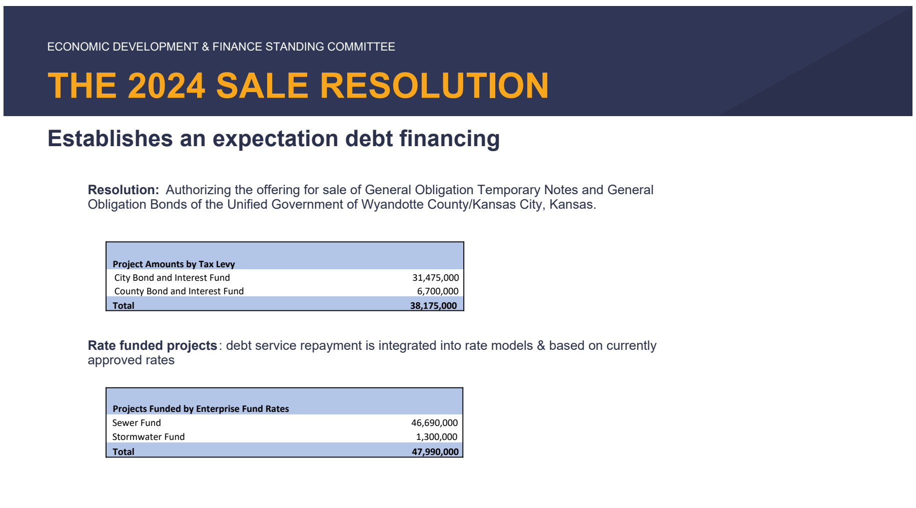
Action: **Chairman McKiernan made a motion, seconded by Commissioner Davis, to approve as submitted.**

Chairman Burroughs said we have a motion and a second for approval. Clerk, please call roll.

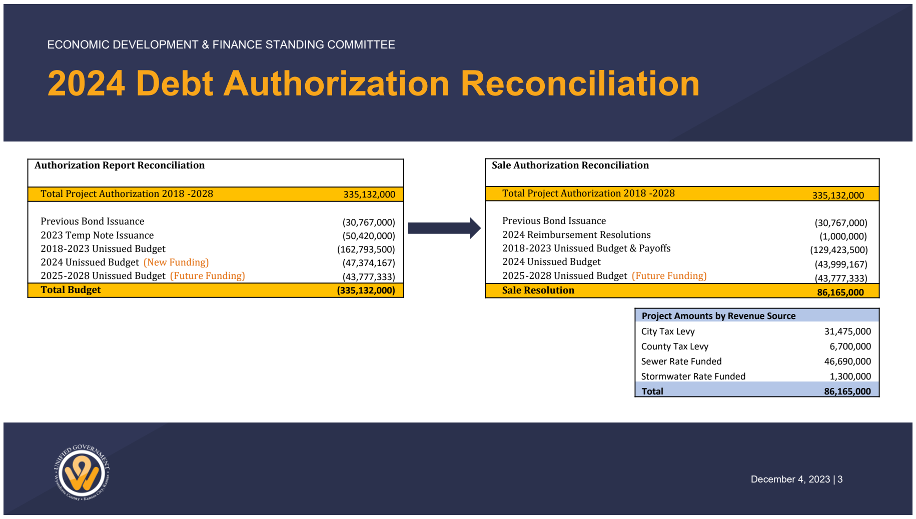
Roll call was taken and there were five "Ayes," Haley, Davis, Stites, McKiernan, Burroughs.

Item No. 3 - 212837…RESOLUTION: SALE OF TEMPORARY NOTES AND BONDS
Synopsis: A Resolution authorizing the sale of Municipal General Obligation Temporary Notes and General Obligation Bonds, submitted by Debbie Jonscher, Interim Chief Financial Officer.
Approve Resolution and request Fast Track to 12/7 Full Commission

Ms. Jonscher said I have a small presentation just to go over some of the numbers in the sale resolution. This resolution is authorizing the offering of sale of General Obligation Temporary Notes and General Obligation Bonds. The previous action that was taken on the debt projects was the project authorizations that went to the commission meeting a few weeks ago. So, just wanted to go over the numbers that we have in this sale resolution. The amount that's listed in the sale resolution for the project is $86.1 million. These are all projects that have been approved in the budget and the project authorizations were included and approved a couple weeks ago. The revenue sources for these projects are city and county property tax revenues as well as sewer and stormwater rate revenues.



So, just going over this first slide, I just wanted to break it out. The first box there is the city and county tax levy projects totaling about $38.1 million. $31.4 million of that is for the city and $6.7 million is for the county. Projects funded by the Enterprise Funds and paid with Sewer Fund rates, we have the Sewer Sanitary Fund, has projects of about $46.6 million, and the Stormwater Fund of $1.3 million totaling $47.9 million.

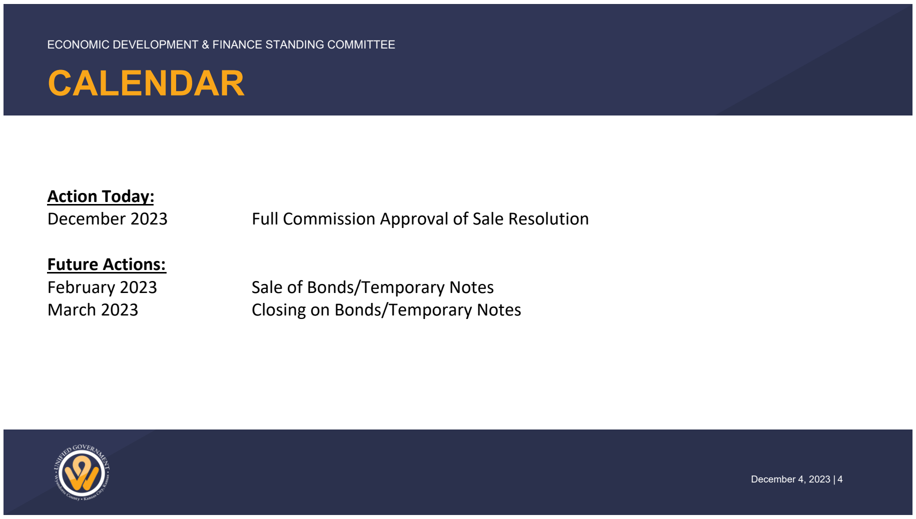


Authorization Report Reconciliation	
Total Project Authorization 2018 -2028	335,132,000
Previous Bond Issuance	(30,767,000)
2023 Temp Note Issuance	(50,420,000)
2018-2023 Unissued Budget	(162,793,500)
2024 Unissued Budget (New Funding)	(47,374,167)
2025-2028 Unissued Budget (Future Funding)	(43,777,333)
Total Budget	**(335,132,000)**

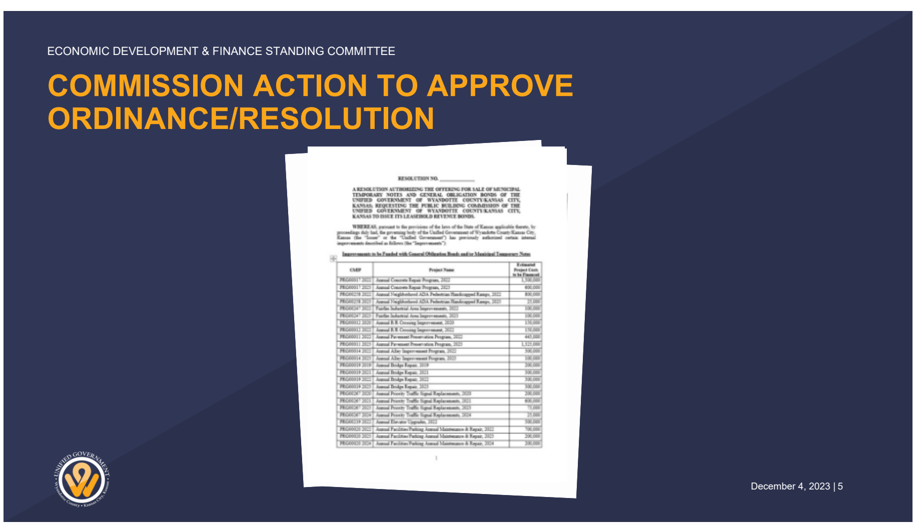
Sale Authorization Reconciliation	
Total Project Authorization 2018 -2028	335,132,000
Previous Bond Issuance	(30,767,000)
2024 Reimbursement Resolutions	(1,000,000)
2018-2023 Unissued Budget & Payoffs	(129,423,500)
2024 Unissued Budget	(43,999,167)
2025-2028 Unissued Budget (Future Funding)	(43,777,333)
Sale Resolution	**86,165,000**

Project Amounts by Revenue Source	
City Tax Levy	31,475,000
County Tax Levy	6,700,000
Sewer Rate Funded	46,690,000
Stormwater Rate Funded	1,300,000
Total	**86,165,000**

This is just a reconciliation. I had showed this reconciliation in the previous presentation, but I wanted to take that and then go back to what we have listed in the sale resolution. So, we started out with the authorization of all the projects that were listed and the total budget authority, that's in the table on the left-hand side, and then we have the sale authorization on the right-hand side, and you will see that project authorizations totaled $335 million. We took out $30.7 million for previous bond issuances. $1 million is taken out for projects in 2024 that they have reimbursement resolutions, but they are not receiving financing because the projects are not ready to go. Then we also had $129 million of unissued budget or payoffs of temporary notes that are not being issued. The 2024 amounts that are in the budget that are not being issued as well as future fundings from '25 to 2028. When we do the project authorizations, we authorize the entire project cost, not just the current year, unless it's an annual project. So, that's why you'll see—we've listed out the total authority and then we're backing into the amount that we're including in the sale resolution. So, the amount in the sale resolution is $86,165,000.00 and those projects are listed all of those projects and the amounts are listed in the resolution that was included in your packet. Then we have broken down how those are being paid for by city, county, sanitary sewer, and stormwater funded projects.



So, today we're requesting approval of the sale resolution to be approved by the full commission. We have asked that to be fast-tracked because we are currently already working on that bond issue and needing to provide information to our bond counsel and financial advisors to get ready for the sale. The sale is going to be in February with the closing in March. However, at the end of January, we're scheduled to do credit rating agencies. We have to put out a notice of sale, all of that goes in advance of the credit rating call, so that's why we're trying to get this completed so that we can finalize the amounts that we're issuing.



That's the end of my presentation with just a request to approve the sale resolution.

Chairman Burroughs said any questions? Any comments? Okay, then I'll ask the clerk if there are any comments received from the public? **Ms. Sparks** said no comments received. **Chairman**

Burroughs said thank you to all recognized members of the public who wish to address the committee. Anybody, Clerk, raising their hands? **Ms. Sparks** said no hands raised. **Chairman Burroughs** said anybody in the audience wishes to speak? Let the record show no one stepped forward. Thank you, Debbie. One question if I may, you said the credit rating will be determined in March?

Ms. Jonscher said no the credit rating calls will happen at the end of January. Those have to be done about two weeks prior to going out for a bid because the investors want to know what that rating is before they bid on our projects, on our bond issue. So, we'll do the credit rating calls at the end of January.

Commissioner Davis said Debbie, thank you so much. This is really, really, great work. Do we have an idea on the interest that we'll be paying on these bonds?

Ms. Jonscher said the interest rate, I believe this year we were, I think our interest rates were around 3 to 3.5% Interest rates have been going up. I think on our investments we're seeing around 4 to 5%. We could be looking at interest rates around that rate, maybe 4%. Usually we get that information—once we finalize the amount, they'll do some projections probably in January telling us kind of what they anticipate we might be paying and then we usually compare that with what our—obviously it can change from day to day.

Commissioner Davis said gotcha, gotcha so kind of 3 to 5% is kind of what I'm hearing roughly again. Who knows what is going to come? Gotcha, and then just kind of for the public's education here and for mine, just as a reminder, we are merely giving staff the authorization to say this is the max by which you can go out for bonds. If for example, a grant came in or we found out that we can get materials or labor at a more affordable price, that would kind of encourage staff to go lower than this $86 million, is that correct?

Ms. Jonscher said right, this is the sale resolution. The numbers can change, obviously, we cannot go over our full authority. This is what we expect to issue because we don't want to issue any more than we can spend in the next twelve months because otherwise when you spend money and then if a project's not moving forward or it's not going to be paid until the following year, you run into the arbitrage rebate issue. So, this is somewhat of our best estimate of what we expect. It would either be at this level, it will probably be lower than this. We're still doing finalizing to find out if something's not going to be spent until the fourth quarter, is it the end of the year, we might opt to hold that until the next year because we don't to hold onto money for an entire year.

Chairman Burroughs said great question. I think it's a sharing that cost of doing business is going up but at the same time, if we can apply for federal grants, city grants, state grants, whatever we can get to reduce that overall bonding and use cash that's it, puts us in a better financial fiscal position. Great question. Okay, any other questions or comments? Debbie, thank you for that report, this is an actionable item to be fast-tracked, I'd entertain a motion to approve.

Action: Commissioner Davis made a motion, seconded by Commissioner McKiernan, to approve as submitted.

Chairman Burroughs said we have a motion and the second for approval and to fast-track. Clerk, please call roll.

Roll call was taken and there were five "Ayes," Haley, Davis, Stites, McKiernan, Burroughs.

Item No. 4 – 212869… RESOLUTION: ANNUAL CASH AND INVESTMENT POLICY
Synopsis: A resolution approving the Cash Management and Investment Policy, submitted by Andra Vinyard, Deputy Treasurer
Adoption of Cash Management and Investment Policy

HERE IS WHY I AM BRINGING THIS TO YOU

- The Cash and Investment Policy includes the policies and procedures for responsible management of UG Funds
- Annual review required for submission of State of Kansas' Expanded Powers Application
- One minimal language change was made from the Cash Management Committee

A few key points why I'm here obviously as stated, the Cash and Investment Policy is being brought forth as part of the annual review for purpose of the Cash Management Committee that we do here locally at the UG. It sets up the documentation policy and procedure on how we handle and manipulate and manage the UG funds in our investment portfolio. Additionally, I use that document to go out for an application for the State of Kansas to have expanded powers. I'll go into that a little bit later in my slides what that all is and what that entails. This evening only change we have is one minor little change to language, which I will show what that language changes and refer to the page for reference if necessary.

LANGUAGE CHANGE

- Section 10 B- Ethics and Conflict of Interest
  - change to "any applicable laws" instead of "state laws"
  - Officers and employees are governed by this Policy, the Unified Government Code of Ethics, and any applicable laws

Language change is going to be in Section 10B under the Ethics and Conflict of Interest, which I believe is on page four of the full investment in Cash and Investment Policy. This comes from Legal who is there as an individual on our board that reviews this as well. We're changing the language from any—it said all state laws to now stating any applicable law. That way we can refer to our own policy outside of things like the state laws that we bring into our policy as well. So, the full statement now reads; officers and employees are governed by the policy the Unified Government Code of Ethics in any applicable laws. That is the only change that we have from last year to this year on this policy.

KEY TAKE AWAY POLICY ITEMS

1. Purpose of Cash and Investment Policy
2. Annual Review Requirement
3. Cash Management Committee Members
4. Diversification Rule
5. Local Emphasis
6. Collateral Requirements
7. Expanded Investment Authority

Just to kind get you a little bit better understanding in general what this policy does. The purpose is obviously to be able to give us authority to manage and follow our own policies and relate to how we handle the idle funds and all of our institutions along with the portfolio for the UG. As Cash Manager, I manage this policy, and I put it and bring it forth to our annual review with our Cash Management Committee. There is a group of us that are at the local level here at the UG that are on the Cash Management Committee. The following are the voting members; the Chief Financial Officer, the Clerk, Director of Revenue/Treasurer, that's a double title, so I refer to County Treasurer and someone from Chief Counsel are all on our voting list, and we also have a few members that are non-voting members. The Legislative Auditor, the Accounting Manager, Cash Manager, and we also have a member of the Municipal Advisory that the UG uses on that board. So that entire board has went through this document first before bringing it forth to you to review to make sure we're meeting all the needs there. A few other things we like to over or that I like to point out that are important about the policy obviously, they all are, but a few things that I look through pretty frequently, more quarterly, things like the diversification rule. We really want to make sure that we're allowing our portfolio to expand, not only by institution but by type of instrument and maturity levels, giving us the authority to go from one year to four years all local institutions, along with types of securities that we follow, like CD's, treasuries agencies as well.

Leading into the next one, Local Emphasis, it's within our policy that we are only allowed to go out for bid to local institutions who have a branch here in our County, Bonner Springs, or Edwardsville. If none of them have interest, then we have a secondary rule to allow us to go out for bid the Treasury Federal level. Collateral is something that we really need to make sure we're watching; we want to keep ourselves covered for if an institution has something happen to them, we have a requirement that all institutions cover our investments at 105% or more. I monitor that every month and I've been doing this for six years so I can tell you thus far; knocking on wood, we have not had that problem, but it's there to protect us for that reason.

Last, but not least, one of the reasons I brought this today, each year the State of Kansas sends us an application, open for application or not, what's called the Expanded Investment Authority. Kansas State Statutes allows us to go out for bid for up to two years without this authority. Lately, we haven't really had a need to go further than two years because of the way the investments are going, but things might be changing. Debbie and I speak with our outside council a lot and it's probably best that we go ahead and apply for up to four years to allow us that opportunity. In the event that something comes up and we want to go out for a three-year investment, if we don't get this approved, and the application approved, we cannot do that. So, I have not had to use it, but it's good to have it there in case we decide to go forward. Approving this document, putting that with our application, makes that application for expanded powers whole.

QUESTIONS OR COMMENTS

- Andrea Vinyard, Deputy Treasurer / Cash Manager
  avinyard@wycokck.org
  710 N. 7th Street, Suite 240 Kansas City, KS 66101
  913-573-2821

That would be all that I have for you this evening as far as my presentation goes.

Chairman Burroughs said committee any questions? Andrea, I'd just like to state that I really like that going putting the additional policy in up to four years to have it in case we need it instead of trying to rush it through committee. At least we'll have a chance to learn what it means and have a discussion prior to having it thrown at us at a later date. So, I do appreciate that proactive approach. I went back into the policies and read them again, as you know I will, and on page six I did find the option to invest more than the 10 to 25% mandate that we have in there. We had talked about going above the 25% of investments because we had an audit that stated that we needed to stay within the 25%, but sometimes we may need to go past that is we're losing money. **Ms. Vineyard** said correct. **Chairman Burroughs** said I found that language in here and is still in here again **Ms. Vineyard** said yes. **Chairman Burroughs** said I do sincerely appreciate that.

Ms. Vineyard said yes, sometimes the institution is the institution we get and if we want to go out for bid, we would take that. We would just be prudent to do so and we justify that in the language when we do the investment itself for audit purpose. **Chairman Burroughs** said that's wonderful, I appreciate the thoroughness of which you presented this. **Ms. Vineyard** said thank you very much.

Chairman Burroughs said, committee, I will ask this is an action item, but before I take a motion, I'll ask if there's any members of the public that wish to make comment. Let the record show any raised hands? **Ms. Sparks** said no hands raised. **Chairman Burroughs** said anybody present that would care to speak? Let the record show no one stepped forward. Committee, I'd entertain a motion.

Action: Commissioner McKiernan made a motion, seconded by Commissioner Stites, to approve as submitted.

Chairman Burroughs said we have a motion and a second. Clerk, please call roll.

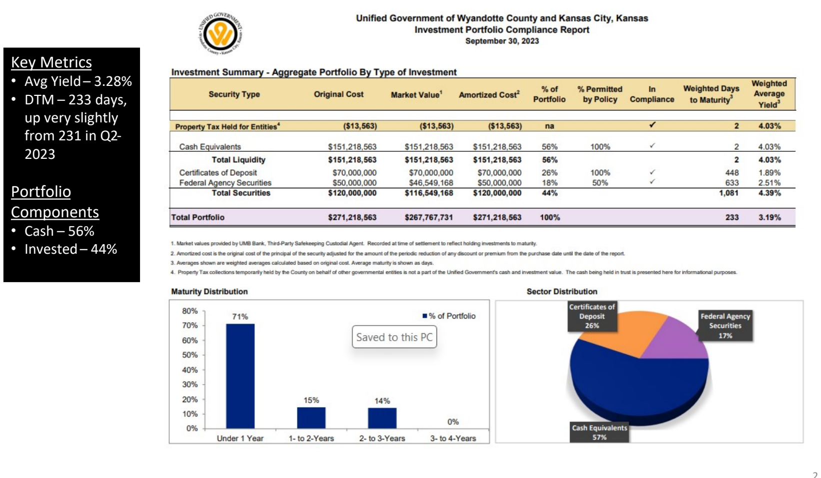
Roll call was taken and there were five "Ayes," Haley, Davis, Stites, McKiernan, Burroughs.

Item No. 5 - 212865…PRESENTATION: 2023 THIRD QUARTER INVESTMENT REPORT

Synopsis: A summary of the investment report going over the investment portfolio for the Third Quarter of 2023 from the dates of July 1st through September 30th, 2023, submitted by Andrea Vinyard, Deputy Treasurer.

For Information only.

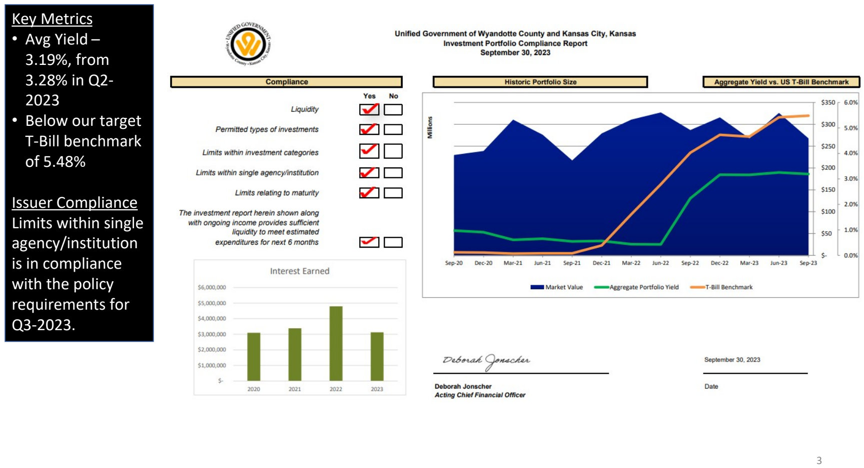
Ms. Vineyard said bringing forth the Third Quarter Investment Report. Kind of what we all or well what we didn't do actually there was not much to do in quarter three. I'll be back again with some change, but we'll go there then, so this was going to be July through September of 2023.



Security Type	Original Cost	Market Value[1]	Amortized Cost[2]	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity[3]	Weighted Average Yield[3]
Property Tax Held for Entities[4]	**($13,563)**	**($13,563)**	**($13,563)**	**na**		✓	**2**	**4.03%**
Cash Equivalents	$151,218,563	$151,218,563	$151,218,563	56%	100%	✓	2	4.03%
Total Liquidity	**$151,218,563**	**$151,218,563**	**$151,218,563**	**56%**			**2**	**4.03%**
Certificates of Deposit	$70,000,000	$70,000,000	$70,000,000	26%	100%	✓	448	1.89%
Federal Agency Securities	$50,000,000	$46,549,168	$50,000,000	18%	50%	✓	633	2.51%
Total Securities	**$120,000,000**	**$116,549,168**	**$120,000,000**	**44%**			**1,081**	**4.39%**
Total Portfolio	**$271,218,563**	**$267,767,731**	**$271,218,563**	**100%**			**233**	**3.19%**

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent. Recorded at time of settlement to reflect holding investments to maturity.
2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.
3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.
4. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value. The cash being held in trust is presented here for informational purposes.

A few key metrics, last quarter we were at 3.28% as far as the average yield. This one went down a little bit, went to 3.19% for our weighted average yield of the total portfolio. Some distance or distance days to maturity did go up slightly by two days. Quarter two was 231 days, quarter three was 233. The portfolio is a little more split, it's at 56% cash ending in September of '23 and invested we're at 44%.



A little bit more about the interest and what really happened within the quarter. We always like to exceed or excuse me, be below the benchmark for a T-Bill, that's part of our policy if you would have kind of read through what we do as far as where we're marking and matching our investments. We did again meet that by being below the T-Bill bench rate of 5.48 to kind of refer to what Debbie is saying that is kind of where the rates are for that purpose of her presentation where they're sitting for the treasury or the commercial side of percent. So, you can there is an average there as of quarter three something to refer to when looking through things. As far as interest shows we're still leading towards hitting that exceeded amount for the third quarter of interest based on the investment portfolio. We have got about $1.7 million in interest, which brings the total for all three to be right under four million as of quarter three. We ended there last year in quarter 4, 2022, so that is a good representation of where the investments are sitting. As the COVID investments are starting to go away, falling off, we are seeing more interest coming in as the rates did increase after the COVID pandemic process.

Types of securities in our investment portfolio?

Of the $271 M total, $70 M or 26%- CDs fully collateralized per investment policy and State Statute & $46 M or 17% US Agencies Securities.

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
September 30, 2023

Issuer Detail - Aggregate Portfolio by Issuer

Issuer	Original Cost	Market Value[1]	% of Portfolio[3]	% Permitted by Issuer	In Compliance[3]	Weighted Average Maturity Days[2]	Weighted Average Yield[2]
Property Tax Held for Entities[3]	**(13,563)**	**(13,563)**	**na**	**See note 3**	✓	**2**	**4.03%**
UMB, Wyandotte Operating	142,382,563	142,382,563	53%	25%	✓	2	3.79%
UMB, Wyandotte Health	8,836,000	8,836,000	3%	25%	✓	0	0.24%
Cash Equivalents	**151,218,563**	**151,218,563**	**56%**		✓	**2**	**4.03%**
Commerce Bank	50,000,000	50,000,000	19%	25%	✓	333	0.66%
UMB Bank	20,000,000	20,000,000	7%	25%	✓	115	1.23%
Certificates of Deposit	**70,000,000**	**70,000,000**	**26%**		✓	**448**	**1.89%**
US Treasury	50,000,000	46,549,168	17%	*50% of total portfolio*	✓	0	0.00%
Federal Agency Securities	**50,000,000**	**46,549,168**	**17%**		✓	**633**	**2.51%**
Grand Total	**271,218,563**	**267,767,731**	**100%**			**233**	**3.19%**

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent.
2. Averages shown are weighted averages calculated based on original cost for the respective investment categories. Average maturity is shown as days.
3. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value for investment reporting purposes. The cash being held in trust is presented here for informational purposes.

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Where the portfolio shows as far as what we have out, obviously, we were at the 56% cash, that's going to be sitting in our operating or the overnight rep that's where the cash sits. Then we have two different institutions holding 26% of our portfolio, which comes to about $70 million, got $50 with Commerce, and UMB holds about $20 of that, and then the other 17% is going to be US Treasuries. Those are the investments that we could go out for bid because the investments that we were getting did not meet or exceed the rates we had to go for, so we did some agencies, some local agencies through the federal level. So, total in investments we are at obviously $26 in CD's and then we have 17% in the federal agency category.

What transactions occurred in Q3 2023?

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
3rd Quarter 2023 - July 1, 2023 - September 30, 2023

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q3	NA	UMB, Wyandotte Operating	4.025%	10/2/2023	(58,875,837)	(58,875,837)
Thru Q3	NA	UMB, Wyandotte Health Reserve	4.025%	10/2/2023	1,182,000	1,182,000
Cash Equivalents					**(57,693,837)**	**(57,693,837)**
Purchases					-	-
Calls/Maturities					-	-
Total					**(57,693,837)**	**(57,693,837)**

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Last quarter we didn't do anything. We've been watching the rates; I have a way to see those every day. We have outside counsel, we're able to watch there was just not a lot to really go out. We had a lot of outgoing money for bond payments, so we left it alone. We'll have some changes come to you next quarter for quarter four, along with a year-end update of where the portfolio sits, where the cash funds will all be based on each operating fund and then we will present all of that at the year-end process. So, quarter four will have some change, but quarter three we did not have any transactions, and that would be it for me.

Chairman Burroughs said good news. Committee, any comments? None, I will ask if there's anybody that would like to speak from the public? Any hands? **Ms. Sparks** said no hands raised. **Chairman Burroughs** said anybody present care to speak to this item? Let the record show no one stepped forward. This was for information only, there's no action needed on this item. So, thank you ladies. I appreciate the thoroughness in which you went through in expeditious manner. I like the information coming ahead of time. It makes it easier to read.

Action: For Information Only

Item No. 6 - 212855…ORDINANCE/RESOLUTION: COMMUNITY BENEFITS FUND
Synopsis: An Ordinance/Resolution creating a new Community Benefits Fund from moneys received as fess paid by developers who are receiving economic development incentives, submitted by Jeff Conway, Assistant Counsel.
This item was previously heard by this Committee on November 13, 2023. It is requested that this item be fast-tracked to the December 7, 2023, full commission meeting.

Jeff Conway, Assistant Council, said my role is to try to put together the input by the members of the committee and Commissioner Johnson, Commissioner Davis that have been driving the bus on this issue and so I think we've arrived at a final version for presentation tonight and I could present some highlights, however you would like to proceed. I would point out one thing that I think there was a version that was distributed a couple days ago and there's been one minor change since then and it goes to the language in E as in egg. It's the last sentence and so we just need a little bit more definition on the phrase with respect to distressed areas identified as qualified census tracks and identified by HUD and all of that thing. I think before it was a little bit questionable about exactly what was being referred to so I wanted to use the right phrases there. So, if you haven't seen that sentence yet, that's the only change from the previous versions you've seen. I could step through it if you'd like, or I'd certainly defer to Commissioners Johnson or Davis or whoever else would like to comment.

Commissioner Johnson said I think we'd take the first stab, and I do want to say though before into this I want to really appreciate Mr. Conway, who has proven himself to be most flexible and I'm going to make an accommodations to all of them various perspectives from the Mayor's Office to the Commission, the task force, so thank you Jeff for all of your hard work we really appreciate it. **Mr. Conway** said sure, thank you.

Commissioner Johnson said I'm going to give some high level and then I'll flip it over to Commissioner Davis. I'm really happy to say the Mayor had put together about ten task forces at the beginning of his tenure to cover various areas from what we're dealing with in terms of economic development but to the arts, I think some are working on the existing charter, things of that nature. We have, and I think what he ultimately wanted was for each of those task force to be able to bring forth some legislation or either change to policy that would be of benefit to the community at large and that's what we've been attempting to do with this ordinance. When I think about over twenty something years ago when we started doing the development out west, there was as a basic promise of sorts that we would leverage the benefits of what we're doing out west to somehow be able to leverage that to the older eastern part of town and we have not up to this point really had any legislation that really did that. I believe, it's my opinion, that this legislation such as it is begins that dialogue and puts in place a piece of legislation that addresses that very issue so that we can see some benefit as it relates to economics in our community.

We have so many needs, if we have needs throughout the community or particularly on the western side, you can multiply that because they become more complex as we move easterly. We have older types, things of that nature and so what we have put together here attempts to address that. I believe Jeff, this is at least the 12th, 13th iteration, which means that we have been listening. We have been listening to everybody that has input, and you all gave us great input at our last meeting, Mr. Chair, and so what we have done is attempted to go back, address that, those issues and bring that forward. If it would please this group, I'd like to invite maybe one--I don't know if there's anybody from the Mayor's staff that is here, but if you would allow them to come to the table, they can kind of speak to some of the things that we have said in the most recent meetings, if they're not here I don't that's fine.

Chairman Burroughs said okay, I do have J.D. Rios.

Commissioner Johnson said J.D., if you don't mind, it's your pleasure. Thank you, Mr. Rios, I appreciate you being at the table. With that I'll pitch it over to Mr. Davis and I really want to appreciate Commissioner Davis because he has really taken the things that have been said and try to massage them in such a way that gives us a piece of legislation that we think can really make a difference, so I'll pitch it over to Commissioner Davis.

Commissioner Davis said thank you so much Commissioner Johnson. As reiterated, this particular piece of legislation that you are looking at would not be here if it wasn't for the hard work of Commissioner Johnson, J.D. Rios, LaVert Murray, and Irene Caudillo. There are so many folks, Greg Kindle I see there. There are so many folks that are a part of putting this together and I want to reiterate that because we just didn't kind of write something. We really, really, wanted to be aware of the wishes of everyone. So, I'll give kind of a very basic overview of what this is before us.

The community benefit ordinance basically sets up what's called an Advisory Board ,Community Benefit Advisory Board, which is similar to all of our other boards has members that each a person from the governing body we would all appoint. One of the changes that we heard in our last meeting last month was that the commissioners that appoint someone, that person needs to be within their districts. It was also brought to our attention by folks from the Mayor's office that we shouldn't just make it residential based, we should also add business owners. If you employ people in Wyandotte County, you also should be eligible to serve on this fund. I mean on this board, excuse me.

The second thing this ordinance establishes is a Community Benefit Fund. It's great to talk about ideas and stuff, but the real question is where does the money come from. As Commissioner Johnson most eloquently said, we are mindful that a lot of the projects that are being funded and are being produced come mainly from one side of town. There's nothing wrong with that in particular, that is how the cards have been set up, but we can do something about the revenue that comes in and we can do something about how we distribute that revenue and so, that's where the second piece of this ordinance comes in. That board would be responsible for going out to the public hearing concerns and saying hey, listen we have this pot of money, this pot of money can be used to address those concerns.

The funding for this board would be 25% of all economic development projects, that's a big deal as you all can see given the amount of money that has come through this board and the reason why is we really want to go big, we don't want this particular fund to just be something that can do small things, we want to do big things. The last thing I'll bring your attention to is Section D, which is the categories of permitted expenditures, this again, was a compromise and I know Commissioner Burroughs had some thoughts here. I know Mr. Murray had some thoughts here and so initially last month, we had a huge list of a lot of a lot problems and things that in Wyandotte County I think all of us are passionate about and we hear about. However, we understand that to be effective you do have to scale down so you can have a big impact and so, the three things that we scaled down to was Senior Minor Home Repair. We have a lot of seniors that are in need all throughout our county that may not have the funds or may not have the labor to complete whatever said projects.

The second thing is a local Affordable Housing Trust Fund. You may hear this and be like what I didn't know we had one, we do not, but the work is put in place and something I'm continuing to work on is that 2024 will be the year of establishing an Affordable Housing Trust Fund in Wyandotte County, and we're going to need everybody's support on that.

The last item for this one is Licensed Child Care projects. If you all recall, there's a group, Raising WyCo, I know Commissioner McKiernan was in on the summit that they had last year, but childcare is a massive issue in Wyandotte County and is a huge burden on our economy. There are a lot of folks that cannot access our economy because they need to figure out where childcare is affordable and accessible and so those are the three programs that we hope to encourage and bolster and invest in. From our seniors to our babies and if you can take care of the seniors and the babies, you're going to be alright as a community. I want to hand it off to Mr. Rios just to talk about kind of what he's heard with the Mayor's office, and then Chair, that will be it for my voice.

J.D. Rios, **Mayor's Office**, said emphasizing just a few points. One is that this about all of our citizens from the very young to our most senior. Very rarely do you have legislation that will cover the gamut of our citizenry, and this certainly does. It also allows for major impact to by lowering the categories, this should be something that the community taxpayers will be able to see very tangibly what their tax dollars are going toward, and that is something that I believe the Mayor has stated if the taxpayers see the tangible impacts and effects of their tax dollars, they may not be quite as upset about the taxes that they pay. It's when they don't see the tangible impact that they get some frustration, and we believe that this Community Benefits Fund will in fact, show very tangible impact to the three categories that have been recommended to you.

Something that was stated in the last committee meeting that I want to be sure to address, and that is that this is moving fast. I don't think twelve drafts of legislation can move fast. I don't think that you can be ignoring input from community, from committee members, from this body in a short period of time. I believe that this has been something that has been extensively discussed and has been modified to effectively. Bring about the input of all of those entities and I am very proud of the fact that we're able to present such a piece of legislation to you that is inclusive of all those entities coming together and being able to formulate something. It also—I personally feel this is a better document for all of that. From where we were at the first version to this current version is very different. But I believe that this is the best product of the work that has been put forth in this effort. It is the first piece of legislation to come out of the Mayor's Task Force. That is something that should be celebrated by the Commission. That again, having all parties coming together, that is the vision of the task force, is to have all entities working together to bring about constructive policy that addresses community need. I believe that this effectively does so. If you have any specific questions, of course, any of us should be able to answer those. Thank you for your time.

Commissioner Johnson said Mr. Chair, before we go to questions, I do want to acknowledge Mr. Greg Kindle is here as well and he's impacted this greatly as well from his perspective. I'm sure there'll come time where he'll be allowed time to speak either now or later, and then I also want to appreciate Ms. Jonscher for staying here. We've talked to her, we've also sat in the room with Mr. Johnston, our County Administrator, one last time. So, with that, we'll yield the floor for comment and discussion.

Commissioner McKiernan said, Commissioner Davis and Johnson, thank you for your work on this. Let me just clarify one thing, the funding for this will come from fees paid in the process of Economic Development correct. **Commissioner Johnson** said correct. **Commissioner**

McKiernan said funding from this will not come from property tax revenues received once the development is completed. Is that correct. **Commissioner Johnson** said correct.

Commissioner Davis said I'll just add some clarity there. The new language that was given to us by the Mayor's office, if you all recall, Section C3 it says to the extent permitted by state and local law, ¼ of all funding or revenues received by the Unified Government as a result of any new development projects located in the city funded by utilizing economic incentives shall be set aside in the benefits fund. My reading on that would include some of the PILOT payments on that, that may come from Economic Development.

Commissioner McKiernan said so that is completely counter to my understanding of how this was going to be funded. My understanding of how this was going to be funded was that this would effectively be taking some of the fees that would come in as a function of bringing these projects to fruition. Taking ongoing property tax payments on any development is ultimately going to be a hurtful process, my opinion, and will negatively impact the provision of services that property tax revenues would otherwise provide, my opinion. If we can clarify that.

Commissioner Johnson said when you say property taxes I forgot—I just misunderstood the word property taxes and PILOT, they're the same thing I apologize.

Commissioner McKiernan said well they are. We have conflated them to be the same thing. Where a payment in lieu of tax is effectively a schedule by which we can offer some reduction of property tax as an incentive. But my understanding was that those monies would not be funding this fund, rather any fees pursuant to generating those projects would be doing this.

Commissioner Johnson said that was part of probably the 11^{th} iteration that we had. It was from administrative fees. At some point it was brought to us that we should consider that coming from all revenues related to these projects, not sure where that came from. It started out at this in complete transparency that we ought to look at 50% and we kind of waffled on that because we didn't know what that actually looked like. We've talked to Ms. Jonscher to get a better sense of what that would look like, and as a result of that and quite frankly, in talking to the Mayor and our County Administrator we settled in at 25% as a place to start. The thought process is if it doesn't work, we can modify it at the pleasure of the Commission. So that's how we got to this point.

Commissioner McKiernan said okay, thank you. I will say that was not my understanding of how this was going to be funded and I'm not prepared to offer support if that is, in fact, the way it's going to be funded.

LaVert Murray, Economic Development Advisor to the Mayor, said just to clarify it is my understanding, like yours Commissioner McKiernan, that the question of PILOT supported projects came about and in terms of how do you qualify that project for seeking funding for the Community Benefits Fund. Not to continue to receive part of those PILOT payments. And so let's say if you are initiating a project and that project is to be funded through Industrial Revenue Bonds, where there is a PILOT schedule, etc., that there would be a fee assessed to that project, not to take part of the PILOT payments. So that fee would be paid upfront, now that's my understanding. Paid by the developer upfront for that PILOT supported project and then you wouldn't receive, now again that's my understanding, part of the PILOT payments moving forward that you pay that payment upfront as part of your initial project cost.

Commissioner McKiernan said so my understanding then would be that this would be a project, let's say where IRB's were going to be in play and as a part of the total project there would be IRB's, there would also be a payment in lieu of tax for the property tax, and that the payment in lieu of tax for property taxes would be untouched and would continue to come to the General Fund as always. But that a portion of the issuance fee for the IRB's may in fact, then go into this fund and support this fund. If that's the case, I'm on board. **Mr. Murray** said that is my understanding of how it's to work.

Commissioner Stites said Legal, is that your understanding? **Jeff Conway**, **Assistant Counsel**, said well I can tighten up the language to reflect fee only if that's—**Commissioner Stites** said of issuance fee.

Chairman Burroughs said I don't want to lose control. I want everybody to have an opportunity to speak.

Commissioner Stites said if it sounds like there may be somebody because he's bouncing off of his chair. I'll let him speak and then maybe that resolves it. **Mr. Conway** said I think it's possible to hone in on the intent.

Commissioner Davis said before we do that, Commissioner McKiernan, you brought up a good point again. Our original intent was just the issuance fees and the administrative fees, that's what we brought to you all, what we were brought here kind of—it's not necessarily what we had wanted, but again, we wanted to have the discussion. Ms. Jonscher can you—I know there's been some conversation on what the impact will be. Can you talk about if this were to go in this 25%, we'll talk about issuance fees in a bit. But what would be the budgetary impact in your estimate.

Ms. Jonscher said the budgetary impact would be—and I guess maybe this is—I probably need to be a little more clear too. When I estimated—what we did was we went back and looked at—because my understanding it was going to be all revenues, which would include those PILOT payments. So what I did was I went back and looked at PILOT payments. These would be ones that were on a reduced schedule, usually they're 10 years. The issuance fees with those IRB's as well as administrative fees that we do on other economic development projects that maybe don't have an IRB, maybe it's a CID, something we're tracking, pay-as-you-go. We take an admin fee of about 1% on the payments that we do for those. So I included all of that. I included the admin fees, the issuance fees, and the PILOT tax payments and I came up with an estimate of 25%. It would be about $102,000. Now if you take out those PILOT payments, you're probably looking at the total amount of fees—what we did was we looked at several years and then we took it an average because it fluctuates from year to year depending on how many developments you have come in or what the payback schedules are. So, looking at just the issuance fee and the admin fees, it would be probably about $150,000 and then 25% of that would be ¼ of $150,000.

Commissioner Davis said is that per year? **Ms. Jonscher** said per year. **Commissioner Davis** said got you. **Ms. Jonscher** said if we had taken—I think I said if I take including the PILOT, it was going to be around $102,000 per year.

Commissioner Davis said well if it pleases the committee, I know that we're still having conversation, but I would be more than happy to approving this with the stipulation that we go back to the half of all admin and issuance fees as opposed to the 1/4 . I'll put that kind of on the table, it's not necessarily a motion, I don't want to stop a conversation but the original ordinance draft that we had proposed last month just said half of all administrative and/or issuance fees for economic development. **Commissioner Johnson** said I agree with that.

Chairman Burroughs said so I just want to make sure that we fully understand what's being discussed here. So, did that address your concern, Commissioner McKiernan? That you raised your question.

Commissioner McKiernan said I believe it does because my understanding of this from the beginning was that this was going to be funded from issuance and administrative fees and that any ongoing property taxes would go to the General Fund as always for the provision of city and county services, and so this fund would be seeded from the administrative from the issuance and administrative fees and if that is the case, then I am perfectly okay with that. So I thank you for that clarification.

Commissioner Stites said so now we're bouncing from one quarter to one half. How are we just on the fly going from a quarter to a half? **Commissioner Davis** said so the reason why—it's not a quarter and a half of the same thing. A quarter of all revenue from an economic development project is different from half of a 1% issuance fee or an administrative fee. **Commissioner Stites** said so what would that amount be. What would half of the—**Commissioner Johnson** said the issuance fees **Commissioner Stites** said half of the 1%. **Ms. Jonscher** said it's about $80,00. **Commissioner Stites** said so before, if we were at that quarter percent, we would be $500,000— **Ms. Jonscher** said it was a quarter percent. **Commissioner Stites** said it's 45% of one—I mean it would take forever for us to have enough money in there to do anything. So, at $80,000 a year, it'll take a few years, but we'll have substantial money in there to make improvements in the area that got it.

Chairman Burroughs said Commissioners, is that what you understood?

Commissioner Johnson said absolutely, in the iteration somewhere it got lost in translation and so I said well, we'll bring it to the committee and see what they say.

Chairman Burroughs said Mr. Conway, you have the intent of the legislation to be able to make the changes necessary? **Mr. Conway** said yeah, I do, Mr. Chairman and I just wanted to make sure that there aren't any other revenue sources that we haven't touched because we talked about the fees, we've talked about PILOT, we've—I don't know if there's any other possible revenue sources.

Chairman Burroughs said so the two changes that we're proposing is from a quarter to half and then the other one is the NICKS Code, is that the federal—

Commissioner Stites said so a half of the admin fees.

Chairman Burroughs said I don't want to misspeak on the other portion we talked about earlier that you said might need some clarification or is it clarified in this document. The census track is that by NICKS Code?

Mr. Conway said no, I think I just need to probably get with Debbie and make sure that we're identifying the fees specifically that she's talking about. I want to use the right language.

Ms. Jonscher said what I was referring to was just the admin fees and the issuance fees that we receive when we do an IRB or another special type of economic development where we're tracking the information versus, I think my original number included the PILOT payments.

Commissioner Stites said my last question and I want to be clear, that this is any development in KCK that has this an admin fee or they—the half would apply to that—**Ms. Jonscher** said any new development going forward was my understanding.

Mr. Rios said going forward in KCK, and all we're doing is going back to the original language. It said half of all funding received from the Unified Government from issuance of administrative fees. That was in the original and through some communication there was a change. I'm sorry, I don't know exact individual or what that came from. So then, I knew that the Commissioners wanted the committee to have the discussion and make the conclusion and the Mayor's Office is quite happy with whichever way the committee goes.

David Haley, BPU Board Member, said I didn't know if we're still with the funding source. I was going to shift—Mr. Chair, I don't know if we were still looking at the funding of where that's derived, I wanted to shift to the other side to those outlined organizations or the recipients. So, I don't know if you're still on the prospect of where we're deriving the funding, we can stay with that, but once those are satisfied, I'd like to move to that other side.

Chairman Burroughs said Mr. Haley I'm having a very tough time hearing you. I've got voice behind me that really takes away from you.

Mr. Haley said okay, I understand the acoustics being what they are. Alright, still with the funding, if you're still on that but if you're moving, I have other questions about another aspect of the agreement.

Chairman Burroughs said hold on just one second, I'll ask the committee's intent. I believe that there was consensus here that we got that language resolved so that staff can go back and make that change. If that's not right, please let me know.

Mr. Haley said I appreciate the clarity that was given, Mr. Chair, for the funding that's been worked out. So, in the previous iteration of the ordinance there were outlined many different—there were about 10 or so, if I remember correctly, categories for expenditures to various entities, and this before us now is abbreviated to it looks like three with some ancillary and that's at Section D. It says one three and three, that's a typo but it should be one, two, and three. But then there's some other direction given in the preceding paragraph as to I think who else would be considered. So, I guess my question is simply this, after some rework from the 10 that were here a few weeks ago, that it's now been more, lack of a better word, consolidated to embrace those three identified which are major areas. But are we still with the additional language, are we still embracing I think what are some other good categories that were on previously but are not now.

Commissioner Johnson said I think if I can attempt to first stab at that, we've gone back and forth on this issue. In talking with our County Administrator, he said the best way to proceed with this would be to have just a small section of ways and places that you could send the funding, and if that doesn't work, then we can always come back and review. I think we have a two-year review period. Subsequent conversations then, as we talked about having so many iterations and trying to hear as many voices as possible, sometimes that's good, sometimes not so good, but the list was expanded and again, when we began to re-evaluate this, I think particular to our last conversation with this group with the ED&F Standing Committee. I think the tenor that I understood that Commissioner Davis and I understood was that it's better be more concise, and so we have taken that again, presented it in more concise manner. Again, with the understanding that there is going to be a reviewal period on this whereby we'll be able to expand and modify or whatever with the approval of first of all, standing committee and then also the full commission. So that's kind of a summative statement of how we've gotten to this point.

Mr. Haley said thank you for that clarity, and I don't have what that list was and I know this has been an ongoing work in process, and I do appreciate the opening comments how comprehensive both from the needs to care for our child care needs, as well as our seniors. Those two have made the cut from the 10 to now the three and then the affordable housing and I wish I could remember at least one or two others because there were some attractive in that 10. I do appreciate that you have to—we didn't want it to be unwieldy. But there were some other, I thought, extremely appropriate areas that were addressed in the previous consideration and I just want—I don't want to see them thrown out while the trial to run only these three crucial categories might be addressed, when there might be some other areas that are wanting as well.

Commissioner Johnson said well, I don't think that they'll be thrown out. I think you know that that entire list, I thought every one of them was worthy as they were brought up in the persons, whomever they brought it up that we all said this is worthy. In fact, we had language that said not limited to, so that it was even more diverse, even beyond that. For the sake of this conversation, I think what we heard in terms of the tenor of this conversation is we don't need to be so broad in our perspective, but let's start out with the more confined list and then evaluate as to whether or not we can expand and so again, all the items that were on there were I think were worthy of consideration but this is where we've come to this point.

Mr. Haley said I won't labor it; I thank you and I know some of them were unweld. I remember the last one, the number 10, was I thought very difficult, it was talking about senior tax relief or something along that line, which I felt could be a little problematic. With everyone needing tax relief. There are some other areas in there and I certainly hope that this will not be exhaustive should the ordinance pass, and I certainly am supportive of it. I hope it will and that there's some kind of way to open up the discussion again. I wish I could throw something out, but I don't even remember the categories.

Commissioner Johnson said alright to the discretion of the committee. **Mr. Haley** said and so I thank you Commissioner Johnson, Commissioner Davis and Mr. Chair for helping me to better understand that. I didn't know if you had anything Mr. Rios to add to the consolidation or the abbreviation of those as well than what Mr. Johnson has shared.

Mr. Rios said the only thing that I would share is that when you think about the amount of dollars that was just told to us, in one way it's a nice sum and another way to get a major impact on any one of those areas will call for a lot more than what will be garnered from the fees outlined here. So, it was I think the narrowing was an attempt. Let's just get a focus, let's see over the two-year period money's generated, where they go, what that impact really will be, and then the Community Advisory Standing Committee can make recommendation to the Commission as to how that is playing out, really, I think was the bottom line to it.

Commissioner Stites said so it's my understanding and I appreciate that we've taken this broad brush that was out there and narrowed it down to this trim brush now if you will. That we can get the—we're never going to get a snowman built if we don't start rolling the snow, build the base, this is starting the snowball. We haven't had any discussions regarding this ever, now we are and we're starting the process. I don't care if it's one area, two areas, three or twenty. If they're going to be vetted and I'm glad because we couldn't possibly—what was trying to be done was to get this moving, get the ball rolling and we were kind of under some time constraints as we know there's Commissioners that are leaving that wanted to see this if you will, their baby through and I respect that I get that and it makes sense to me.

They worked hard on it and they deserve the credit for that because it is something good that's for our community, but to think that there's not other programs that are going to come through that aren't—that we can't look at would be just irresponsible of us to think that this is the only three that'll ever come about. So, I am totally fine with the way it is right now, I support it, and, Chair, I don't know if you're looking for a motion, but I'm ready to make it.

Chairman Burroughs said before we go to a motion, I do have to ask if there's any members—I want to do this properly. If there's no other questions, I will ask the Clerk if there are any comments received from the public. **Ms. Sparks** said no comments received. **Chairman Burroughs** said I'll now recognize members of the public who wish to address the committee. I'll ask the Clerk if there are any hands raised by the public who wish to speak. **Ms. Sparks** said no hands online. **Chairman Burroughs** said I will ask if there's anyone in the audience present who would wish to speak. If you do, you will be given three minutes to make your comments, please state your name and city of residence for the record.

Lisa Walker Yager said I wanted to just tell you guys thank you, thank you, thank you, thank you. You heard us, you heard us and so I am thanking you Commissioner Davis, Commissioner Johnson, Commissioner Stites and everyone for basically hearing our plight. I know there's not a lot of money there. I do see that there's some things as the community, I would ask that you just add that word youth, not just childcare, but youth programs added to that because we spent $22 million on the jail cells over here for our youth, where we can utilize some money for our youth programs because they are our future. The other only thing is that I was looking at is some of the funding or where we can redirect from the infrastructure monies and it's stated not just for bridges, but it stated for water, and it stated for electrical. So that is where we can get that grant money and utilize that.

My next thing was, Senator, don't forget I'm with you on the elderly for the taxes, but we can fight that through the state. We can fight that; you could put up a bill and propose that for the state. So, let's not forget that so—but I am supporting this and I thank you but we can look at how to get that money from the infrastructure and start doing the application and I would like to be placed on the board because I know there's some—you had $1.7 million worth of interest coming back off the monies that she just stated earlier and that $1.7 million that was the interest. Some money can even come from there. I don't know what you all are utilizing that money for—**Ms.**

Sparks said one minute remaining. **Ms. Yager** said we really need this program and if we can get some money in that pot would be awesome. Thank you.

Greg Kindle, Wyandotte Economic Development Council, resident of Kansas City, Kansas said I just wanted to thank the Commissioners who led this discussion. There was a lot of passion. What you have before you after 11 different versions doesn't include all of the scratching and discussion but in an incredibly professional way and so I want to thank the whole team and the task forces that were lobbying us on the outside as well to try to come up with something that is before you and it won't stay this way. This is not intended to be a static document, I think we all came to the conclusion that this is a dynamic policy. I do think that moving it back to the 50% of all of those fees is probably the model that was originally presented by the task force that could be extended in my opinion, I would also be looking at land disturbance fees and other fees that the Unified Government issue.

Those are not necessarily on the table today, I'm just saying that if this is not enough money, if we want to keep finding new ways to drive more money into that fund, in time, there are other fees that are issued by the Unified Government that could potentially be on the table, outside of talking about the property taxes and so I think this is the right direction. I think it sets the tone. I think the region as a whole will look at this as well to see that the Unified Government is coming up with a process that didn't increase taxes. So that was one of our requirements is that we could not increase the fees on the projects. We could increase it as tax on projects because we didn't want to make it more difficult to do development in Wyandotte County, which was one of the areas that I was most focused on and so I appreciate the Mayor's team as well as the commissioners and those who were involved and working within those parameters because it was certainly not easy work for sure, and I just wanted to say that we are supportive of this as it is presently before you. Thank You.

Ms. Sparks said Commissioner, we do have Eleanor Jefferson with her hand raised. **Chairman Burroughs** said is it online? **Ms. Sparks** said yes, Ms. Jefferson?

Elnora Jefferson, Kansas City, Kansas said the question that I have and I've understood the conversation about narrowing the recommended items that were ten or eleven to the three I understand that. But one of the items that I was particularly interested in was one was advanced by the Mayor's Office and that had to do with the prevention of foreclosure or to help against that. Is that while not an item identified in itself, is that voted into the Housing Trust Fund, that prevention of foreclosure.

Chairman Burroughs said, Ms. Jefferson, if that's your only question at this time, I would ask that you pose all your questions, and I'll go to the conferee, who I believe can answer that question for you. **Ms. Jefferson** said yes sir, that's my only question. **Chairman Burroughs** said great, thank you so very much for your input.

Commissioner Davis said thank you Ms. Jefferson, thank you Chair. That's a really, really good question. So, the fun part about where we are with this process is while we have identified kind of a process and a board and some funding, there's still a lot of work to be done on what those childcare projects will look like and particularly what the local Affordable Housing Trust Fund would look like. I am working on that with Churches United for Justice, and yes, that item helping folks that are under foreclosure has been discussed. It is my hope that there will be real language for the elected body to consider sometime in the spring, and of course, the public will be more than engaged on that issue as well.

Chairman Burroughs said Clerk are there any other questions? **Ms. Sparks** said no other hands are raised.

Chairman Burroughs said committee, thank you for your input, thank you for the dialogue. Mayor's Office, much appreciated. This is an actionable item, and I'd entertain a motion, and the motion if it's still the wish of this body, to fast-track it, it needs to be in the motion.

Action: **Commissioner Davis made a motion, seconded by Commissioner Stites, to fast-track and approve this item with the stipulation that all funding will come from half or all administrative and or issuance fees.**

(Inaudible several people were talking)

Chairman Burroughs said now point of order, Mr. Conway you did get the motion, and did you make the motion to fast-track that in the motion? **Commissioner Davis** said yes, that was at the beginning. **Chairman Burroughs** said I wanted to make sure you did. Okay, but we do have a motion and a second. Clerk, please call roll.

Roll call was taken and there were five “Ayes,” Haley, Davis, Stites, McKiernan, Burroughs.

Chairman Burroughs said thank you, congratulations. That takes us to the end of our work on the Economic Development & Finance Committee and with that comes the conclusion. So, I would entertain a motion for adjournment.

Action: Commissioner McKiernan made a motion, seconded by Commissioner Davis, to adjourn. Roll call was taken and there were five “Ayes,” Haley, Davis, Stites, McKiernan, Burroughs.

The meeting was adjourned at 6:30 p.m.

JG

Tracking ID: 21563

Report to

MEETING DATE	PRESENTER	DEPARTMENT
	Chelsee Chism, Director cchism@wycokck.org X8046	Economic Development

AGENDA ITEM #
RESOLUTION: AUTHORIZING THE BILL OF SALE, GENERAL ASSIGNMENT AND INDEMNITY FOR A VILLAGE WEST MONUMENT SIGN
BACKGROUND
Adopting a resolution authorizing the bill of sale, general assignment and indemnity for a monument sign located on Kansas Speedway property. The Unified Government would convey any title and interest in the monument sign to the Kansas Speedway and the Speedway agrees to site a new sign listing retail users. The new sign is to be constructed at the expense of the Speedway and maintenance may be paid by the users. The Speedway agrees to indemnify the Unified Government and hold it harmless from any claims arising from the transfer, demolition, construction, or failure to comply.
RECOMMENDATION
Approve
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS
IT/POLICY CONSIDERATIONS
PROCUREMENT CONSIDERATIONS
LEGAL CONSIDERATIONS
ATTACHMENTS
Resolution Approving Bill of Sale General Assignment and Indemnity (VW Signs), Bill of Sale General Assignment and Indemnity re_ VW Monument Sign (005)

Approved by Mayor and/or Chair and Administrator to add to agenda.

11/19/2024

RESOLUTION NO. R-____-24

A RESOLUTION AUTHORIZING THE BILL OF SALE, GENERAL ASSIGNMENT AND INDEMNITY (REGARDING VILLAGE WEST SIGNAGE).

WHEREAS, on April 16, 2003, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") entered into a lease (the "Lease") for a small portion of property owned by Kansas Speedway Corporation (the "Speedway") for the purposes of constructing and displaying a monument sign (the "Existing Sign") with panels for Kansas Speedway, Nebraska Furniture Mart, Cabela's, the Legends at Village West and other to-be-determined operators of the adjacent shopping center and tourism district.

WHEREAS, in connection with the Lease for the Existing Sign, Speedway and the UG also entered a Permanent Right of Entry Agreement (the "Entry Agreement") dated as of April 16, 2003 to provide access to the Existing Sign for purposes of maintaining and repairing the Existing Sign.

WHEREAS, Speedway now intends to sell the land upon which the Existing Sign is located, to a new operator who is expected to generate significant traffic and tourism to their store and the surrounding tourism district. Accordingly, Speedway has proposed to demolish the Existing Sign and provide one or more alternative sign locations for the retail stores and hotel operator currently located on the Existing Sign located on other nearby real property owned by Speedway.

WHEREAS, the Governing Body has determined that is advisable to enter into a Bill of Sale, General Assignment and Indemnity (the "Bill of Sale") pursuant to which the UG will transfer any interest it may have in the Existing Sign to Speedway, so that the UG and Speedway can terminate the Lease and Entry Agreement thereby allowing Speedway to close on the Land; provided however that Speedway has agreed that it will construct certain new signs on other land owned by Speedway and located near the land upon which the Existing Sign is located.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. The Governing Body hereby approves the Bill of Sale in substantially the form attached hereto.

Section 2. Each of the Mayor/CEO and the County Administrator is hereby authorized to execute in the name of the UG and deliver the Bill of Sale. The County Administrator and other officials and representatives of the UG, including special counsel, are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the terms set forth in the Bill of Sale and the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page and exhibit follow.]

ADOPTED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS ON _______________, 2024.

____

(Title)____

On Behalf of the Unified Government of Wyandotte County/Kansas City, Kansas

ATTEST:

____

Unified Government Clerk

(Seal)

APPROVED AS TO FORM:

____

Acting Chief Counsel

EXHIBIT A

Bill of Sale

[Attached on following pages.]

BILL OF SALE, GENERAL ASSIGNMENT AND INDEMNITY

THIS BILL OF SALE, GENERAL ASSIGNMENT AND INDEMNITY (this "Agreement") is hereby made and entered into as of this ___ day of __________, 2024 (the "Effective Date"), by and between the UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS (hereinafter "Assignor"), for and in consideration of the sum of Ten and No/100 Dollars ($10.00) and other good and valuable consideration to it in hand paid by KANSAS SPEEDWAY CORPORATION, a Kansas corporation ("Assignee") in connection with the sale, assignment, quitclaim and delivery of a monument sign currently located on Assignee's property as more particularly set forth herein.

A. On April 16, 2003, Assignee and Assignor entered into a lease (the "Lease") for a small portion of Assignee's property for the purposes of constructing and displaying a monument sign (the "Existing Sign") with panels for Kansas Speedway, Nebraska Furniture Mart, Cabela's, the Legends at Village West and other to-be-determined operators of the adjacent shopping center and tourism district. The Lease terminates on December 1, 2027.

B. In connection with the Lease for the Existing Sign, Assignee and Assignor also entered a Permanent Right of Entry Agreement (the "Entry Agreement") dated as of April 16, 2003 to provide access to the Existing Sign for purposes of maintaining and repairing the Existing Sign.

C. Assignee now intends to sell the land upon which the Existing Sign is located, which land is shown on the attached Exhibit 1 (the "Land") to a new operator who is expected to generate significant traffic and tourism to their store and the surrounding tourism district. Accordingly, Assignee has proposed to demolish the Existing Sign and provide one or more alternative sign locations (as described in more detail in Section 2 below) for the retail stores and hotel operator currently located on the Existing Sign (each, a "New Sign" and collectively, the "New Signs") located on other nearby real property owned by Assignee.

D. Accordingly, subject to the terms and conditions set forth herein, Assignor has agreed to transfer any interest it may have in the Existing Sign to Assignee, so that Assignor and Assignee can terminate the Lease and Entry Agreement thereby allowing Assignee to close on the Land; provided however that Assignee has agreed that it will construct the New Signs on other land owned by Assignee and located near the Land.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, Assignor and Assignee hereby agree as follows:

1. Assignor does hereby CONVEY AND QUITCLAIM to Assignee all of its right, title and interest (if any) in and to the Existing Sign and the Land upon which it is located, including any and all rights, and interests of Assignee (if any) therein (such property, rights, interests, land, improvements, structures and fixtures being hereinafter collectively referred to as the "Property"). Without limiting the generality of the foregoing, Assignor and Assignee hereby agree that the transfer of the Property shall include:

a. All equipment, fixtures and all other personal property that comprises the Existing Sign, if any, owned by Assignor and located in or on the Property; and

b. All permits, contract rights, easements, covenants, restrictions or other agreements or instruments affecting all of a portion of the Property, or any part thereof, to the extent the same are owned by Assignor and assignable by Assignor; including the Lease and the Entry Agreement.

c. The execution and recordation of all relevant terminations and releases of Assignor's rights and interests in the Property, in forms substantially similar to those attached in Exhibit 3.

2. In exchange for the transfer of the Existing Sign as set forth above, Assignee hereby agrees to communicate with and solicit input from those retail stores and hotel operator or the Village West Retail Association, on behalf of the foregoing, (the "Users") that currently have a panel on the Existing Sign as Assignee looks to identify locations for the New Signs and the configuration of the New Signs. The New Sign may be one single monument-type sign for all Users that is constructed at Assignee's expense, provided that Assignee will only allow the same to be located on Assignee's property until December 1, 2027 (the termination date of the Lease for the Existing Sign); or alternatively, the New Sign may be multiple wayfinding signs provided on land owned by Assignee, but construction to be at the expense of Assignee and maintenance to be paid for by each respective User, in which case Assignee will agree to provide the land or signage placement for free for a period of no less than thirty (30) years from the date that construction of each of the New Signs are completed. Either way, Assignee represents to the Assignor that all of the Users will have an opportunity to have their name listed on a New Sign as set forth in the prior sentence. Assignor and Assignee hereby agree that nothing herein shall be deemed to require the New Signs to be the same size or configuration as the Existing Sign, nor shall the New Signs be required to have the same frontage to or visibility from I-70. The parties currently contemplate multiple wayfinding signs on Village West Parkway similar to signs currently located in the Village West development, which shall be deemed as in compliance with this Section. A potential example of this signage is provided in Exhibit 2.

Notwithstanding the foregoing, the requirements of this Section 2 shall be deemed satisfied if Users and Assignee agree on alternative signage options.

3. In exchange for the transfer of the Existing Sign as set forth above, Assignee hereby agrees to indemnify, protect, defend, and hold Assignor and its officers, elected officials, employees, and agents harmless from and against all losses, costs, damages, claims, liabilities and expenses (including reasonable attorneys' fees and court costs) arising from (a) the transfer of the Property as described herein, (b) the demolition of the Existing Sign and the construction of the New Sign as described herein, and (c) any failure of Assignee to comply with the terms of this Agreement, including without limitation, failure to construct and provide the New Sign as described herein.

4. The recitals and exhibits set forth above or referenced herein are hereby incorporated as though more fully set forth herein.

5. This Agreement shall be construed in accordance with the laws of the State of Kansas. The parties intend that the provisions of the Agreement shall be enforced to the fullest extent permitted by applicable laws and requirements. To the extent that the terms set forth in the

Agreement, or any word, phrase, clause or sentence herein is found to be illegal or unenforceable for any reason, such word, phrase, clause or sentence shall be modified, deleted or interpreted in such a manner so as to afford the party for whose benefit it was intended the fullest benefit commensurate with making the Agreement, as modified, enforceable and the balance of the Agreement shall not be affected thereby, the balance being construed as severable and independent.

6. The parties declare and represent that no promises, inducements or agreements not expressed in this Agreement, and not herein expressed, have been made, that the Agreement contains the entire agreement between the parties hereto, and that the terms hereof are contractual and not mere recitals.

7. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their successors and assigns.

8. All remedies at law or in equity shall be made available for the enforcement of this Agreement, except to the extent that such remedies are otherwise limited in the Agreement.

9. With respect to the Lease, the Entry Agreement and the Existing Sign, Assignor represents and warrants that it has not granted any third party rights beyond what Assignee originally granted to Assignor in the Lease and/or the Entry Agreement.

10. This Agreement may be executed in two or more counterparts and shall not bind any party hereto until after all parties have fully executed and delivered to each other their respective original executed counterparts of this Agreement, at which time this Agreement shall become effective as of the Effective Date. Delivery of a draft or counterpart by a party that has not executed such draft or counterpart shall not be binding on any party and shall not constitute an offer of any kind.

[*Remainder of page intentionally left blank. Signature pages immediately follow.*]

IN WITNESS WHEREOF, Assignor and Assignee have caused this Agreement to be executed as of the Effective Date.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ______________________________________
Name:_____________________________________
Title:______________________________________

ASSIGNOR

KANSAS SPEEDWAY CORPORATION

By: ____
Name:____
Title:____

ASSIGNEE

EXHIBIT 1 – The Land

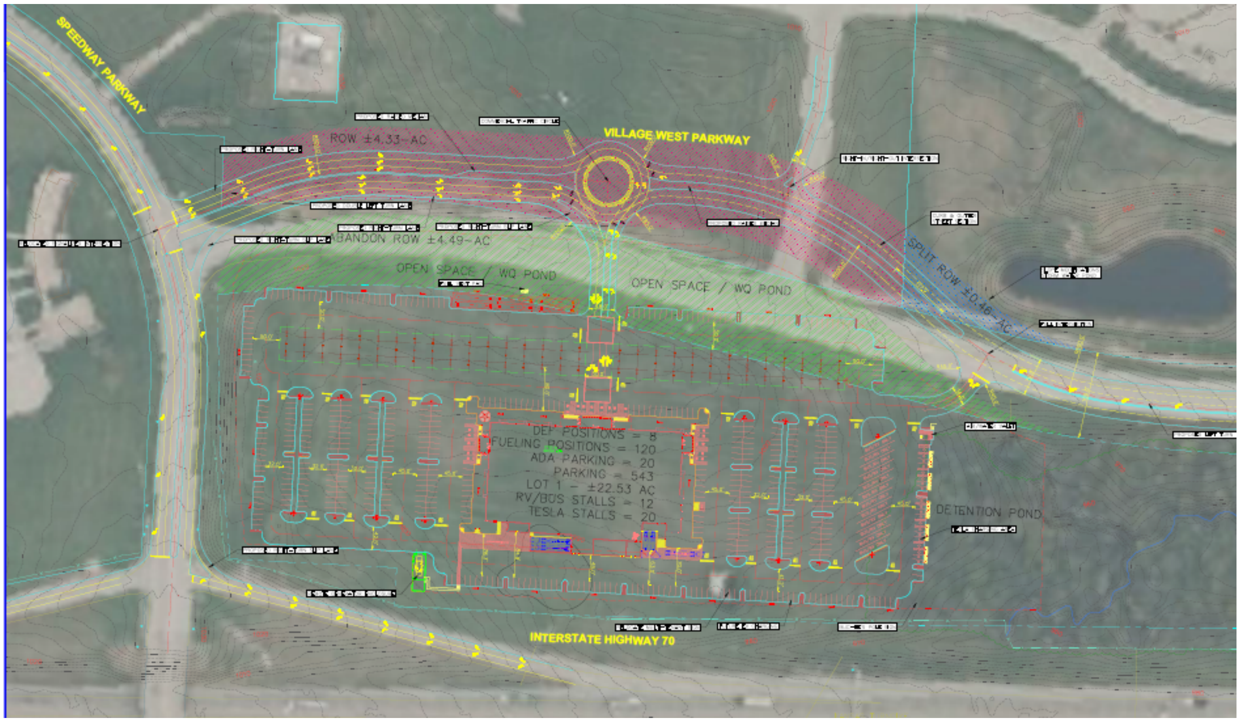


EXHIBIT 2 – New Sign Example

EXHIBIT 3 – Form of Termination and Release Documents

TERMINATION AND RELEASE OF
PERMANENT RIGHT OF ENTRY AGREEMENT

This Termination and Release of Permanent Right of Entry Agreement (this "Release") is made and entered into as of November ______, 2024, by The Unified Government of Wyandotte County, Kansas City, Kansas ("UG") relating to that certain real properties located in the City of Kansas City, Wyandotte County, Kansas legally described on Exhibit A, attached hereto (the "Property").

RECITALS

A. The Property is subject to, and reference is hereby made to, the following easement (the "Agreement") filed of record in the office of the Register of Deeds of Wyandotte County, Kansas:

> Permanent Right of Entry Agreement recorded February 1, 2012 as Document 2012R-01293.

B. UG desires to terminate the Agreement and release the Property from all of the covenants, easements, reservations, restrictions, rights, terms, conditions, and encumbrances of the Agreement.

NOW THEREFORE, for and in consideration of the agreements herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, UG hereby terminates the Agreement and releases the Property from all of the covenants, easements, reservations, restrictions, rights, terms, conditions, and encumbrances of the Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned has executed this Release to be effective as of the date first above written.

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY, KANSAS CITY, KANSAS

By: ______________________________
Name: ______________________________
Title: ______________________________

ACKNOWLEDGMENT

STATE OF KANSAS)
) ss.
COUNTY OF WYANDOTTE)

On this _______ day of November, 2024, before me appeared __________________________, to me personally known, who being duly sworn, did say that he/she is the ___________________ of The Unified Government of Wyandotte County, Kansas City, Kansas and, further, that the foregoing instrument was signed for the purposes therein contained on behalf of such Unified Government; and he further acknowledged said instrument to be the free act and deed of such Unified Government.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

____
Notary Public
Typed or printed name: ____________________

My Appointment Expires:

____

TERMINATION AND RELEASE OF LEASE

This Termination and Release of Lease (this "Release") is made and entered into as of November ______, 2024, by The Unified Government of Wyandotte County, Kansas City, Kansas ("UG") relating to that certain real properties located in the City of Kansas City, Wyandotte County, Kansas legally described on Exhibit A, attached hereto (the "Property").

RECITALS

A. The Property is subject to, and reference is hereby made to, the following Lease (the "Agreement") filed of record in the office of the Register of Deeds of Wyandotte County, Kansas:

Lease recorded February 1, 2012 as Document 2012R-01295.

B. UG desires to terminate the Agreement and release the Property from all of the covenants, easements, reservations, restrictions, rights, terms, conditions, and encumbrances of the Agreement.

NOW THEREFORE, for and in consideration of the agreements herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, UG hereby terminates the Agreement and releases the Property from all of the covenants, easements, reservations, restrictions, rights, terms, conditions, and encumbrances of the Agreement.

[SIGNATURE PAGES FOLLOW]

IN WITNESS WHEREOF, the undersigned has executed this Release to be effective as of the date first above written.

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY, KANSAS CITY, KANSAS

By: ______________________________
Name: ______________________________
Title: ______________________________

ACKNOWLEDGMENT

STATE OF KANSAS)
) ss.
COUNTY OF WYANDOTTE)

On this _______ day of November, 2024, before me appeared __________________________, to me personally known, who being duly sworn, did say that he/she is the ___________________ of The Unified Government of Wyandotte County, Kansas City, Kansas and, further, that the foregoing instrument was signed for the purposes therein contained on behalf of such Unified Government; and he further acknowledged said instrument to be the free act and deed of such Unified Government.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

(SEAL)

____
Notary Public
Typed or printed name: ____________________

My Appointment Expires:

Tracking ID: 21587

Report to
Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
	Chelsee Chism, Director cchism@wycokck.org X8046	Economic Development

AGENDA ITEM #IV.5.
RESOLUTION: AUTHORIZING EXECUTION OF PROPERTY EXCHANGE AGREEMENT WITH BUC-EE'S
BACKGROUND
Adoption of a resolution authorizing a Property Exchange Agreement between the Unified Government of Wyandotte County/Kansas City, Kansas and Buc-ee's, and involving a land swap related to the right of way for Village West Parkway.
RECOMMENDATION
Approve
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS
IT/POLICY CONSIDERATIONS
PROCUREMENT CONSIDERATIONS
LEGAL CONSIDERATIONS
ATTACHMENTS
Resolution Approving Property Exchange Agreement, Property Exchange Agreement and Construction Easement (VWP site swap) MGL 11.20.24

Approved by Mayor and/or Chair and Administrator to add to agenda.

11/25/2024

RESOLUTION NO. R-____-24

A RESOLUTION AUTHORIZING A PROPERTY EXCHANGE AGREEMENT BETWEEN BUC-EE'S AND THE UNIFIED GOVERNMENT

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas ("UG") owns a part of the right of way commonly known as Village West Parkway, which is generally located northeast of the intersection of N. 110th Street and I-70;

WHEREAS, Buc-ee's owns or has the right to acquire real property located to the north of the UG right of way;

WHEREAS, Buc-ee's also owns or has the right to acquire approximately 22 acres of land which is generally located northeast of the intersection of N. 110th Street and I-70;

WHEREAS, in order to develop Buc-ee's 22 acres, the portion of the Village West Parkway right of way owned by the UG needs to be conveyed to Buc- ee's;

WHEREAS, Buc-ee's has designed a relocation and the UG is prepared to relocate Village West Parkway; and

WHEREAS, upon completion of the relocation, the Parties will swap the two relevant parcels as more fully described in the Property Exchange Agreement.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. The Governing Body hereby approves the Property Exchange Agreement in substantially the form attached hereto.

Section 2. Each of the Mayor/CEO and the County Administrator is hereby authorized to execute in the name of the UG the Property Exchange Agreement. The County Administrator and other officials and representatives of the UG, including special counsel, are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the terms set forth in the Property Exchange Agreement and with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page and exhibit follow.]

ADOPTED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS ON _______________, 2024.

____

(Title)_______________________________________

On Behalf of the Unified Government of Wyandotte County/Kansas City, Kansas

ATTEST:

____

Unified Government Clerk

(Seal)

APPROVED AS TO FORM:

____

Acting Chief Counsel

EXHIBIT A

Property Exchange Agreement

[Attached on following pages.]

<u>PROPERTY EXCHANGE AGREEMENT</u>

THIS PROPERTY EXCHANGE AGREEMENT (the ***"Agreement"***) is entered into by and between **BUC-EE'S KANSAS CITY, LLC**, a Delaware limited liability company (***"Buc-ee's"***) and **UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS** (***the "UG"***) (together, Buc-ee's and the UG are the "***Parties***" and individually a ***"Party"***), effective the date hereof.

RECITALS

A. The UG owns a parcel of real property constituting approximately 4.3063 acres of right of way which is a part of the right of way commonly known as Village West Parkway, which is generally located northeast of the intersection of N. 110th Street and I-70, which parcel is depicted and legally described on <u>Exhibit A</u> attached hereto and hereby incorporated by this reference (the ***"UG Swap Parcel")***. The UG Swap Parcel is only a part of the right of way which is owned by the UG and used for Village West Parkway.

B. Buc-ee's owns or has the right to acquire approximately 4.6458 acres of real property located to the north of the UG Swap Parcel, which land is depicted and legally described on <u>Exhibit B-1</u> attached hereto and hereby incorporated by this reference and the approximately 0.4868 acres of real property located to the north of the UG Swap Parcel, which land is depicted and legally described on <u>Exhibit B-2</u> attached hereto and hereby incorporated by this reference (collectively, the ***"Buc-ee's Swap Parcel"***).

C. Buc-ee's also owns or has the right to acquire approximately 22 acres of land which is generally located northeast of the intersection of N. 110th Street and I-70 (the "***Sale Parcel***"), which property, upon development by Buc-ee's, is expected to generate significant traffic and tourism to their store and the surrounding tourism district. The UG Swap Parcel is located between the boundaries of the Sale Parcel and the Buc-ee's Swap Parcel. In order to develop the Sale Parcel, the portion of the Village West Parkway that is currently located on the UG Swap Parcel needs to be relocated to the Buc-ee's Swap Parcel and the UG Swap Parcel needs to be conveyed to Buc- ee's.

D. Buc-ee's has designed a relocation of Village West Property (the "***Relocation***") and the UG is prepared to relocate Village West Parkway as generally depicted on <u>Exhibit C</u> attached hereto.

E. Upon completion of the Relocation, the Parties will swap the Buc-ee's Swap Parcel for the UG Swap Parcel as more fully described herein.

NOW, THEREFORE, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Buc-ee's hereby agree as follows:

AGREEMENT

1. **PROPERTY TO BE CONVEYED.**

a. **Buc-ee's Swap Parcel.** Upon completion of construction and opening of the Relocation, and subject to the terms and conditions of this Agreement, Buc-ee's hereby agrees to dedicate and convey unto the UG, and the UG agrees to accept and take from Buc-ee's, the Buc-ee's Swap Parcel, together with all improvements thereon and all rights and appurtenances pertaining thereto. The conveyance may be made by deed or plat acceptable to both Parties.

b. **The UG Swap Parcel.** Upon completion of construction and opening of the Relocation, and subject to the terms and conditions of this Agreement, the UG hereby agrees to sell and convey unto Buc-ee's, and Buc-ee's agrees to purchase and take from the UG, the UG Swap Parcel, together with all improvements thereon and all rights and appurtenances pertaining thereto. The conveyance may be made by deed or plat acceptable to both Parties.

2. **CONSIDERATION.**

a. **Mutual Conveyance.** In addition to the mutual covenants and agreements contained herein, the UG and the Buc-ee's agree that the consideration for the UG's acquisition of the Buc-ee's Swap Parcel shall be conveyance of the UG Swap Parcel to the Buc-ee's and the consideration for the Buc-ee's' acquisition of the UG Swap Parcel shall be conveyance of the Buc-ee's Swap Parcel to the UG. It is understood that the UG and the Buc-ee's will not exchange monetary consideration as part of this transaction, except for the Additional Consideration as described in Section 2.b.

b. **Additional Consideration.** Buc-ee's shall pay to the UG an amount equal to the UG's reasonable outside counsel and other fees for entering into this Agreement and closing on the conveyances described herein (the ***"Additional Consideration"***) in cash or immediately available funds at the Closing; provided however that the Additional Consideration shall not include the construction costs related to the Relocation.

3. **TITLE, SURVEY AND INSPECTIONS.**

a. **Title and Survey.** Each Party to this Agreement has had the opportunity to review title and/or surveys for the parcel to be acquired by the respective Party. If the UG elects, in its sole discretion, to purchase title insurance for the Buc-ee's Swap Parcel, the Buc-ee's will pay the reasonable cost of a title policy insuring marketable title of the Buc-ee's Swap Parcel in favor of the UG for the Buc-ee's Swap Parcel.

b. **Inspections; As-Is**. Each Party has had the opportunity to inspect the condition of the parcel to be acquired by the respective Party. Accordingly, each of the (a) Buc-ee's Swap Property, and (b) the UG Swap Property, shall be conveyed "**as-is, where-is**" without any representations and warranties, except for those set forth in Section 5 below.

4. **NOTICE AND RIGHT TO CURE.** Each Party shall be entitled to written notice of any default and shall have sixty (60) days from receipt of such notice to cure such default prior to the exercise of any remedy provided herein. The Parties agree to cooperate with each other in any and all attempts to cure any default within the default cure period.

5. **MUTUAL REPRESENTATIONS, WARRANTIES AND COVENANTS.**

a. **General.** Each transferring Party represents, warrants and covenants to the acquiring Party, that with respect to the transferring Party's parcel:

(1) There are no parties in possession of any portion of the parcel as lessees, tenants at sufferance, or trespassers, and no party has been granted any license, lease, or other right relating to use or possession of the parcel, other than rights of possession which will terminate on or before the Closing Date.

(2) The transferring Party has not received notice of any default (nor is there any default) under any note, mortgage or contract for deed related to the parcel, and each transferring Party covenants to not default thereunder nor to grant any liens, leases, easements, options, rights of refusal or contracts with respect to the parcel.

(3) To the best knowledge and belief of the transferring Party, there is no pending or threatened condemnation proceeding or similar proceeding or assessment affecting any part of the parcel by any governmental authority.

(4) To its best knowledge and belief, the transferring Party has not received any notice of any violation of (nor is there any violation of) any ordinance, regulation, law, or statute of any governmental authority or agency pertaining to the parcel.

(5) The execution and delivery of this Agreement, the consummation of the transaction herein contemplated, and the compliance with terms of the Agreement will not conflict with or, with or without notice or the passage of time or both, result in a breach of any of the terms or provisions of, or constitute a default under, any indenture, mortgage, loan agreement, contract for deed, or instrument to which the transferring Party is a party or by which the transferring Party or the parcel is bound, any applicable regulation or any judgment, order, or decree of any court having jurisdiction over the transferring Party or the parcel.

(6) Except for the transferring Party and except as otherwise described in this subparagraph, there are no parties with any interest in the parcel (marital, homestead, or otherwise), and no other signatures are required to make this Agreement fully enforceable by the acquiring Party.

(7) Other than Village West Parkway on the UG Swap Parcel, there are no buildings or improvements located on and parcel.

(8) The transferring Party does not know of any underground or aboveground storage tanks currently or formerly located on the parcel.

(9) To the best of its knowledge and belief, transferring Party has received no notice with respect to any investigation, administrative order, consent order or agreement, litigation, or settlement with respect to hazardous materials or hazardous material contamination that may exist with respect to the parcel. Transferring Party has not manufactured, stored, generated, treated or disposed of any Hazardous Material on the parcel. As used herein, ***"Hazardous Material"*** means any hazardous, toxic, or dangerous waste, substance, or material, as currently defined for purposes of the Comprehensive Environmental Response, Compensation and Liability Act of 1980, as amended, or any other federal, state, or local law, ordinance, rule, or regulation, applicable to the Property and establishing liability standards or required action as to reporting, discharge, spillage, storage, uncontrolled loss, seepage, filtration, disposal, removal, use or existence of a hazardous, toxic, or dangerous waste, substance or material.

b. **Indemnity.** Buc-ee's shall indemnify, defend and hold the UG, its successors and assigns harmless from and against all fines, penalties, liabilities, claims, suits, actions, damages, losses, costs and expenses including, without limitation, attorney's fees, consequential damages and the cost of any environmental remediation, removal, response, abatement, clean-up, investigation and monitoring, directly or indirectly, and in whole or in part, arising out of or attributable to a breach of any of the representations, warranties or covenants in this Agreement.

c. **Update and Survival of Representation, Warranties, Covenants and Indemnity.**

(1) Notwithstanding anything to the contrary contained herein, the representations, warranties and covenants in this Agreement shall be deemed remade as of Closing.

(2) If any of the representations, warranties and covenants contained herein are or become untrue or incorrect before Closing, each transferring Party shall use its good faith best efforts to take such necessary action to make such representations, warranties and covenants true and correct as of the Closing Date.

(3) The representations, warranties and covenants and the indemnification provisions in this Agreement shall survive Closing for a period of one year and shall not be merged therein.

6. **CONSTRUCTION EASEMENTS.** To the extent Buc-ee's requires a temporary construction easement on the UG Swap Parcel in order to complete construction of the Relocation project prior to the conveyance of the various parcels as described herein, the UG agrees to cooperate in good faith to provide the easements necessary or desirable to complete the Relocation.

7. **CLOSING.**

a. **Closing Date and Place.** The Closing (***"Closing"***) of this Agreement shall be held on a date and at a time mutually agreed upon by the Parties, on or before that date which is not later than twenty (20) days after the UG provides written notice of acceptance of the completed or substantially completed Relocation (***"Closing Date"***).

b. **Deliveries by Buc-ee's.** If the conveyance is completed by plat, at Closing, Buc-ee's shall deliver to the UG a signed plat approved by the UG in accordance with the plat approval process. If conveyance is completed by deed, at Closing, Buc-ee's shall deliver to the UG:

(1) a special warranty deed conveying the Buc-ee's Swap Parcel;

(2) the Additional Consideration;

(3) the title policy, if required by the UG as set forth above;

(4) possession of the Buc-ee's Swap Parcel;

(5) a standard form Seller's affidavit; and

(6) a Non-Foreign Affidavit in standard form.

c. **Deliveries by the UG.** If the conveyance to Buc-ee's is completed by plat, at Closing, the UG shall deliver to Buc-ee's a signed plat approved by the UG in accordance with the plat approval process. If conveyance is completed by deed, at Closing, the UG shall deliver to Buc-ee's:

(1) a special deed conveying the UG Swap Parcel

(2) possession of the UG Swap Parcel;

(3) a standard form Seller's affidavit; and

(4) a Non-Foreign Affidavit in standard form.

d. **Prorations and Closing Costs.** Buc-ee's and the UG agree to the following prorations and allocation of costs, fees, taxes and special assessments with respect to the Swap Parcels, which the Parties will pay at Closing:

(1) **Title, Recording and Closing Fees.** Buc-ee's shall pay the premium for the title policy on the Buc-ee's Swap Parcel if required by the UG. Buc-ee's will pay any escrow and/or closing fee charged by the Title Company. With respect to all other costs, each Party shall pay its share of the Closing costs which are normally assessed by the Title Company against Buc-ee's or the UG in a transaction of this character in Wyandotte County, Kansas. Buc-ee's shall pay the cost of recording any documents necessary to transfer good and marketable title to such parcel.

(2) **Real Estate Taxes.** It is expected that the Buc-ee's Swap Parcel will be exempt from real property taxes after conveyance to the UG and therefore the UG will not be responsible for any real property taxes for the Buc-ee's Swap Parcel. Except as set forth in the prior sentence, each transferring Party shall pay all real estate taxes due and payable in the years prior to the year of Closing with respect to its parcel. Real estate taxes due and payable in the year of Closing shall be prorated on a calendar year basis at Closing, effective as of the Closing Date. If Closing shall occur before the tax rate is fixed for the year of Closing, the apportionment of the taxes shall be upon the basis of the real estate taxes for the preceding year, but any difference in actual real estate taxes for the year of Closing shall be adjusted between the Parties to the actual amount upon receipt of written evidence of the payment thereof. Each acquiring Party shall pay all real estate taxes payable in the years after the year of Closing for the Swap Parcel which it intends to acquire.

8. **DEFAULT.**

a. **The UG's Remedies.** If Buc-ee's shall fail to consummate this Agreement for any reason except the UG's default or the termination of this Agreement pursuant to a right to terminate given herein, the UG may, as its sole and exclusive remedies, either enforce specific performance of this Agreement or terminate this Agreement.

b. **Buc-ee's Remedies.** If the UG shall fail to consummate this Agreement for any reason except Buc-ee's default or the termination of this Agreement pursuant to a right to terminate given herein, Buc-ee's may, as its sole and exclusive remedies, either enforce specific performance of this Agreement or terminate this Agreement.

9. **NO COMMISSION.** Buc-ee's and the UG each hereby warrant and represent to the other that no brokers, agents, finders fees, commissions, or other similar fees are due or arising in connection with the entering into of this Agreement, the sale and purchase of the parcels, or the consummation of transactions contemplated herein, and each of Buc-ee's and the UG each hereby agree to indemnify and hold the others harmless from and against all liability, loss, cost, damage, or expense (including, but not limited to, attorneys' fees and costs of litigation) which the others shall suffer or incur because of any claim by a broker, agent, or finder claiming by, through, or under such indemnifying Party, whether or not such claim is meritorious, for any compensation with respect to the entering into of this Agreement, the sale and purchase of the property, or the consummation of the transactions contemplated herein.

10. MISCELLANEOUS PROVISIONS.

a. **Date of Agreement.** The term "date of this Agreement" or "date hereof" or "effective date of this Agreement" as used herein shall mean the later of the dates on which this Agreement is signed by: (i) Buc-ee's or (ii) the UG, which later date shall be the date of final execution and agreement by the Parties hereto.

b. **Notices.** Any notice or communication required or permitted hereunder shall be deemed to be delivered, whether actually received or not, when deposited in the United States mail, postage fully prepaid, registered or certified mail, addressed to the intended recipient at the address on the signature page of this Agreement or when delivered personally to such address. Any address for notice may be changed by written notice so given. All notices to The UG shall include a copy to:

Angela Lawson
Chief Counsel
The Unified Government of Wyandotte County/Kansas City, Kansas
701 N. 7th Street, Suite 961
Kansas City, Kansas 66101
Telephone: 913-573-5060
Email: alawson@wycokck.org

and a copy to:

Todd A. LaSala, Esq.
Stinson LLP
1201 Walnut Street, Suite 2900
Kansas City, Missouri 64106
Telephone: 816-842-8600
Email: todd.lasala@stinson.com

All notices to Buc-ee's shall include a copy to:

Buc-ee's Kansas City
317 FM 2004
Lake Jackson, Texas 77566
Lake Jackson, Texas 77566
Telephone: 913-573-5060
Email: legal@buc-ees.com

c. **Attorneys' Fees.** If either Party shall be required to employ an attorney to enforce or defend the rights of such Party hereunder, the prevailing Party shall be entitled to recover reasonable attorneys' fees.

d. **Integration.** This Agreement contains the complete agreement between the Parties and cannot be varied except by the written agreement of the Parties. The Parties agree that there are no oral agreements, understandings, representations, or warranties which are not expressly set forth herein.

e. **Survival.** Except as expressly provided in this Agreement, any portion of this Agreement which relates to a period after Closing, and all of the representations, warranties and indemnities, will survive Closing or termination of this Agreement for a period of one year and shall not merge with delivery of the respective deed, including without limitation the indemnification obligations contained in Section 5.b.

f. **Binding Effect.** This Agreement shall inure to the benefit of and bind the Parties hereto and their respective heirs, representatives, successors, and assigns. Either Party shall have the right to assign its rights hereunder.

g. **Interpretation.** The Parties acknowledge and agree that each has been given the opportunity to independently review this Agreement with legal counsel, and/or has the requisite experience and sophistication to understand, interpret, and agree to the particular language of the provisions hereof. The Parties have equal bargaining power, and intend the plain meaning of the provisions herein. In the event of an ambiguity in or dispute regarding the interpretation of this Agreement, the interpretation of this Agreement shall not be resolved by any rule of interpretation providing for interpretation against the party who causes the uncertainty to exist or against the draftsman.

h. **Dates and Time Periods.** Should the date for the giving of any notice, the performance of any act, or the beginning or end of any period provided for herein fall on a Saturday, Sunday or other legal holiday, such date shall be extended to the next succeeding business day which is not a Saturday, Sunday or legal holiday.

EXHIBIT LIST

Exhibit A – Legal Description and Depiction of UG Swap Parcel
Exhibit B – Legal Description of Buc-ee's Swap Parcel
Exhibit C – Maps Illustrating Relocation Improvements
Exhibit D – Legal Description of the UG Swap Parcel

IN WITNESS WHEREOF, the UG has caused this Agreement to be executed as of the Effective Date.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By: ______________________________

Name:___________________________________

Title:____________________________________

THE UG

IN WITNESS WHEREOF, Buc-ee's has caused this Agreement to be executed as of the Effective Date.

BUC-EE'S KANSAS CITY, LLC

By: ____________________________________

Name:___________________________________

Title:___________________________________

BUC-EE'S

Exhibit A – Legal Description and Depiction of UG Swap Parcel

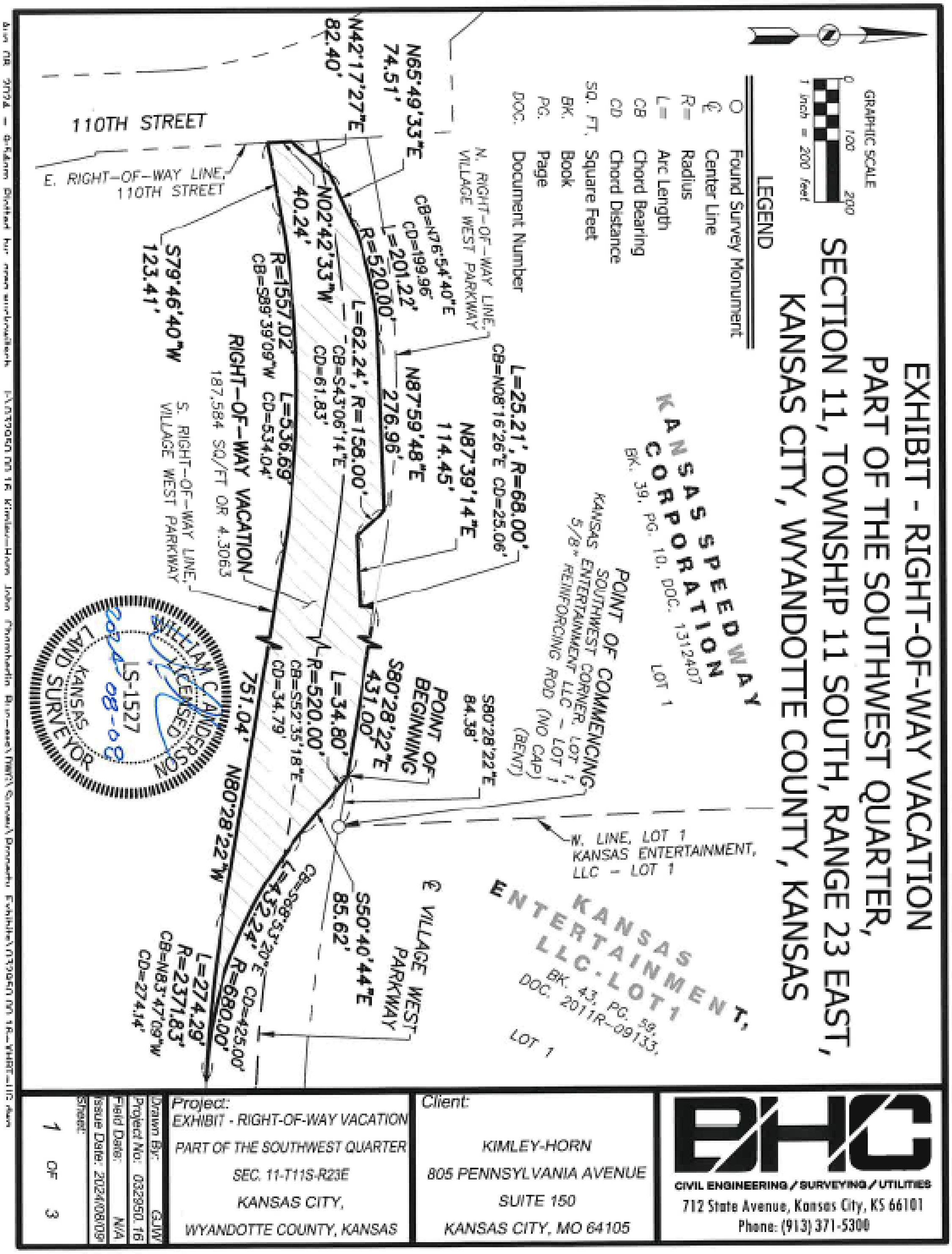


Exhibit A – Legal Description and Depiction of UG Swap Parcel – continued

EXHIBIT - RIGHT-OF-WAY VACATION
PART OF THE SOUTHWEST QUARTER, SECTION 11, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS

A Tract of land, being part of Village West Parkway, lying and situated in Southwest Quarter of Section 11, Township 11 South, Range 23 East, said Tract as surveyed by William C. Anderson, LS-1527 with BHC CLS 175, on July 16, 2024, being more particularly described by metes and bounds as follows:

(Note: For course orientation the bearings in this description are based on the North Right-of-Way line of Village West Parkway having a bearing of North 80° 28' 22" West as shown on the recorded plat of KANSAS ENTERTAINMENT, LLC - LOT 1.)

COMMENCING at the Southwest corner of Lot 1, KANSAS ENTERTAINMENT, LLC - LOT 1, a subdivision of land recorded August 1, 2011, in Plat Book 43, Page 59, and filed as Document Number 2011R-09133, monumented by a found 5/8-inch reinforcing rod with no cap;

Thence North 80° 28' 22" West, 84.39 feet, on the North Right-of-Way line of Village West Parkway, and the POINT OF BEGINNING, of the Tract of land herein described;

Thence departing said North Right-of-Way line, Southeasterly on a non-tangent curve to the left, having a radius of 520.00 feet, an arc length of 34.80 feet, said curve having a chord bearing of South 52° 35' 47" East, and a chord distance of 34.80 feet;

Thence South 50° 40' 44" East, 85.62 feet, tangent to the last described course;

Thence Southeasterly on a tangent curve to the left, having a radius of 680.00 feet, an arc length of 432.24 feet, to a point on the South Right-of-Way line of Village West Parkway, said curve having a chord bearing of South 68° 53' 20" East, and a chord distance of 425.00 feet;

Thence Westerly on a non-tangent curve to the right, having a radius of 2371.83 feet, an arc length of 274.29 feet, on said South Right-of-Way line, said curve having a chord bearing of North 83° 47' 09" West, and a chord distance of 274.14 feet;

Thence North 80° 28' 22" West, 751.04 feet, continuing on said South Right-of-Way line;

Thence Westerly on a tangent curve to the left, having a radius of 1557.02 feet, an arc length of 536.69 feet, continuing on said South Right-of-Way line, said curve having a chord bearing of South 89° 39' 09" West, and a chord distance of 534.04 feet;

Thence South 79° 46' 40" West, 123.41 feet, continuing on said South Right-of-Way line, to a point on the East Right-of-Way line of 110th Street;

(Continued on page 3)

WILLIAM C. ANDERSON
LICENSED
LS-1527
2024-08-08
KANSAS
LAND SURVEYOR

Sheet:		Project:	Client:	
2 OF 3	Drawn By: GJW Project No: 032950.16 Field Date: N/A Issue Date: 2024/08/09	EXHIBIT - RIGHT-OF-WAY VACATION PART OF THE SOUTHWEST QUARTER SEC. 11-T11S-R23E KANSAS CITY, WYANDOTTE COUNTY, KANSAS	KIMLEY-HORN 805 PENNSYLVANIA AVENUE SUITE 150 KANSAS CITY, MO 64105	BHC CIVIL ENGINEERING / SURVEYING / UTILITIES 712 State Avenue, Kansas City, KS 66101 Phone: (913) 371-5300

EXHIBIT - RIGHT-OF-WAY VACATION
PART OF THE SOUTHWEST QUARTER, SECTION 11, TOWNSHIP 11 SOUTH, RANGE 23 EAST, KANSAS CITY, WYANDOTTE COUNTY, KANSAS

(Continued from page 2)

Thence North 02° 42' 33" West, 40.24 feet, on said East Right-of-Way line;

Thence departing said East Right-of-Way line, North 42° 17' 27" East, 82.40 feet;

Thence North 65° 49' 33" East, 74.51 feet;

Thence Easterly on a tangent curve to the right, having a radius of 520.00 feet, an arc length of 201.22 feet, said curve having a chord bearing of North 76° 54' 40" East, and a chord distance of 199.96 feet;

Thence North 87° 59' 48" East, 276.96 feet;

Thence Southeasterly on a non-tangent curve to the right, having a radius of 158.00 feet, an arc length of 62.24 feet, said curve having a chord bearing of South 43° 06' 14" East, and a chord distance of 61.83 feet;

Thence North 87° 39' 14" East, 114.45 feet;

Thence Northerly on a non-tangent curve to the right, having a radius of 68.00 feet, an arc length of 25.21 feet, said curve having a chord bearing of North 08° 16' 26" East, and a chord distance of 25.06 feet;

Thence South 80° 28' 22" East, 431.00 feet, to the POINT OF BEGINNING, said Tract containing 187,584 square feet, or 4.3063.

WILLIAM C. ANDERSON
LICENSED
LS-1527
2024-08-08
KANSAS
LAND SURVEYOR

Sheet:	Drawn By:	Project No:	Field Date:	Issue Date:	Project:	Client:	
3 OF 3	GJW	032950.16	N/A	2024/08/09	EXHIBIT - RIGHT-OF-WAY VACATION PART OF THE SOUTHWEST QUARTER SEC. 11-T11S-R23E KANSAS CITY, WYANDOTTE COUNTY, KANSAS	KIMLEY-HORN 805 PENNSYLVANIA AVENUE SUITE 150 KANSAS CITY, MO 64105	BHC CIVIL ENGINEERING / SURVEYING / UTILITIES 712 State Avenue, Kansas City, KS 66101 Phone: (913) 371-5300

Exhibit B-1 – Legal Description of 4.6458 Acres Buc-ee's Swap Parcel

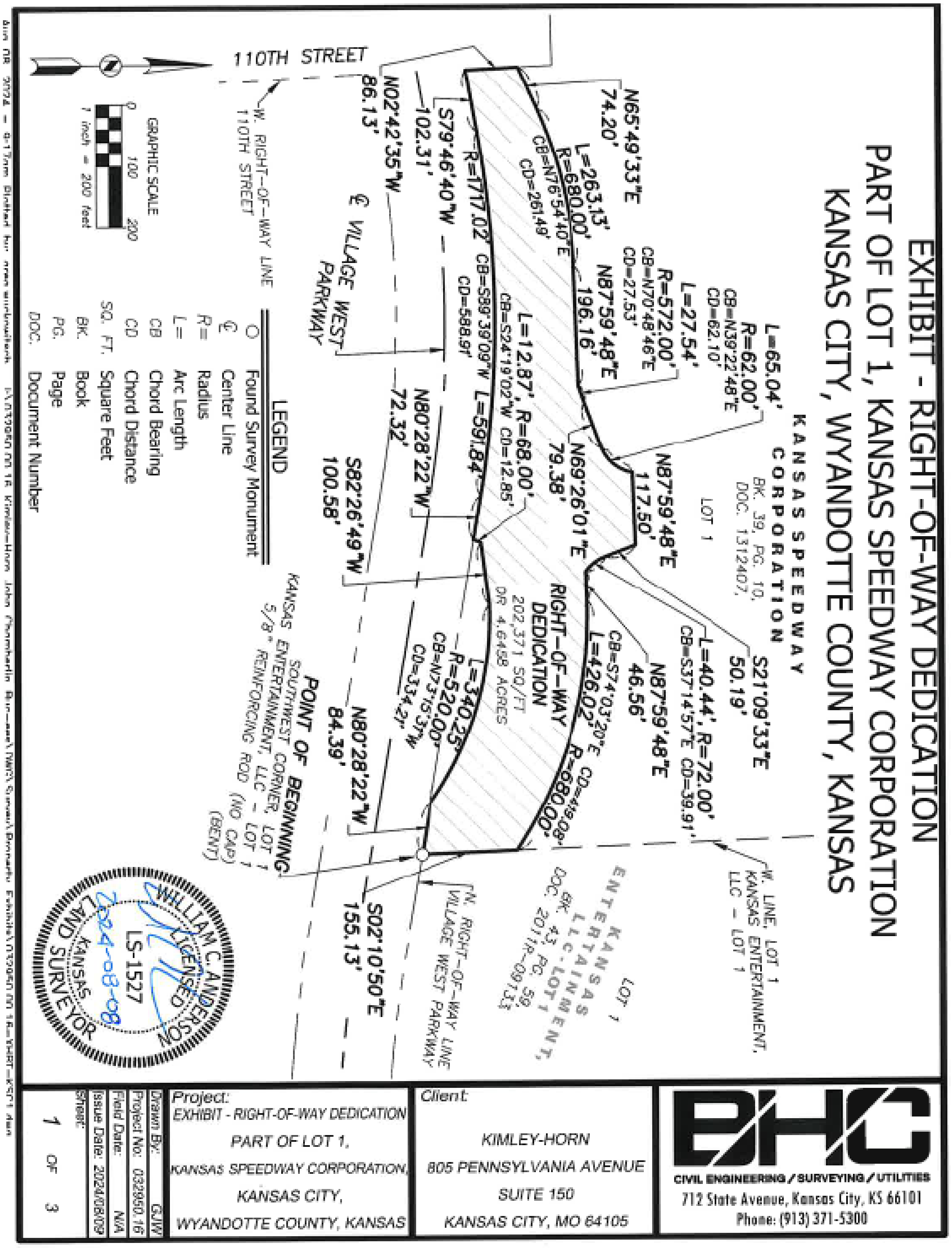


EXHIBIT - RIGHT-OF-WAY DEDICATION
PART OF LOT 1, KANSAS SPEEDWAY CORPORATION, KANSAS CITY, WYANDOTTE COUNTY, KANSAS
DESCRIPTION (SEE SHEET 1 FOR MAP)

A Tract of land for the purpose of Right-of-Way, being part of Lot 1, KANSAS SPEEDWAY CORPORATION, a subdivision of land recorded October 29, 1999, in Plat Book 39, Page 10, and filed as Document Number 1312407, said Tract of land as surveyed by William C. Anderson, LS-1527, with BHC, CLS 175, on July 16, 2024, being more particularly described by mete and bounds as follows:

(Note: For course orientation the bearings in this description are based on the North Right-of-Way line of Village West Parkway having a bearing of North 80° 28' 22" West as shown on recorded plat of KANSAS ENTERTAINMENT, LLC - LOT 1.)

BEGINNING at the Southwest corner of Lot 1, KANSAS ENTERTAINMENT, LLC - LOT 1, a subdivision of land recorded August 1, 2011, in Plat Book 43, Page 59, and filed as Document Number 2011R-09133, monumented by a found 5/8-inch reinforcing rod with no cap;

Thence North 80° 28' 22" West, 84.39 feet, on the North Right-of-Way line of Village West Parkway;

Thence, departing said North Right-of-Way line, Westerly on a non-tangent curve to the left, having a radius of 520.00 feet, an arc length of 340.25 feet, said curve having a chord bearing of North 73° 15' 31" West, and a chord distance of 334.21 feet;

Thence South 82° 26' 49" West, 100.58 feet;

Thence Southwesterly, on a non-tangent curve to the left, having a radius of 68.00 feet, an arc length of 12.87 feet, to a point on said North Right-of-Way line, said curve having a chord bearing of South 24° 19' 02" West, and a chord distance of 12.85 feet;

Thence North 80° 28' 22" West, 72.32 feet, on said North Right-of-Way line;

Thence Westerly on a tangent curve to the left, having a radius of 1717.02 feet, an arc length of 591.84 feet, on said North Right-of-Way line, said curve having a chord bearing of South 89° 39' 09" West, and a chord distance of 588.91 feet;

Thence South 79° 46' 40" West, 102.31 feet, tangent to the last described course, continuing on said North Right-of-Way Line, to its intersection with the East Right-of-Way line of 110th Street;

Thence North 02° 42' 35" West, 86.13 feet, on said East right-of-Way line;

Thence North 65° 49' 33" East, 74.20 feet, departing said East Right-of-Way line;

(Continued on page 3)

WILLIAM C. ANDERSON
LICENSED
LS-1527
2024-08-08
KANSAS
LAND SURVEYOR

Sheet:	Drawn By: GJW / Project No: 032950.16 / Field Date: N/A / Issue Date: 2024/08/08	Project:	Client:	
2 OF 3		EXHIBIT - RIGHT-OF-WAY DEDICATION PART OF LOT 1, KANSAS SPEEDWAY COPORATION, KANSAS CITY, WYANDOTTE COUNTY, KANSAS	KIMLEY-HORN 805 PENNSYLVANIA AVENUE SUITE 150 KANSAS CITY, MO 64105	BHC CIVIL ENGINEERING / SURVEYING / UTILITIES 712 State Avenue, Kansas City, KS 66101 Phone: (913) 371-5300

Exhibit B-1 – Legal Description of 4.6458 Acres Buc-ee's Swap Parcel – continued

EXHIBIT - RIGHT-OF-WAY DEDICATION
PART OF LOT 1, KANSAS SPEEDWAY CORPORATION, KANSAS CITY, WYANDOTTE COUNTY, KANSAS
DESCRIPTION (SEE SHEET 1 FOR MAP)

(Continued from page 2)

Thence, Easterly on a tangent curve to the right, having a radius of 680.00 feet, an arc length of 263.13 feet, said curve having a chord bearing of North 76° 54' 40" East, and a chord distance of 261.49 feet;

Thence North 87° 59' 48" East, 196.16 feet, tangent to the last described course;

Thence Easterly on a non-tangent curve to the left, having a radius of 572.00 feet, an arc length of 27.54 feet, said curve having a chord bearing of North 70° 48' 46" East, and a chord distance of 27.53 feet;

Thence North 69° 26' 01" East, 79.38 feet;

Thence Northeasterly on a tangent curve to the left, having a radius of 62.00 feet, an arc length of 65.04 feet, said curve having a chord bearing of North 39° 22' 48" East, and a chord distance of 62.10 feet;

Thence North 87° 59' 48" East, 117.50 feet;

Thence South 21° 09' 33" East, 50.19 feet;

Thence Southeasterly on a tangent curve to the left, having a radius of 72.00 feet, an arc length of 40.44 feet, said curve having a chord bearing of South 37° 14' 57" East, 39.91 feet;

Thence North 87° 59' 48" East, 46.56 feet;

Thence Easterly on a tangent curve to the right, having a radius of 680.00 feet, an arc length of 426.02 feet, said curve having a chord bearing of South 74° 03' 20" East, and a chord length of 419.08 feet, to a point on the West line of said Lot 1, KANSAS ENTERTAINMENT, LLC - LOT 1;

Thence South 02° 10' 50" East, 155.13 feet, on said West line, to the POINT OF BEGINNING, said Tract containing 202,371 square feet or 4.6458 acres.

WILLIAM C. ANDERSON
LICENSED
LS-1527
2024-08-08
KANSAS
LAND SURVEYOR

Sheet:	Drawn By:	Project No:	Field Date:	Issue Date:	Project:	Client:	
3 OF 3	GJW	032950.16	N/A	2024/08/09	EXHIBIT - RIGHT-OF-WAY DEDICATION PART OF LOT 1, KANSAS SPEEDWAY COPORATION KANSAS CITY, WYANDOTTE COUNTY, KANSAS	KIMLEY-HORN 805 PENNSYLVANIA AVENUE SUITE 150 KANSAS CITY, MO 64105	BHC CIVIL ENGINEERING / SURVEYING / UTILITIES 712 State Avenue, Kansas City, KS 66101 Phone: (913) 371-5300

Exhibit B-2 – Legal Description of 0.4868 Buc-ee's Swap Parcel

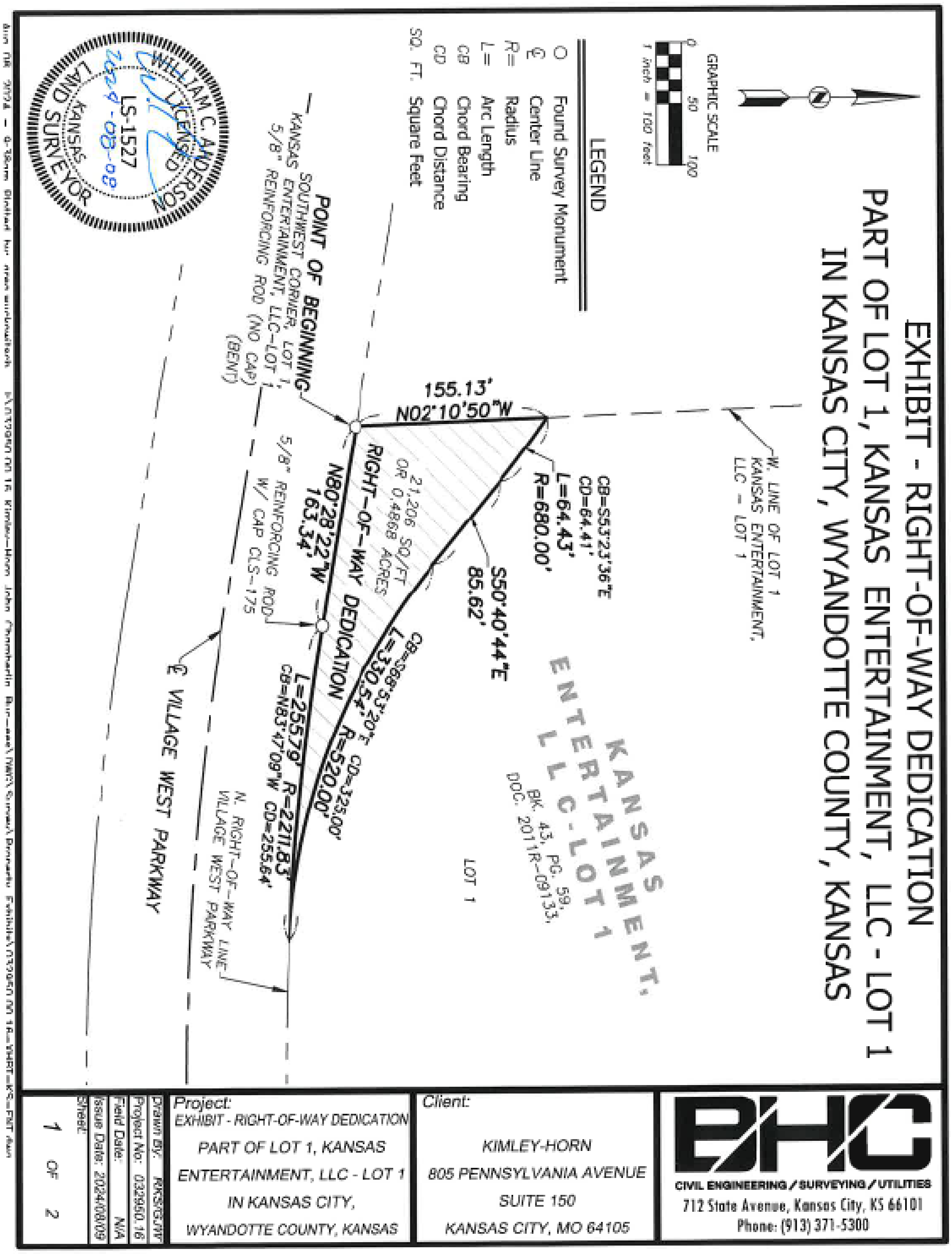


Exhibit B-2 – Legal Description of 0.4868 Buc-ee's Swap Parcel – continued

EXHIBIT - RIGHT-OF-WAY DEDICATION
PART OF LOT 1, KANSAS ENTERTAINMENT, LLC - LOT 1
IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS
DESCRIPTION (SEE SHEET 1 FOR MAP)

A Tract of land, for the purpose of Right-of-Way, being part of Lot 1, KANSAS ENTERTAINMENT, LLC - LOT 1, a subdivision of land recorded August 1, 2011 in Plat Book 43, Page 59 and filed as Document Number 2011R-09133, in the City of Kansas City, Wyandotte County, Kansas said Tract being more particularly described by William C. Anderson, LS-1527, with BHC, KS CLS 175, on July 16, 2024, being more particularly by metes and bounds as follows:

(Note: For course orientation the bearings in this description are based on the North Right-of-Way line of Village West Parkway having a bearing of North 80° 28' 22" West as shown on recorded plat of KANSAS ENTERTAINMENT, LLC - LOT 1.)

BEGINNING at the Southwest corner of said Lot 1, KANSAS ENTERTAINMENT, LLC - LOT 1, monumented by a found 5/8-inch reinforcing rod with no cap;

Thence North 02° 10' 50" West, 155.13 feet, on the West line of said Lot 1,

Thence, departing said West line, Southeasterly, on a non-tangent curve to the right, having a radius of 680.00 feet, an arc length of 64.43 feet, said curve having a chord bearing of South 53° 23' 36" East, and an chord distance of 64.41 feet;

Thence South 50° 40' 44" East, 85.62 feet;

Thence Southeasterly, on a tangent curve to the left, having a radius of 520.00 feet, an arc length of 330.54 feet, to a point on the North Right-of-Way line Village West Parkway, said curve having a chord bearing of South 68° 53' 20" East, and a chord distance of 325.00 feet;

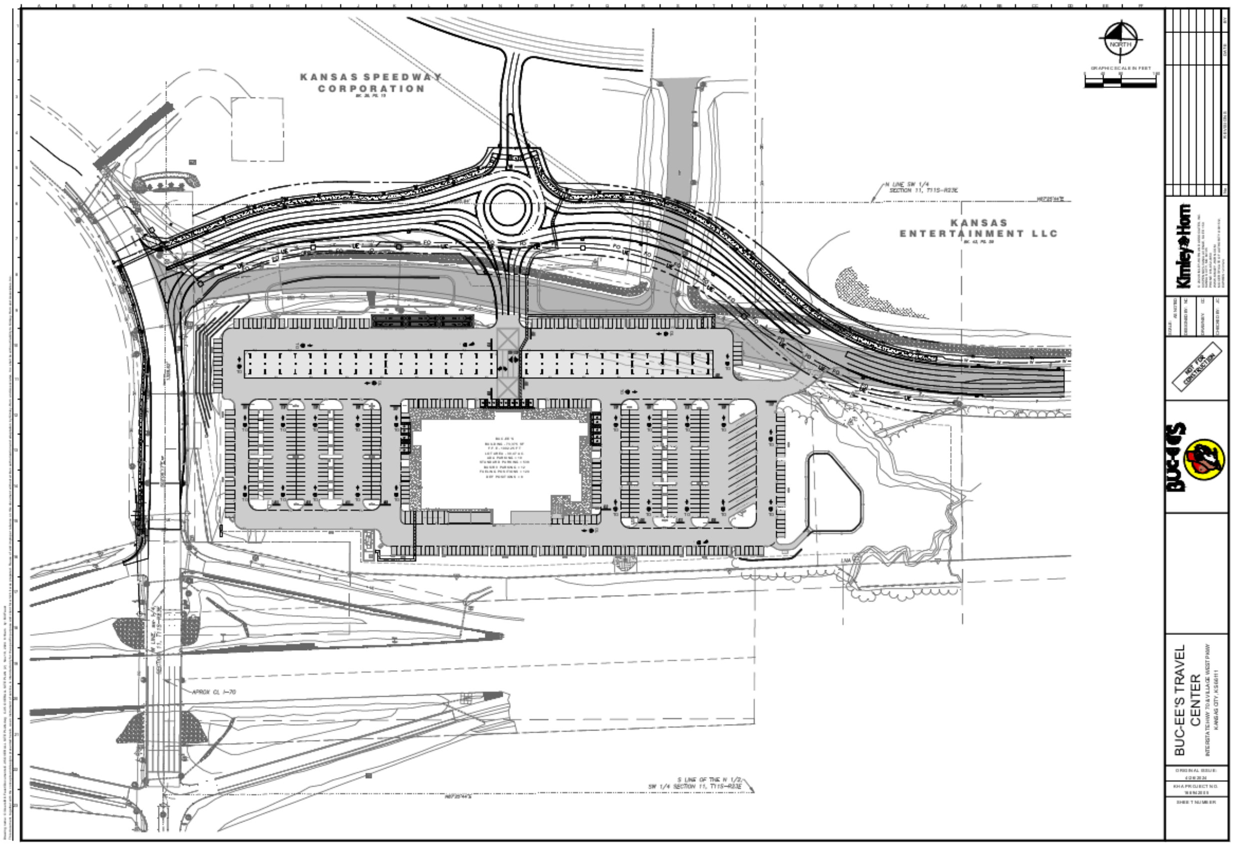
Thence Westerly on a non-tangent curve to the right, having a radius of 2211.83, an arc length of 255.79 feet, on said North Right-of-Way line, said curve having a chord bearing of North 83° 47' 09" West, and a chord distance of 255.64 feet;

Thence North 80° 28' 22" West, 163.34 feet, continuing on said North Right-of-Way line, to the POINT OF BEGINNING, said Tract containing 21,206 square feet or 0.4868 acres.

WILLIAM C. ANDERSON
LICENSED
LS-1527
2024-08-09
KANSAS
LAND SURVEYOR

Sheet:		Project:	Client:	
2 OF 2	Drawn By: RKS/GJW Project No: 032950.16 Field Date: N/A Issue Date: 2024/08/09	EXHIBIT - RIGHT-OF-WAY DEDICATION PART OF LOT 1, KANSAS ENTERTAINMENT, LLC - LOT 1 IN KANSAS CITY, WYANDOTTE COUNTY, KANSAS	KIMLEY-HORN 805 PENNSYLVANIA AVENUE SUITE 150 KANSAS CITY, MO 64105	BHC CIVIL ENGINEERING / SURVEYING / UTILITIES 712 State Avenue, Kansas City, KS 66101 Phone: (913) 371-5300

Exhibit C – Maps Illustrating Relocation Improvements



Tracking ID: 21532

Report to

MEETING DATE	PRESENTER	DEPARTMENT
	Andrea Vinyard, Director of Revenue/County Treasurer Michelle Wooten, Acting Treasurer avinyard@wycokck.org, mwooten@wycokck.org x8226, x8176	Finance

AGENDA ITEM

PRESENTATION: 2024 THIRD QUARTER INVESTMENT REPORT

BACKGROUND

- A summary of the investment report going over the investment portfolio for Quarter 3, 2024
- Dates from July 1, 2024, through September 30, 2024

RECOMMENDATION

For information only

No action needed, for information only

BUDGET IMPACTS / FINANCIAL CONSIDERATIONS

Cost of the item. Zero cost, report, for information only.

IT/POLICY CONSIDERATIONS

- No policy changes are required by this item.
- Per the Unified Government's Cash and Investment Policy- a summary of the investment report will be provided quarterly to the Economic Development and Finance Standing Committee

PROCUREMENT CONSIDERATIONS

N/A

LEGAL CONSIDERATIONS

No issues to be aware of

ATTACHMENTS

2024 Q3 Invstmt Report Presentation - FOR ED&F, 2024 Q3 Invstmt Report Presentation - FOR ED&F

Approved by Mayor and/or Chair and Administrator to add to agenda.

11/19/2024

Mayor Tyrone Garner

Unified Government of WyCo/KCK
Quarterly Investment Report
Third Quarter 2024
July 1, 2024 – September 30, 2024

Presented by:

Andrea Vinyard

Director of Revenue/County Treasurer

Key Metrics

- Avg Yield – 3.17%
- DTM – 157 days, down again from 162 DTM in Q2-2024

Portfolio Components

- Cash – 52%
- Invested – 48%

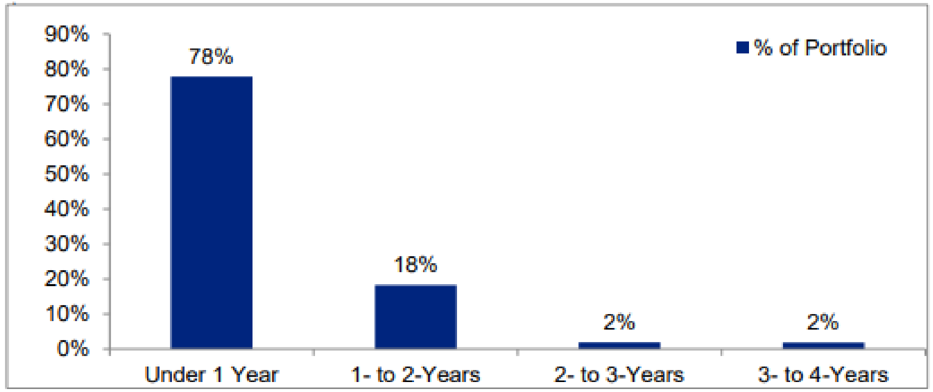
Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
September 30, 2024

Investment Summary - Aggregate Portfolio By Type of Investment

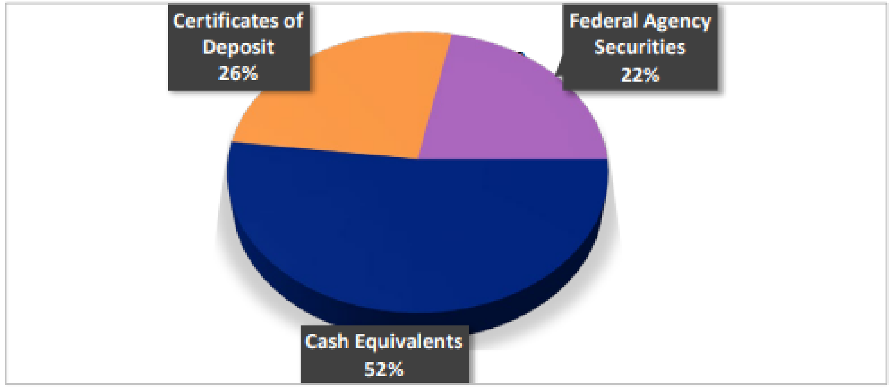
Security Type	Original Cost	Market Value[1]	Amortized Cost[2]	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity[3]	Weighted Average Yield[3]
Property Tax Held for Entities[4]	**$13,394**	**$13,394**	**$13,394**	**na**		**✓**	**-**	**3.52%**
Cash Equivalents	$139,329,606	$139,329,606	$139,329,606	52%	100%	✓	-	3.52%
Total Liquidity	**$139,329,606**	**$139,329,606**	**$139,329,606**	**52%**			**-**	**3.52%**
Certificates of Deposit	$70,235,000	$70,235,000	$70,235,000	26%	100%	✓	313	2.79%
Federal Agency Securities	$57,402,958	$58,616,346	$57,402,958	22%	50%	✓	347	2.77%
Total Securities	**$127,637,958**	**$128,851,346**	**$127,637,958**	**48%**			**659**	**5.56%**
Total Portfolio	**$266,967,564**	**$268,180,952**	**$266,967,564**	**100%**			**157**	**3.17%**

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent. Recorded at time of settlement to reflect holding investments to maturity.
2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.
3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.
4. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value. The cash being held in trust is presented here for informational purposes.

Maturity Distribution



Sector Distribution



Key Metrics

- Avg Yield – 3.17%, down from 3.53% in Q2-2024
- Below our target T-Bill benchmark of 4.01%
- Total interest earned for Q3'24 $6.7M w/ $14M so far in 2024

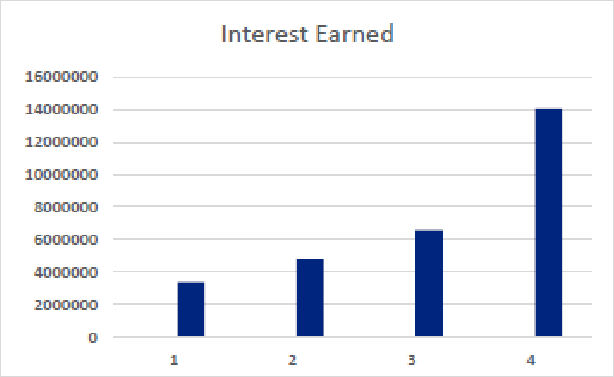
Target Benchmarks

Limits within single agency/institution is in compliance with the policy requirements for Q3-2024.

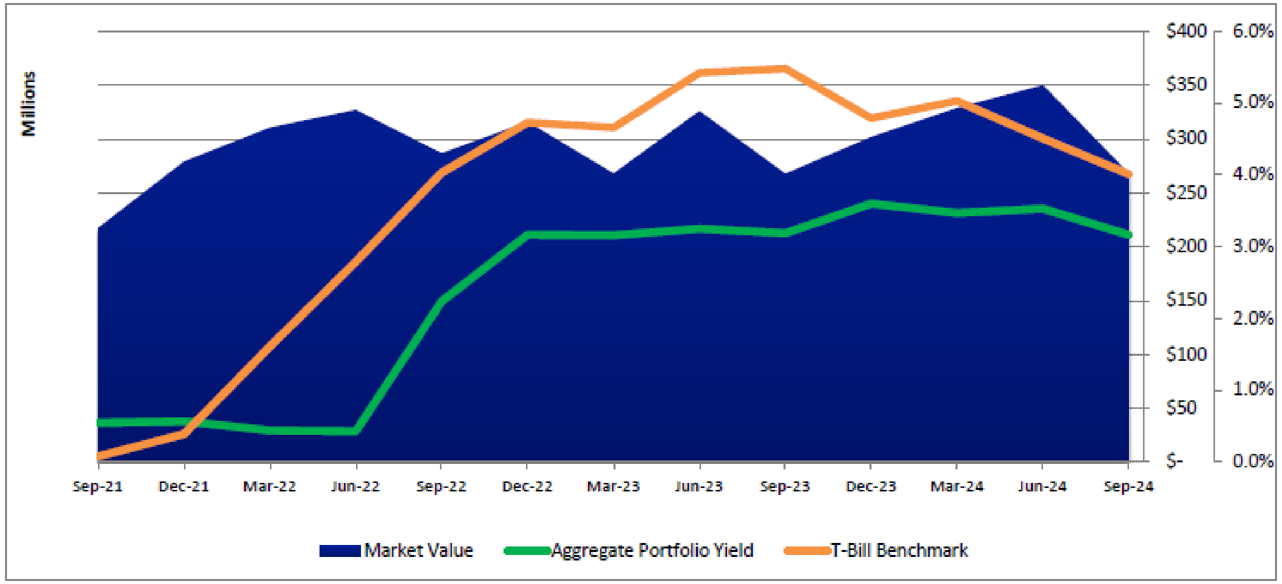
Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
September 30, 2024

Target Benchmarks

	Yes	No
Liquidity	✓	
Permitted types of investments	✓	
Limits within investment categories	✓	
Limits within single agency/institution	✓	
Limits relating to maturity	✓	
The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 6 months	✓	



Historic Portfolio Size | **Aggregate Yield vs. US T-Bill Benchmark**



September 30, 2024

Dr. Shelley Kneuvean
Chief Financial Officer

Date

Types of securities in our investment portfolio?

Of the $242 M total, $60 M or 25% - CDs fully collateralized per investment policy and State Statute $43 M or 18% - US Agencies Securities.

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
September 30, 2024

Issuer Detail - Aggregate Portfolio by Issuer

Issuer	Original Cost	Market Value[1]	% of Portfolio[3]	% Permitted by Issuer	In Compliance[3]	Weighted Average Maturity Days[2]	Weighted Average Yield[2]
Property Tax Held for Entities[3]	**13,394**	**13,394**	**na**	**See note 3**	✓	**0**	**3.52%**
UMB, Operating Fund	122,118,606	122,118,606	50%	25%	✓	0	3.09%
UMB, Health Reserve Fund	17,211,000	17,211,000	7%	25%	✓	0	0.43%
Cash Equivalents	**139,329,606**	**139,329,606**	**57%**		✓	**0**	**3.52%**
Argentine Federal Savings	5,235,000	5,235,000	2%	25%	✓	25	0.37%
Capitol Federal Savings	10,000,000	10,000,000	4%	25%	✓	77	0.63%
Commerce Bank	35,000,000	35,000,000	14%	25%	✓	136	0.52%
UMB Bank	10,000,000	10,000,000	4%	25%	✓	25	0.59%
Certificates of Deposit	**60,235,000**	**60,235,000**	**25%**		✓	**313**	**2.79%**
US Treasury	42,675,656	43,987,763	18%	*50% of total portfolio*	✓	507	2.91%
Agency	14,727,302	14,628,583	6%		✓	67	0.91%
Federal Agency Securities	**42,675,656**	**43,987,763**	**18%**		✓	**347**	**2.77%**
Grand Total	**242,240,262**	**243,552,369**	**100%**			**157**	**3.17%**

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent.

2. Averages shown are weighted averages calculated based on original cost for the respective investment categories. Average maturity is shown as days.

3. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value for investment reporting purposes. The cash being held in trust is presented here for informational purposes.

What transactions occurred in Q3 2024?

Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
3rd Quarter 2024 - July 1, 2024 - September 30, 2024

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Interest Rate	Maturity Date	Par	Original Cost
Thru Q3	NA	UMB, Operating Fund		3.520%	9/30/2024	(103,752,861)	(103,752,861)
Thru Q3	NA	UMB, Health Reserve Fund		3.520%	9/30/2024	1,270,000	1,270,000
Cash Equivalents						**(102,482,861)**	**(102,482,861)**
8/9/2024	2142106533	Argentine Federal Savings		5.100%	8/9/2025	235,000	235,000
9/11/2024	2142106558	Argentine Federal Savings		4.875%	9/11/2025	5,000,000	5,000,000
9/11/2024	1150204201	Security Bank of Kansas City		4.200%	9/11/2025	10,000,000	10,000,000
9/11/2024	343013077	Federal Agency		4.300%	6/17/2025	9,728,005	9,728,005
Purchases						**24,963,005**	**24,963,005**
3/23/2023	30610	UMB Bank		5.400%	9/22/2024	(5,000,000)	(5,000,000)
8/16/2023	2142106418	Argentine Federal Savings		5.330%	8/16/2024	(235,000)	(235,000)
8/16/2023	24350981020	Community First Bank		4.350%	8/16/2024	(235,000)	(235,000)
Calls/Maturities						**(5,470,000)**	**(5,470,000)**
Total						**(82,989,856)**	**(82,989,856)**

Tracking ID: 21372

Report to

Economic Development & Finance

MEETING DATE	PRESENTER	DEPARTMENT
	Wendy Green, Assistant Counsel wmgreen@wycokck.org x5679	Legal

AGENDA ITEM #IV.4.
RESOLUTION: THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (KANSAS ENTERTAINMENT LLC)

BACKGROUND
A resolution approving the Third Amendment to the Development Agreement between the UG and Kansas Entertainment, LLC. Documents can be accessed at the link below. https://xfer.wycokck.org/public/file/fVbQ_a_T90SW0Imh-J9w9A/UG%20Summary%20of%20Impact%20of%20Hotel.pdf

RECOMMENDATION
Approve

BUDGET IMPACTS / FINANCIAL CONSIDERATIONS

IT/POLICY CONSIDERATIONS

PROCUREMENT CONSIDERATIONS

LEGAL CONSIDERATIONS

ATTACHMENTS
Resolution Approving Third Amendment to Development Agreement, 12.9.24 EDF Hollywood Hotel summary, mayor memo, DRAFT Third Amendment to Development Agreement Hollywood_10-2-24

Approved by Mayor and/or Chair and Administrator to add to agenda.

RESOLUTION NO. R-____-24

A RESOLUTION AUTHORIZING THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO ENTER INTO THE THIRD AMENDMENT TO DEVELOPMENT AGREEMENT WITH KANSAS ENTERTAINMENT, LLC.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and Kansas Entertainment, LLC, a Delaware limited liability company ("Entertainment"), entered into that certain Development Agreement dated as of September 8, 2009, including the Addendum to the Development Agreement dated March 15, 2010, the Amendment to Development Agreement dated January 9, 2014, and the Second Amendment to Development Agreement dated June 26, 2014 (collectively, the "Development Agreement");

WHEREAS, the Development Agreement is and has always been contingent on Entertainment being the Lottery Gaming Facility Manager for the Gaming Facility in the Northeast Gaming Zone d/b/a Hollywood Casino at Kansas Speedway ("Hollywood") pursuant to the Gaming Facility Contract dated August 25, 2009;

WHEREAS, Entertainment is in negotiations with the State for renewal or extension of the Gaming Facility Contract and, in conjunction with those discussions, intends to proceed with building a hotel connected to Hollywood which will include at least 125 guest rooms and have a construction commencement date of on or before December 31, 2026, provided the Gaming Facility Contract is renewed or extended and the Development Agreement is amended; and

WHEREAS, the Governing Body has determined that it is advisable to enter into the Third Amendment to Development Agreement, attached hereto as **Exhibit A** (the "Third Amendment"), with Entertainment to facilitate Entertainment's completion of the Hotel and support renewal or extension of the Gaming Facility Contract.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

Section 1. The Governing Body hereby approves the Third Amendment in substantially the form attached hereto.

Section 2. The County Administrator is hereby authorized and directed to execute in the name of the UG and deliver the Third Amendment.

Section 3. In furtherance of the foregoing, the Governing Body hereby endorses Hollywood renewing the Gaming Facility Contract for an additional fifteen (15) years.

Section 4. The County Administrator is hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 5. This Resolution shall be effective upon adoption by the Governing Body.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON ______________________, 2024.

____

Tyrone Garner, Mayor/CEO

ATTEST:

____

Unified Government Clerk

(Seal)

<u>EXHIBIT A</u>

Third Amendment

[Attached on following pages.]

HOLLYWOOD CASINO + HOTEL

To:	Economic Development & Finance Committee
Meeting Date:	December 9, 2024
RE:	Item IV.4 – Resolution: Third Amendment to Development Agreement (Kansas Entertainment, LLC) - Summary

---

The Third Amendment requests a reduction of hotel rooms to 125 from 250 as contemplated in the 2009 Development Agreement, while reserving the ability to expand hotel rooms at a future date.

If Developer has not commenced construction on the hotel by December 31, 2026, Developer will then be required to provide liquidated damages to the Unified Government beginning January 1, 2027 at a rate of 1% from the Lottery Gaming Facility Revenues. Developer will continue to pay 1% liquidated damages to the Unified Government until the Hotel's construction commencement date subject to continuous pursuit of completion.

The Third Amendment would require the same contracts and employment practices in support of local and minority business enterprises, which Developer did previously meet during the Casino's construction.

There are no public incentives associated with the development of the Hotel.

Economic Impact (Annual):

- Maintain the annual 4% Lottery Gaming Facility Revenues payment (3% required under State Statute)
- $850,000 Charitable Contribution (currently $500,000 / year)
- $650,000 in new hotel room tax revenue
- $500,000 to three non-host school districts
- $480,000 in new property tax revenue
- $50,000 in new sales tax revenue
- $100,000 to Parks & Recreation
- $25,000 to Convention and Visitor's Bureau
- $10,000 to Wyandotte County Chambers of Commerce
- Creation of 100-200 jobs

Unified Government of
Wyandotte County/Kansas City, Kansas
Tyrone A. Garner, Mayor/CEO

MEMORANDUM

To: Unified Government Board of Commissioners

From: Mayor/CEO Tyrone Garner

Date; October 18, 2024

Subject: Hollywood Casino Development Agreement Amendment Status (Third Amendment) Revised

You were sent a memorandum on the above subject matter a couple of days ago wherein I presented my rationale for sending this matter back to the Standing Committee for further consideration and discussion. While I remain steadfast in my determination to refer it back, I want to provide some clarity on what options the standing Committee may undertake. I have, through my earlier memorandum, offered an option of preference on increasing the charitable contribution amount and using those funds to help address the ever-pressing needs of our impoverished and indigent population. However, with regard to the three changes recommended by the standing committee I could also support leaving the penalty clauses exactly as they are until what was originally proposed is constructed and out of the ground.

Members of my staff have suggested leaving the penalty section as it is presently but cutting it in half to match the reduction of the hotel size since the hotel size is cut in half, but also leave the charitable contribution amount at the current higher agreed upon value. All of these are acceptable options that can and should be on the table as negotiations take place. It goes, without saying that how the fund pool is used, whatever it amounts to, is up to a majority of the Commission. My suggestions are designed to identify ways to address the needs of our community without adding to our debt load. This might also help to reduce the reliance on our budget for needed services so that we might reduce the tax burden felt by our residents.

Please advise if there are questions or concerns about my referring this matter back to the Standing Committee or the options at your disposal.

C. David Johnston, County Administrator; Wendy Green, Deputy Chief Legal Counsel; Monica Sparks, UG Clerk; LaVert Murray, Chief Economic Development Advisor

701 North 7th Street, Suite 926
Kansas City, Kansas 66101
Phone: (913) 573-5010
Email: mayorgarner@wycokck.org

Unified Government of
Wyandotte County/Kansas City, Kansas
Tyrone A. Garner, Mayor/CEO

MEMORANDUM

To: Unified Government Board of Commissioners

From: Mayor/CEO Tyrone Garner

Date; October 16, 2024

Subject: Hollywood Casino Development Agreement Amendment Status (Third Amendment)

The above subject Hollywood Casino Development Agreement amendment was discussed and deliberated during the September 30, 2024 Economic Development Standing Committee meeting, resulting in a recommendation to the full U G Commission that would :

1. Decrease the number of Hotel rooms from 250 rooms to 125 rooms
2. Increase the charitable contribution for social services from $500,000 to $850,000.
3. Extend the date to commence hotel construction to December 31, 2026.

The Standing Committee's recommendations on this matter were to be deliberated and voted on by the full U G Commission at its October 30, 2024, meeting, and this memorandum is intended to provide advanced notice and information as to why I have opted to refer the matter back to the Standing Committee to consider additional options that would further benefit the community.

There is an exigent need to address the needs of our impoverished population in our downtown and throughout the city. There exist funding shortages that hamper our social service agencies in their efforts to reduce homelessness, hunger, and crime and promote community stability. If some of the progress we are experiencing in our downtown is to manifest we must be deliberate in our efforts to develop a comprehensive solution for addressing typical societal ills and afflictions like mental illness, addictions and other behaviors that further exacerbates the plight of the impoverished. Time is of the essence,

It is proposed that staff continue negotiations with Kansas Entertainment, LLC to increase the charitable contribution fund for social services from $850,000 to $1,000,000, which represents an increase of $150,000. This would allow us to fund our food kitchen and promote a centralized support system for our indigent population with a range of social services. When considering the total sales of the casino this represents a very small sacrifice for Kansas Entertainment, LLC, while bringing about huge benefits for our indigent population.

Please advise if there are questions or concerns about my referring this matter back to the Standing Committee.

C. David Johnston, County Administrator; Wendy Green, Deputy Chief Legal Counsel; Monica Sparks, UG Clerk; LaVert Murray, Chief Economic Development Advisor

701 North 7th Street, Suite 926
Kansas City, Kansas 66101
Phone: (913) 573-5010
Email: mayorgarner@wycokck.org

THIRD AMENDMENT TO DEVELOPMENT AGREEMENT

This Third Amendment to Development Agreement (the "Third Amendment") is made and entered into as of the ____ day of ____ 2024, by and between the UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ("Unified Government") and KANSAS ENTERTAINMENT, LLC ("Entertainment"), a Delaware limited liability company.

RECITALS:

A. The parties entered into that certain Development Agreement dated September 8, 2009, as amended from time to time by the parties, including the Addendum to Development Agreement dated March 15, 2010, the Amendment to Development Agreement dated January 9, 2014, and the Second Amendment to Development Agreement, dated June 26, 2014 (collectively, the "Development Agreement"; reference to the Development Agreement shall include reference to this Third Amendment, as appropriate).

B. Pursuant to that certain Gaming Facility Contract, dated August 25, 2009, Entertainment is the Lottery Gaming Facility Manager for the Gaming Facility in the Northeast Gaming Zone d/b/a Hollywood Casino at Kansas Speedway ("Hollywood"). The Development Agreement terminates, and the Unified Government loses all benefits associated therewith, if Entertainment is no longer the Lottery Gaming Facility Manager for the Northeast Gaming Zone.

C. Entertainment is in negotiations with the State for renewal or extension of the Gaming Facility Contract and, in conjunction with those discussions, Entertainment has notified the Unified Government of its intention to proceed with building a hotel connected to Hollywood, which will include at least 125 guest rooms and have a construction commencement date of on or before December 31, 2026 (the "Hotel"), provided the Gaming Facility Contract is renewed or otherwise extended and the Unified Government is amenable to amending the Development Agreement as set forth herein.

D. Entertainment's plan for the Hotel and its renewal or extension of the Gaming Facility Contract are in the best interest of the Unified Government and entering into this Third Amendment is necessary for Entertainment's construction of the Hotel and the renewal or extension of the Gaming Facility Contract.

E. ln light of the circumstances set out above, the Unified Government Board of Commissioners wishes to amend the Development Agreement to facilitate Entertainment's completion of the Hotel and support renewal or extension of the Gaming Facility Contract.

F. The Unified Government Commission adopted Resolution No. ______ on ___, 2024, authorizing this Third Amendment, and authorizing the County Administrator to execute on behalf of the Unified Government the Third Amendment.

NOW, THEREFORE, for good and valuable consideration, the sufficiency of which is hereby acknowledged, the parties agree as follows.

1. The Development Agreement is hereby amended in the following respects.

2. Any and all references in the Development Agreement, direct or indirect, to the Project and/or Hotel, including but not limited to Sections 2.01 of the Development Agreement, any Development Agreement Exhibits, and/or any reference to the Hotel, rooms or guest rooms or the timing of any aspect of the Hotel, shall be amended so that the Project now contemplates a Hotel with (a) 125 guest rooms; and (b) a construction commencement date of on or before December 31, 2026, striking any reference, direct or indirect, to the contrary, subject to Section 13.03, as amended in Paragraph 3 of this Third Amendment. For clarity, references to the beginning of construction and/or the construction commencement date of the Hotel, as used herein, shall refer to the occurrence of both the issuance of the necessary permits to begin construction of the Hotel and Entertainment's undertaking of a program of construction that is continuously pursued to completion.

3. Subject to the timing provisions set forth in Paragraph 5, Section 13.03 of the Development Agreement, inclusive of any terms or conditions in the Development Agreement arising from or relating to Section 13.03, are hereby stricken in their entirety and Section 13.03 is replaced with the following:

> **13.03. Failure to Timely Develop a Hotel.** In the event Entertainment has not begun construction on a Hotel, containing a minimum of 125 guest rooms, on or before December 31, 2026, Entertainment shall be liable to the Unified Government for liquidated damages as follows: from January 1, 2027 until such time as Entertainment commences construction of the above-referenced Hotel, Entertainment shall pay to the Unified Government liquidated damages equal to one-percent (1%) of the "Lottery Gaming Facility Revenues" (as that term is defined in the Gaming Facility Contract) to be utilized solely at the discretion of the Unified Government.
>
> Any liquidated damage liability arising under this Section 13.03 shall be due and payable from Entertainment within thirty (30) days after the date the Unified Government provides Entertainment with a written demand for such payment. Notwithstanding anything to the contrary contained in this Agreement, the provisions of this Section 13.03 constitute the exclusive remedy of the Unified Government for the failure of Entertainment to comply with its obligation contained regarding the Hotel.

4. Subject to the timing provisions set forth in Paragraph 5, ~~E~~expressly conditioned upon Paragraph 2 of this Third Amendment remaining in full force and effect explicitly as contemplated herein and Entertainment not being subject to the penalty contemplated in Paragraph 3, upon construction of the Hotel, Entertainment agrees to increase its voluntary charitable contributions to the Unified Government for social services and charitable community activities by $350,000 and, in furtherance thereof, Section 7.01(ii) of the Development Agreement is hereby stricken in its entirety and replaced with the following: "(ii) annual contributions of Eight Hundred Fifty Thousand and no/100 Dollars ($850,000) to fund Wyandotte County social services and

charitable community activities (while these funds are to be dispersed at the Unified Government's sole discretion, Entertainment urges and supports that each year $50,000 of such annual contribution be allocated to Dotte Promise)". For clarity, in the event that the terms and conditions of Paragraph 2 are no longer enforceable or if Entertainment is subject to the penalty contemplated in Paragraph 3, for any or no reason, in part or in full, Paragraph 4 shall no longer have any effect and the contribution in Section 7.01(ii) shall return to $500,000.

5. ~~The~~ This Third Amendment is a binding agreement upon the parties as of the date first referenced above, provided that the effective date of the terms and conditions set forth in Paragraphs 3 through 4 shall be the earlier of (a) the actual date construction begins on the Hotel; or (b) January 1, 2027. For clarity, the intent of the Parties is that (i) effective immediately upon execution of this Third Amendment, the Development Agreement will contemplate a Hotel with 125 rooms and construction beginning on or before December 31, 2026; ~~and~~ (ii) upon the earlier of the beginning of construction of the Hotel and January 1, 2027, Section 13.03 and Section 7.01(ii) of the Development Agreement shall be amended consistent with this Third Amendment; and (iii) Entertainment shall pay to the Unified Government the penalty referred to in Section 13.03 until the Hotel's construction commencement date.

6. All capitalized terms not defined herein shall have the meanings ascribed to them in the Development Agreement.

7. In the event any provision provided herein conflicts with any provision of the Development Agreement, the provisions of this Third Amendment shall control. To the extent the provisions of the Development Agreement are modified by this Third Amendment, directly or indirectly, such provisions of the Development Agreement are hereby superseded and replaced by the terms and conditions in this Third Amendment. Otherwise, the terms and conditions in the Development Agreement shall remain in full force and effect as set out therein.

8. The Development Agreement, as amended by this Third Amendment, shall be binding upon and inure to the parties' respective successors and assigns.

9. If any provision or any portion thereof contained in the Development Agreement, as amended by this Third Amendment, is held to be unconstitutional, invalid, or unenforceable, such provision or portion thereof, shall be severable, and the remainder of the Development Agreement, as amended by this Third Amendment, shall not be affected and shall remain in full force and effect.

10. The persons signing this Third Amendment are duly authorized to execute the document on behalf of and to bind their respective parties.

IN WITNESS WHEREOF, the parties have executed and delivered this Second Amendment effective as of the date first written above.

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By:_______________________________________
David Johnston
County Administrator

Attest:

____
Unified Government Clerk

KANSAS ENTERTAINMENT, LLC
By: Penn Hollywood Kansas, Inc., its Managing Member

____
By: Chris Rogers
Title: Secretary

[END OF DOCUMENT]

Tracking ID: 21308

Report to

MEETING DATE	PRESENTER	DEPARTMENT
	David Johnston, County Administrator Jeffrey Conway, Assistant Counsel djohnston@wycokck.org, jconway@wycokck.org x5027, x5075	Administrator's Office

AGENDA ITEM #

RESOLUTION: WAIVING OF CERTAIN APPLICATION AND PERMIT FEES RELATED TO DEVELOPMENT EAST OF 55^{TH} STREET IN KANSAS CITY, KANSAS

BACKGROUND

Approval of a resolution to waive certain application and permit fees for a period of five years for residences or development projects located east of 55^{th} Street in Kansas City, Kansas, and requiring the tracking of key performance indicators.

RECOMMENDATION

Approve

To adopt the resolution.

BUDGET IMPACTS / FINANCIAL CONSIDERATIONS

n/a

IT/POLICY CONSIDERATIONS

n/a

PROCUREMENT CONSIDERATIONS

n/a

LEGAL CONSIDERATIONS

To adopt the resolution.

ATTACHMENTS

Resolution Approving Waiving of Fees

Approved by Mayor and/or Chair and Administrator to add to agenda. 6/27/2024 Approved Agenda

RESOLUTION NO. R-______________

A RESOLUTION APPROVING THE WAIVING OF CERTAIN APPLICATION AND PERMIT FEES RELATED TO RESIDENTIAL DEVELOPMENT EAST OF 55TH STREET IN KANSAS CITY, KANSAS, AND REPEALING A PREVIOUS RESOLUTION

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government") believes that it is essential to stimulate development for the benefit of the community and to expand the tax base; and

WHEREAS, in order to promote new development in Kansas City, Kansas east of 55th Street, the Unified Government believes that it is necessary and desirable to waive certain permits and fees related to that development; and

WHEREAS, the Unified Government recently provided for a waiver of certain fees through the passing of Resolution No. R-27-24, related to infill housing east of 78th Street.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS:

Section 1. The County Administrator shall waive the following application and permit fees for new homes and residential development projects to be built on and after the effective date of this resolution and to be located east of 55th Street in Kansas City, Kansas, for a period of five (5) years after the effective date of this Resolution:

a. Building Permit Fee
b. Electrical Permit Fee
c. Mechanical Permit Fee
d. Plumbing Permit Fee
e. Driveway Permit Fee
f. Sewer Connection Fee
g. Lateral Sewer Connection Fee
h. Sanitary permit
i. Land disturbance permit
j. Right-of-way permit
k. Change of zone application
l. Plan review fee
m. Ordinance publication fee
n. Pole, pylon and monument signs
o. Wall signs

Section 2. That the provisions of this Resolution shall not apply to new subdivisions and other areas of the City where existing sewer connections have not already been built.

Section 3. That Unified Government staff is directed to track key performance indicators to measure the success of the fee waivers, including: (1) the number of homes built; (2) population count; (3) the number of new commercial developments in the area, and (4) crime rate statistics.

Section 4. That the County Administrator and all other employees and agents of the Unified Government are authorized to take all actions and to approve all instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 5. That Resolution R-27-24 be and the same is hereby repealed.

Section 6. This Resolution will take effect and be in full force from and after its passage by the Board of Commissioners.

ADOPTED BY THE BOARD OF COMMISSIONERS OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS _________ DAY OF ___________ 202_.

____

Tyrone A. Garner, Mayor/CEO

Attest:

____

Unified Government Clerk

Approved as to Form:

____

Unified Government Acting Chief Counsel

RESOLUTION NO. R-27-24

A RESOLUTION APPROVING THE WAIVING OF CERTAIN FEES RELATED TO INFILL HOUSING EAST OF 78TH STREET IN KANSAS CITY, KANSAS

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government") believes that it is essential to stimulate the development of residential housing for the benefit of the community and to raise the tax base; and

WHEREAS, the Unified Government believes that it is especially important to stimulate the development of new infill residential housing on vacant lots in the urban areas of Kansas City, Kansas; and

WHEREAS, in order to promote the construction of new infill housing on vacant lots east of 78th Street, the Unified Government believes that it is necessary and desirable to waive certain fees related to new construction; and

WHEREAS, the Unified Government previously provided for a waiver of said fees through the passing of Resolution No. R-76-21, which allowed certain fees related to new construction to be waived for a period of two years; however, said waiver has since lapsed.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS:

Section 1. That the following fees (as they may be amended from time to time) are waived for a period of five (5) years from the date of this Resolution for any new residential (single-family and duplexes) infill housing east of 78th Street in Kansas City, Kansas where existing sewer systems are already in place:

a. Building Permit Fee - $400 for homes 3,000 sf or less and $450 for homes over 3,000 sf
b. Electrical Permit Fee - $70 (average)
c. Mechanical Permit Fee - $70 (average)
d. Plumbing Permit fee - $70 (average)
e. Driveway Permit fee - $55
f. Sewer Connection Fee - $960
g. Lateral Sewer Connection Fee - $500

Section 2. That the provisions of this Resolution shall not apply to new subdivisions and other areas of the City where existing sewer connections have not already been built.

Section 3. That Unified Government staff is directed to track key performance indicators to measure the success of the fee waivers, including: (1) the number of homes built; (2) population count; (3) the number of new commercial developments in the area, and (4) crime rate statistics.

Section 4. That the County Administrator, Director of Planning and Urban Design, Director of the Neighborhood Resource Center, the Director of Public Works and all other employees and agents of the Unified Government are authorized to take all actions and to approve all instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 5. This Resolution will take effect and be in full force from and after its passage by the Board of Commissioners.

ADOPTED BY THE BOARD OF COMMISSIONERS OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS 6th DAY OF JUNE 2024.

Attest:

Unified Government Clerk (Interim)

Tracking ID: 21135

Report to
Neighborhood & Community Development

MEETING DATE	PRESENTER	DEPARTMENT
JUN 03 2024	Wendy Green, Assistant Counsel wmgreen@wycokck.org x5679	Legal

AGENDA ITEM #IV.3.
RESOLUTION: WAIVING INFILL HOUSING FEES
BACKGROUND
Approval of a resolution waiving certain fees related to new construction of infill residential housing East of 78th Street for a period of either 2, 5 or 10 years, submitted by Wendy Green, Deputy Chief Counsel.
RECOMMENDATION
Approve To adopt the Resolution.
BUDGET IMPACTS / FINANCIAL CONSIDERATIONS
n/a
IT/POLICY CONSIDERATIONS
n/a
PROCUREMENT CONSIDERATIONS
n/a
LEGAL CONSIDERATIONS
To adopt the resolution.
ATTACHMENTS
Resolution Approving Waiving of Infill Housing Fees

Approved by Mayor and/or Chair and Administrator to add to agenda. 5/24/2024

Approved - Mayor Tyrone Garner

RESOLUTION NO. R-______________

A RESOLUTION APPROVING THE WAIVING OF CERTAIN FEES RELATED TO INFILL HOUSING EAST OF 78TH STREET IN KANSAS CITY, KANSAS

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government") believes that it is essential to stimulate the development of residential housing for the benefit of the community and to raise the tax base; and

WHEREAS, the Unified Government believes that it is especially important to stimulate the development of new infill residential housing on vacant lots in the urban areas of Kansas City, Kansas; and

WHEREAS, in order to promote the construction of new infill housing on vacant lots east of 78th Street, the Unified Government believes that it is necessary and desirable to waive certain fees related to new construction; and

WHEREAS, the Unified Government previously provided for a waiver of said fees through the passing of Resolution No. R-76-21, which allowed certain fees related to new construction to be waived for a period of two years; however, said waiver has since lapsed.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS:

<u>Section 1</u>. That the following fees (as they may be amended from time to time) are waived for a period of five (5) years from the date of this Resolution for any new residential (single-family and duplexes) infill housing east of 78th Street in Kansas City, Kansas where existing sewer systems are already in place:

a. Building Permit Fee - $400 for homes 3,000 sf or less and $450 for homes over 3,000 sf
b. Electrical Permit Fee - $70 (average)
c. Mechanical Permit Fee - $70 (average)
d. Plumbing Permit fee - $70 (average)
e. Driveway Permit fee - $55
f. Sewer Connection Fee - $960
g. Lateral Sewer Connection Fee - $500

<u>Section 2</u>. That the provisions of this Resolution shall not apply to new subdivisions and other areas of the City where existing sewer connections have not already been built.

<u>Section 3</u>. That Unified Government staff is directed to track key performance indicators to measure the success of the fee waivers, including: (1) the number of homes built; (2) population count; (3) the number of new commercial developments in the area, and (4) crime rate statistics.

Section 4. That the County Administrator, Director of Planning and Urban Design, Director of the Neighborhood Resource Center, the Director of Public Works and all other employees and agents of the Unified Government are authorized to take all actions and to approve all instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 5. This Resolution will take effect and be in full force from and after its passage by the Board of Commissioners.

ADOPTED BY THE BOARD OF COMMISSIONERS OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS ________ DAY OF JUNE 2024.

Attest:

____
Unified Government Clerk

Fee Waivers for Infill Housing

N/CD Standing Committee

6/3/24

UNIFIED GOVERNMENT • Wyandotte County • Kansas City, Kansas •

PRIOR RESOLUTION 76-21

- Adopted 10/28/21.
- Waived certain fees for any new residential (single-family and duplexes) infill housing where existing sewer systems were already in place.
- Lasted for a period of 2 years from date of adoption.
- Permit fees: building, electrical, mechanical, plumbing, driveway, sewer connection, and lateral sewer connection.

- **UG staff was directed to track the following key performance indicators to measure the success of the fee waivers:**
  1. The number of homes built;
  2. Population count;
  3. The number of new commercial developments in the area; and
  4. Crime rate statistics.

PERFORMANC
E INDICATORS

- Single Family Permits Issued
  - 2021 = 4
  - 2022 = 36
  - 2023 = 43
- Estimated Building Permit Fees Waived
  - 2021 ≈ $1,420
  - 2022 ≈ $16,111
  - 2023 ≈ $21,486

MEASURIN G THE SUCCESS

- Public Works/Sewer Connection Estimated Fees Waived
  - 2021 (unavailable)
  - 2022 ≈ $12,232
  - 2023 ≈ $25,576
- Number of New Commercial Developments
  - 49 (Based off number of new builds or substantial capital improvements)

MEASURIN G THE SUCCESS

- **Population**

	2021 Pop	2022 Pop
66101	12355	12,410
66102	30237	30,874
66103	13035	13,471
66104	27663	26,638
66105	2227	2,283
66106	22729	23,817
Total pop of selected ZIP Codes	108246	109493

MEASURIN G THE SUCCESS

BPU FEE WAIVERS

- **Resolution No. 5297 – 4/17/24**
  - Authorizes the General Manager to waive certain electric and water fees for infill housing.
  - Targeted for East of I-635 but also available for some areas between 78th Street and I-635.
  - Also allows waiver of permit and connection fees for certain Land Bank lots East of 78th Street used for residential construction of single-family homes or duplexes.
  - Example of fees: temporary electric service fee, overhead electric service drop allowance, residential water tap fee, water system development.
  - Considered and granted on an individual basis.
  - **Effective until December 31, 2025.**

BPU FEE WAIVERS

- **Resolution No. 5298 – 4/17/24**
  - Authorizes the General Manager to waive system development and tap fees for new single-family residential construction East of I-635.
  - Property must have previously had a BPU water service line in place.
  - Must require a new 5/8" meter and be owned by an individual.
  - Existing water line must be of adequate size to provide domestic service and fire protection and front the property.
  - **Effective until December 31, 2025.**

PROPOSED RESOLUTION

- Same waiver of fees for residential infill housing (single-family and duplexes) East of 78th Street.
- Permit fees: building, electrical, mechanical, plumbing, driveway, sewer connection, and lateral sewer connection.
- Fees waived for the following periods:

A. 2 years

B. 5 years

C. 10 years

QUESTIONS?

DATE: November 25, 2024

TO: Mayor Garner and Members of the Board of Commissioners

FROM: Dr. Shelley Kneuvean, Chief Financial Officer

SUBJECT: Fiscal Impact Regarding Resolution to Waiver of Certain Building Permits Fees

At the request of the Mayor's Office, the Legal Department drafted a resolution to waive certain application and permit fees related to new development east of 55th Street to the city limits in Kansas City, Kansas. A previous resolution was adopted to waive certain fees related to infill housing east of 78th Street in Kanas City, Kansas (Resolution 76-21) adopted in October 2021.

The primary difference between the two resolutions is:

1. Geographical boundary – The geographic boundary outlined in Resolution 76-21 is 78th Street east to city limits; and the new resolution is 55th Street east to city limits; and,

2. List of permits or fees to be waived:

Resolution 76-21	New Resolution
Building Permit Fee	Building Permit Fee
Electrical Permit Fee	Electrical Permit Fee
Mechanical Permit Fee	Mechanical Permit Fee
Plumbing Permit Fee	Plumbing Permit Fee
Driveway Permit Fee	Driveway Permit Fee
Sewer Connection Fee	Sewer Connection Fee
Lateral Sewer Connection Fee	Lateral Sewer Connection Fee
	Sanitary Sewer Main Utilization Fee
	Land Disturbance Permit
	Right of Way Permit
	Change of Zone Application
	Plan Review Fee
	Ordinance Publication Fee

Prior to moving forward with the new resolution, the Economic Development & Finance Committee requested staff prepare a fiscal impact of the new proposed resolution, which has been completed. This has been revised based on further discussion with the Mayor's Office.

As noted on **Exhibit A,** over a three-year period (2022-2024), there were 285 residential permits issued citywide (single family and duplex). Of the total, 148 were east of 55th Street or 52% of the total citywide residential permits. Of the 148 issued east of 55th Street, a total of 79 were land bank lots or 53%. The great majority of the infill housing has been occurring east of 55th Street.

For reference purposes, there were a total of 5 residential building permits issued between 55th Street and 78th Street over the same three- year period in 2022-2024. Furthermore, there are minimal land bank lots between 55th and 78th streets as illustrated on **Exhibit B.** While the resolution is not restricted to land bank lots, developing infill housing on land bank lots is a focus of this initiative.

As demonstrated on the attached map as **Exhibit C,** the residential units that have been built over the past three years east of 55th Street are disbursed throughout the community and do not appear to be concentrated in any one area.

Proposed Action

At this time, the Mayor's Office has requested Resolution 76-21 be rescinded and replaced with a new resolution waiving residential building permits east of 55th Street to focus the economic incentive to the areas most affected by vacant lots and infill housing opportunities.

I hope this is helpful and if you have any questions, please let me know.

`

EXHIBIT A: RESIDENTIAL DEVELOPMENT EAST OF 55^{TH} SUMMARY

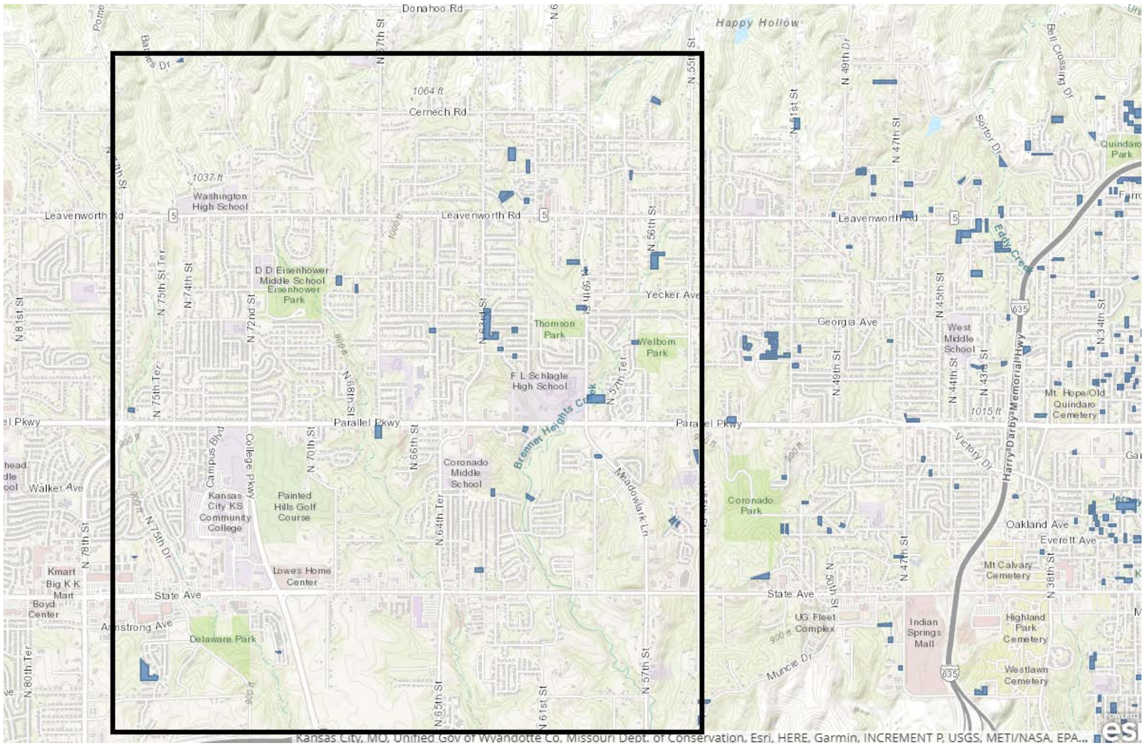
Residential Fee Revenue- Single Family and Duplexes
January 1, 2022- September 11, 2024-East of 55th Street

	Year	2022	2023	2024 YTD	Three Year Total
	Citywide	**131**	**85**	**69**	**285**
	East of 55th	**59**	**56**	**33**	**148**
	% of Total	**45%**	**66%**	**48%**	**52%**
	Land Bank	**38**	**19**	**22**	**79**
	% of Total East of 55th	**64%**	**34%**	**67%**	**53%**
	Duplex	**0**	**0**	**2**	**2**
INDIVIDUAL FEES	Fee Value				
Building Permit Fees	$400	$23,600	$22,400	$13,200	$59,200
Duplex Permit Fees	$1,000	$0	$0	$2,000	$2,000
Elect.Plumb.Mech Permits(3 x$70-Est)	$210	$12,390	$11,760	$6,930	$31,080
Driveway Permits ($55)	$55	$3,245	$3,080	$1,815	$8,140
Sewer Connection ($1112)	$1,112	$65,608	$62,272	$36,696	$85,692
Lateral Connection ($579)	$579	$34,161	$32,424	$19,107	$85,692
Sanitary Tap ($135)	$135	$7,965	$7,560	$4,455	$19,980
	GRAND TOTALS	**$146,969**	**$139,496**	**$84,203**	**$370,668**

* The above permit fees were in place at the time of permit issuance and could change over time.

EXHIBIT B: LAND BANK LOTS

LAND BANK LOTS BETWEEN 55TH STREET AND 78TH STREET



CITYWIDE LAND BANK LOTS

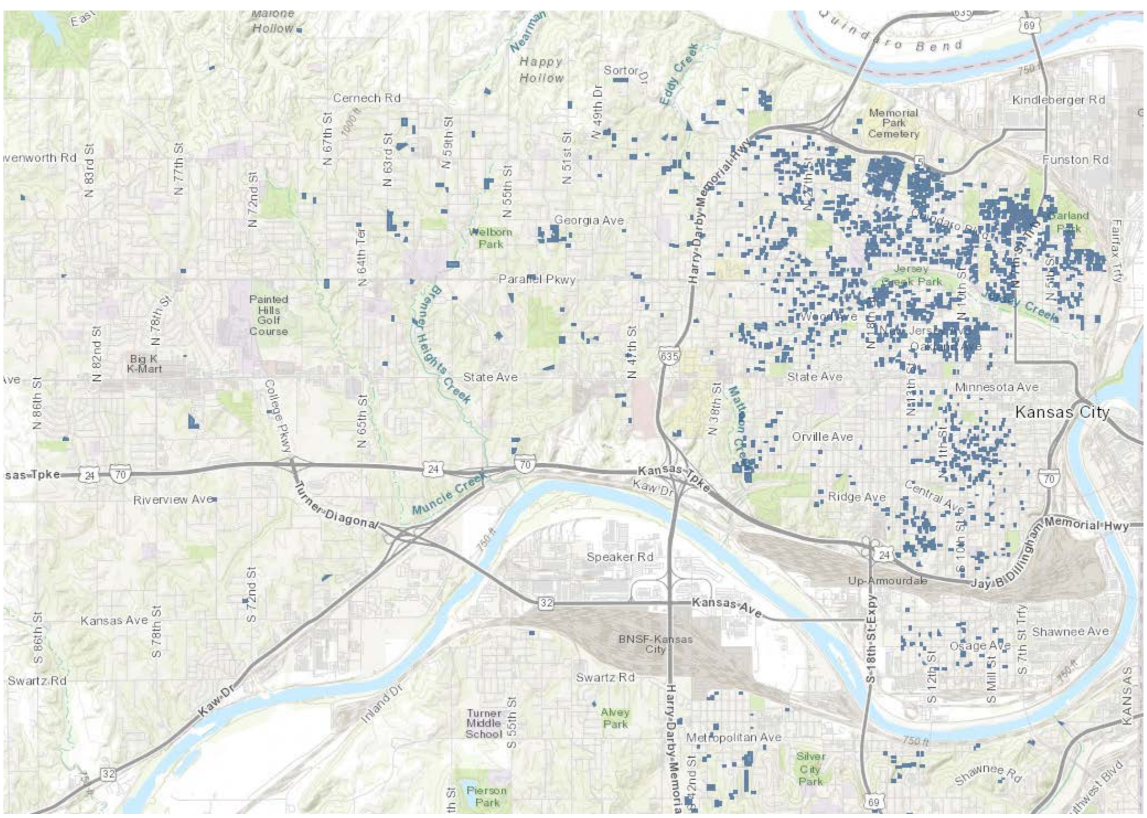
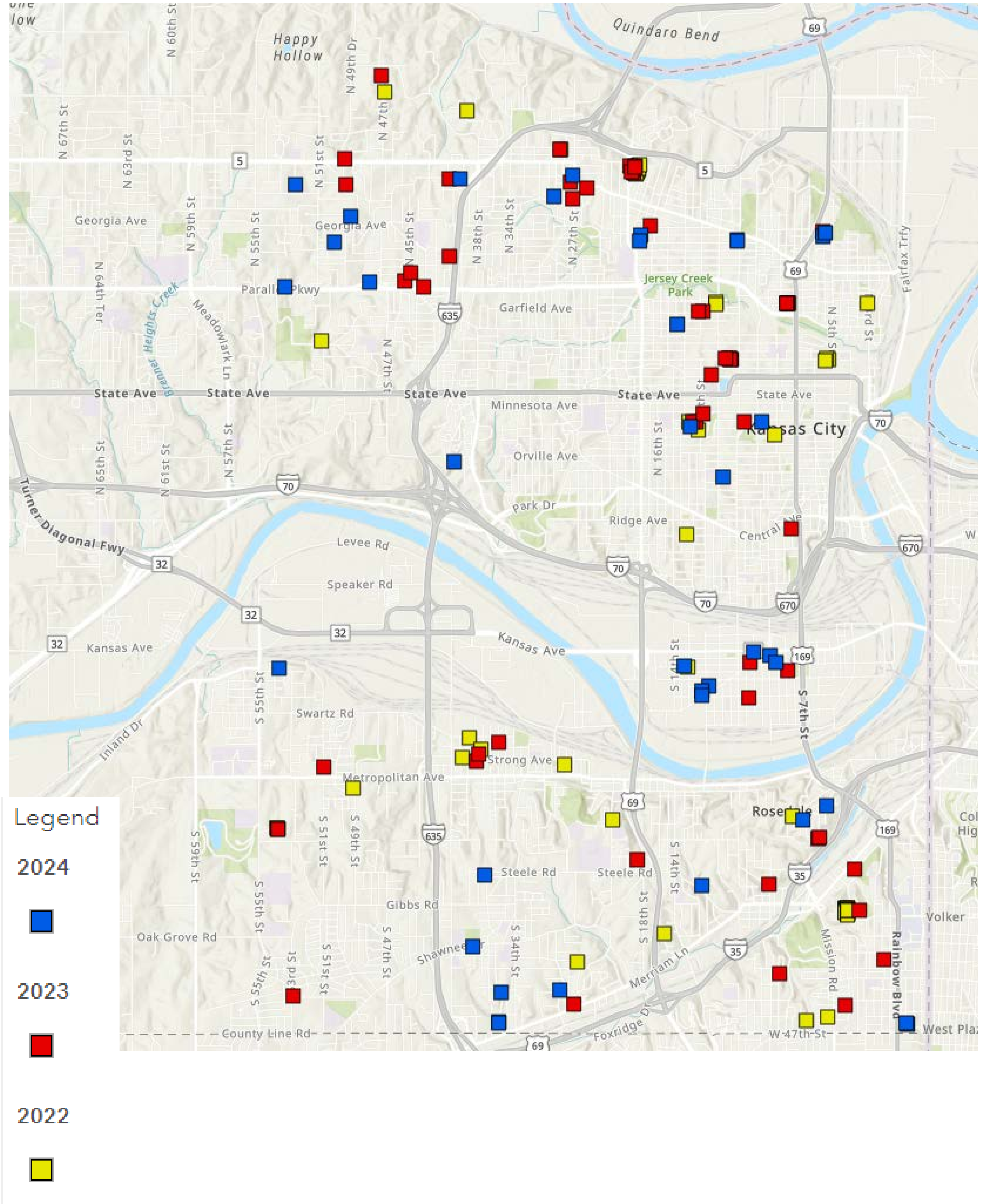


EXHIBIT B: MAP OF RESIDENTIAL DEVELOPMENT (SINGLE FAMILY & DUPLEX)



Tracking ID: 21406

Report to

MEETING DATE	PRESENTER	DEPARTMENT
	Jeffrey Conway, Assistant Counsel jconway@wycokck.org x5075	Administrator's Office

AGENDA ITEM #

RESOLUTION: AUTHORIZE THE COUNTY ADMINISTRATOR TO CALCULATE CERTAIN NEW GROWTH REVENUES AND TO RECOMMEND MILL LEVY REDUCTIONS

BACKGROUND

A resolution to authorize the County Administrator, for a period of 10 years, to calculate 25% of new growth revenues and to recommend to the UG Board of Commissioners corresponding reductions in the mill levy. New growth revenues are derived from the expiration of property tax abatements, sales taxes, or transient guest taxes that are not otherwise pledged to repay outstanding bonds.

RECOMMENDATION

Approve

BUDGET IMPACTS / FINANCIAL CONSIDERATIONS

IT/POLICY CONSIDERATIONS

PROCUREMENT CONSIDERATIONS

LEGAL CONSIDERATIONS

ATTACHMENTS

Resolution for 25% to property tax reduction (3)

Approved by Mayor and/or Chair and Administrator to add to agenda.

11/19/2024

Mayor Tyrone Garner

Published in the *Wyandotte Echo* ________________

RESOLUTION NO. R-__________

A RESOLUTION TO AUTHORIZE THE COUNTY ADMINISTRATOR TO CALCULATE CERTAIN NEW GROWTH REVENUES FOR THE PURPOSES OF RECOMMENDING BUDGETARY OPTIONS TO THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS

WHEREAS, the taxpayers of Wyandotte County have supported numerous economic development projects over the years through the grant of incentives that have pledged sales and use taxes or property tax dollars toward the repayment of bonds or other related developer project costs, or provided property tax abatements on certain properties;

WHEREAS, the additional economic development generates new property taxes or increased sales tax revenues countywide as a result of new growth from these developments;

WHEREAS, as responsible stewards of public resources, the Board of Commissioners recognizes and acknowledges the need to alleviate the tax burden felt by taxpayers in the city and county; and

WHEREAS, it is the desire of the Board of Commissioners to empower the County Administrator to identify any new general fund revenues attributable to expiring economic development incentive projects in the city and county and to recommend corresponding budgetary options for the use of the increased revenue to the city and county general funds.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS AS FOLLOWS:

Section 1. (a) On and after the effective date of this resolution and for a period of ten years thereafter, and to the extent permitted by law, the County Administrator shall be authorized to calculate an amount that is equal to twenty-five percent of any new growth revenues received in the city and county general funds, respectively, upon the expiration of the economic incentives in the prior budget year. The County Administrator shall also be authorized for such period to recommend to the Board of Commissioners any corresponding budgetary options to assist in retiring existing debt or to assist in reducing the mill levy for the city or county respectively as part of the annual budget adoption process.

(b) For purposes of this resolution, “new growth revenues” means certain general fund revenues gained from the expiration of incentivized economic development projects receiving general sales and use taxes and redirection or property tax abatement in the city and county, authorized by the Board of Commissioners. “New growth revenues” will be calculated upon the expiration of the economic incentive and based upon the final budget year of the incentive. “New growth revenues” includes the property tax revenues paid and received upon the expiration of a property tax abatement that remain after subtracting: (i) any payment in lieu of taxes paid by the developer or the redirection of these funds to project costs or bonds; or (ii) the local sales and use taxes no longer paid to the economic development project fund. “New growth revenues” shall not include: (i) any special assessments or special sales taxes for Community Improvement Districts or Transportation Development Districts approved by the Board of Commissioners or the proceeds from such district which remain in effect only during the term of the economic incentive; (ii) any abatement offered through the Neighborhood Revitalization Act; or (iii) a construction sales tax exemption offered as a result of the issuance of Industrial Revenue Bonds; as those assessments, taxes, abatements, or exemptions are authorized respectively pursuant to state law.

Section 2. Effective Date. This resolution shall take effect and be in full force from and after its passage and approval, and publication in the official newspaper.

APPROVED AND ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS _____ DAY OF __________ 202_.

____

Tyrone A. Garner, Mayor/CEO

Attest:

____

Unified Government Interim Clerk

Approved as to Form:

____

Unified Government Chief Counsel

DATE: November 21, 2024

TO: Mayor and Members of the Commission

David Johnston, County Administrator

FROM: Dr. Shelley Kneuvean, Chief Financial Officer

SUBJECT: Resolution Regarding New Revenue Growth Related to Economic Incentive Projects

As requested by the Mayor and County Administrator, a resolution is being proposed involving the net new revenue gained for the City and County General Funds as a result of the expiration of certain economic incentives involving property abatement or redirection, or ongoing general sales and use tax.

The proposed resolution would require an annual calculation of the difference in net new revenue from property tax and sales/use taxes for the County and City General Funds resulting from the expiration of the economic incentives. As economic incentives expire, these revenues are no longer directed to the project specifically and are paid to the respective funds.

The resolution requires a calculation of the paid and received property and general sales/use taxes no longer captured for the project and based on that calculation, an equivalent amount of 25% be considered to be used to pay towards debt retirement and/or to offset and reduce the overall property tax mill for the City and County General Funds respectively. The decision would remain part of the annual budget process to be considered by the Mayor and Commission.

This does not include any special assessments or add-on sales taxes such as Community Improvement Districts or Transportation Development Districts proceeds which remain in effect only during the term of the economic incentive, any abatement offered through the Neighborhood Revitalization Act, or one time construction sales tax exemptions offered through Industrial Revenue Bonds.

Financial Impact

As detailed on the summaries below, there are five TIFs and seven IRBs that are ending in 2025. Based on the revenue received from the TIF, IRBs, and Incremental Sales/Use Tax now paid to the general funds, the equivalent mill rate reduction is estimated for the City and County General Funds. This would be the amount of the mill levy reduction to be considered to be built into the next year budget proposal.

Data for 2026 – 2029 is provided for illustrative purposes only as the actual amounts will be based on the prior year when the incentive expires and may vary from current estimates. During this time period, there will be one TIF district with incremental sales tax pledged set to expire in 2027 (Plaza at the Speedway, property tax abatement ended after 10 years and are being paid currently), two additional TIF districts in 2026 & 2028, and fifteen IRBs expiring at various times.

I hope this is helpful and if you have any questions, please let me know.

City General Fund Calculation – 2025 - 2029

Total New Incremental Taxes Due to Expiration of Economic Incentives - City	2025	2026	2027	2028	2029
TIF	255,292.84	331,002.59	331,002.59	372,636.22	372,636.22
IRB	699,958.83	1,043,735.03	1,639,106.92	3,128,088.12	3,784,409.47
Incremental Sales	-	-	3,477,378.00	3,477,378.00	3,477,378.00
Total New Taxes - City	**955,250.67**	**1,374,737.62**	**5,447,487.51**	**6,978,102.34**	**7,634,423.69**

25% of New Taxes to Property Tax Mill Offset Calculation - City	2025	2026	2027	2028	2029
TIF	63,822.96	82,750.65	82,750.65	93,159.06	93,159.06
IRB	174,989.72	260,933.77	409,776.75	782,022.06	946,102.40
Incremental Sales	-	-	869,344.50	869,344.50	869,344.50
25% of New Taxes to Relief Fund - City	**238,812.68**	**343,684.42**	**1,361,871.90**	**1,744,525.62**	**1,908,605.96**
Estimated Cumulative City Mill Levy Reduction	0.10	0.15	0.70	0.90	1.00
Per Year Mill Levy Reduction	0.10	0.05	0.55	0.20	0.10

County General Fund Calculation

Total New Incremental Taxes Due to the Expiration of Economic Incentives - County

	2025	2026	2027	2028	2029
TIF	247,683.09	321,137.14	321,137.14	361,529.79	361,529.79
IRB	679,095.16	1,134,016.13	1,795,482.59	3,289,097.73	3,979,636.26
Incremental Sales	-	-	511,299.84	511,299.84	511,299.84
Total New Taxes - County	**926,778.25**	**1,455,153.27**	**2,627,919.57**	**4,161,927.36**	**4,852,465.89**

25% of New Taxes to Property Tax Mill Offset Calculation - County

	2025	2026	2027	2028	2029
TIF	61,920.77	80,284.28	80,284.28	90,382.44	90,382.44
IRB	169,773.79	283,504.03	448,870.65	822,274.43	994,909.07
Incremental Sales	-	-	127,824.96	127,824.96	127,824.96
25% of New Taxes to Relief Fund - County	**231,694.56**	**363,788.31**	**656,979.89**	**1,040,481.83**	**1,213,116.47**
Estimated Cumulative County Mill Levy Reduction	0.10	0.15	0.30	0.50	0.60
Per Year Mill Levy Reduction	0.10	0.05	0.15	0.20	0.10

Detailed list of economic development incentives by project on the following pages for TIF, IRBs, and Incremental Sales Tax over the next five years for informational purposes

Economic Development related growth (TIF) - 2025-2029

Total New Taxes - City

	2025	2026	2027	2028	2029
Peregrine Falcon	10,486	10,486	10,486	10,486	10,486
St. Peter's Waterway	115,514	115,514	115,514	115,514	115,514
Escalade Heights	34,867	34,867	34,867	34,867	34,867
Mission Cliffs	74,793	74,793	74,793	74,793	74,793
Fiesta Plaza	-	75,711	75,711	75,711	75,711
I-70 & Armstrong	-	-	-	41,634	41,634
Strawberry Hill	19,631	19,631	19,631	19,631	19,631
Total New Taxes - City	**255,292**	**331,003**	**331,003**	**372,636**	**372,636**

25% of New Taxes to Property Tax Mill Offset Caculation - City

	2,025	2,026	2,027	2,028	2,029
Peregrine Falcon	2,622	2,622	2,622	2,622	2,622
St. Peter's Waterway	28,878	28,878	28,878	28,878	28,878
Escalade Heights	8,717	8,717	8,717	8,717	8,717
Mission Cliffs	18,698	18,698	18,698	18,698	18,698
Fiesta Plaza	-	18,928	18,928	18,928	18,928
I-70 & Armstrong	-	-	-	10,408	10,408
Strawberry Hill	4,908	4,908	4,908	4,908	4,908
25% of New Taxes to Property Tax Mill Offset Caculation - City	**63,823**	**82,751**	**82,751**	**93,159**	**93,159**

Economic Development related growth (TIF) - 2025-2029

Total New Taxes - County

	2025	2026	2027	2028	2029
Peregrine Falcon	10,174	10,174	10,174	10,174	10,174
St. Peter's Waterway	112,071	112,071	112,071	112,071	112,071
Escalade Heights	33,828	33,828	33,828	33,828	33,828
Mission Cliffs	72,564	72,564	72,564	72,564	72,564
Fiesta Plaza	-	73,454	73,454	73,454	73,454
I-70 & Armstrong	-	-	-	40,393	40,393
Strawberry Hill	19,046	19,046	19,046	19,046	19,046
Total New Taxes - County	**247,683**	**321,137**	**321,137**	**361,530**	**361,530**

25% of New Taxes to Property Tax Mill Offset Caculation - County

	2,025	2,026	2,027	2,028	2,029
Peregrine Falcon	2,544	2,544	2,544	2,544	2,544
St. Peter's Waterway	28,018	28,018	28,018	28,018	28,018
Escalade Heights	8,457	8,457	8,457	8,457	8,457
Mission Cliffs	18,141	18,141	18,141	18,141	18,141
Fiesta Plaza	-	18,364	18,364	18,364	18,364
I-70 & Armstrong	-	-	-	10,098	10,098
Strawberry Hill	4,762	4,762	4,762	4,762	4,762
25% of New Taxes to Property Tax Mill Offset Caculation - County	**61,921**	**80,284**	**80,284**	**90,382**	**90,382**

Economic Development related growth (IRB) - 2025-2029

Total New Taxes - City

	2025	2026	2027	2028	2029
Amazon	-	-	-	-	604,964
Assisted Living Associates	21,006	21,006	21,006	21,006	21,006
Associated Wholesale Grocers, Inc.	78,944	78,944	78,944	78,944	78,944
Boyer KCK MOB	-	-	-	-	51,357
Central Industrial Park	-	-	384,970	384,970	384,970
Dairy Farmers of America	-	-	-	154,554	154,554
Fastenal 3	-	-	-	-	-
Five M Limited	-	-	-	-	-
Herff Jones	-	-	-	-	-
INX International Ink Co.	-	-	-	-	-
JE Dunn Logistics Facility	42,514	42,514	42,514	42,514	42,514
Kansas Speedway	-	-	-	1,334,427	1,334,427
MS Kansas City, LLC	153,109	153,109	153,109	153,109	153,109
NPIF2 Kansas Avenue, LLC	-	68,585	68,585	68,585	68,585
Premier Investments	80,242	80,242	80,242	80,242	80,242
Stag Industrial	-	-	-	-	-
Tiner, Guy	-	-	-	-	-
US Soccer National Training Center	-	-	210,402	210,402	210,402
Village West Apartments - Phase I	273,773	273,773	273,773	273,773	273,773
Village West Apartments - Phase II	-	275,192	275,192	275,192	275,192
WellTower	50,371	50,371	50,371	50,371	50,371
Woodend Holdings, LLC #1	-	-	-	-	-
Woodend Holdings, LLC #2	-	-	-	-	-
Total New Taxes - City	**699,959**	**1,043,735**	**1,639,107**	**3,128,088**	**3,784,409**

25% of New Taxes to Property Tax Mill Offset Calculation - City

	2025	2026	2027	2028	2029
Amazon	-	-	-	-	151,241
Assisted Living Associates	5,252	5,252	5,252	5,252	5,252
Associated Wholesale Grocers, Inc.	19,736	19,736	19,736	19,736	19,736
Boyer KCK MOB	-	-	-	-	12,839
Central Industrial Park	-	-	96,242	96,242	96,242
Dairy Farmers of America	-	-	-	38,639	38,639
Fastenal 3	-	-	-	-	-
Five M Limited	-	-	-	-	-
Herff Jones	-	-	-	-	-
INX International Ink Co.	-	-	-	-	-
JE Dunn Logistics Facility	10,628	10,628	10,628	10,628	10,628
Kansas Speedway	-	-	-	333,607	333,607
MS Kansas City, LLC	38,277	38,277	38,277	38,277	38,277
NPIF2 Kansas Avenue, LLC	-	17,146	17,146	17,146	17,146
Premier Investments	20,061	20,061	20,061	20,061	20,061
Stag Industrial	-	-	-	-	-
Tiner, Guy	-	-	-	-	-
US Soccer National Training Center	-	-	52,601	52,601	52,601
Village West Apartments - Phase I	68,443	68,443	68,443	68,443	68,443
Village West Apartments - Phase II	-	68,798	68,798	68,798	68,798
WellTower	12,593	12,593	12,593	12,593	12,593
Woodend Holdings, LLC #1	-	-	-	-	-
Woodend Holdings, LLC #2	-	-	-	-	-
25% of New Taxes to Property Tax Mill Offs	**174,990**	**260,934**	**409,777**	**782,022**	**946,102**

Economic Development related growth (IRB) - 2025-2029

Total New Taxes - County

	2025	2026	2027	2028	2029
Amazon	-	-	-	-	586,932.07
Assisted Living Associates	20,380	20,380	20,380	20,380	20,380
Associated Wholesale Grocers, Inc.	76,591	76,591	76,591	76,591	76,591
Boyer KCK MOB	-	-	-	-	49,826
Central Industrial Park	-	-	373,495	373,495	373,495
Dairy Farmers of America	-	-	-	149,947	149,947
Fastenal 3	-	-	-	-	12,101
Five M Limited	-	-	-	-	41,679
Herff Jones	-	-	83,841	83,841	83,841
INX International Ink Co.	-	-	-	30,426	30,426
JE Dunn Logistics Facility	41,247	41,247	41,247	41,247	41,247
Kansas Speedway	-	-	-	1,294,652	1,294,652
MS Kansas City, LLC	148,545	148,545	148,545	148,545	148,545
NPIF2 Kansas Avenue, LLC	-	66,540	66,540	66,540	66,540
Premier Investments	77,851	77,851	77,851	77,851	77,851
Stag Industrial	-	102,639	102,639	102,639	102,639
Tiner, Guy	-	18,753	18,753	18,753	18,753
US Soccer National Training Center	-	-	204,131	204,131	204,131
Village West Apartments - Phase I	265,612	265,612	265,612	265,612	265,612
Village West Apartments - Phase II	-	266,989	266,989	266,989	266,989
WellTower	48,869	48,869	48,869	48,869	48,869
Woodend Holdings, LLC #1	-	-	-	18,590	18,590
Woodend Holdings, LLC #2	157,152	157,152	157,152	157,152	157,152
Total New Taxes - County	**679,095**	**1,134,016**	**1,795,483**	**3,289,098**	**3,979,636**

25% of New Taxes to Property Tax Mill Offset Calculation - County

	2025	2026	2027	2028	2029
Amazon	-	-	-	-	146,733
Assisted Living Associates	5,095	5,095	5,095	5,095	5,095
Associated Wholesale Grocers, Inc.	19,148	19,148	19,148	19,148	19,148
Boyer KCK MOB	-	-	-	-	12,457
Central Industrial Park	-	-	93,374	93,374	93,374
Dairy Farmers of America	-	-	-	37,487	37,487
Fastenal 3	-	-	-	-	3,025
Five M Limited	-	-	-	-	10,420
Herff Jones	-	-	20,960	20,960	20,960
INX International Ink Co.	-	-	-	7,607	7,607
JE Dunn Logistics Facility	10,312	10,312	10,312	10,312	10,312
Kansas Speedway	-	-	-	323,663	323,663
MS Kansas City, LLC	37,136	37,136	37,136	37,136	37,136
NPIF2 Kansas Avenue, LLC	-	16,635	16,635	16,635	16,635
Premier Investments	19,463	19,463	19,463	19,463	19,463
Stag Industrial	-	25,660	25,660	25,660	25,660
Tiner, Guy	-	4,688	4,688	4,688	4,688
US Soccer National Training Center	-	-	51,033	51,033	51,033
Village West Apartments - Phase I	66,403	66,403	66,403	66,403	66,403
Village West Apartments - Phase II	-	66,747	66,747	66,747	66,747
WellTower	12,217	12,217	12,217	12,217	12,217
Woodend Holdings, LLC #1	-	-	-	4,647	4,647
Woodend Holdings, LLC #2	39,288	39,288	39,288	39,288	39,288
25% of New Taxes to Property Tax Mill Offse	**169,774**	**283,504**	**448,871**	**822,274**	**994,909**

Economic Development related growth (Inc Sales) - 2025-2029

Total Taxes Received after Incentive - City

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	3,477,378	3,477,378	3,477,378
Total Taxes Received after Incentive - City	**-**	**-**	**3,477,378**	**3,477,378**	**3,477,378**

Total Received from last year of Incentive - City

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	-	-	-
Total Received from last year of Incentive - City	**-**	**-**	**-**	**-**	**-**

Total New Taxes - City

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	3,477,378	3,477,378	3,477,378
Total New Taxes - City	**-**	**-**	**3,477,378**	**3,477,378**	**3,477,378**

25% of New Taxes to Property Tax Mill Offset - City

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	869,345	869,345	869,345
25% of New Taxes to Property Tax Mill Offset - City	**-**	**-**	**869,345**	**869,345**	**869,345**

Economic Development related growth (Inc Sales) - 2025-2029

Total Taxes Received after Incentive - County

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	511,300	511,300	511,300
Total Taxes Received after Incentive - County	**-**	**-**	**511,300**	**511,300**	**511,300**

Total Received from last year of Incentive - County

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	-	-	-
Total Received from last year of Incentive - County	**-**	**-**	**-**	**-**	**-**

Total New Taxes - County

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	511,300	511,300	511,300
Total New Taxes - County	**-**	**-**	**511,300**	**511,300**	**511,300**

25% of New Taxes to Property Tax Mill Offset - County

	2025	2026	2027	2028	2029
Shawnee Plaza	-	-	-	-	-
Fiesta Plaza	-	-	-	-	-
Plaza at the Speedway	-	-	127,825	127,825	127,825
25% of New Taxes to Property Tax Mill Offset - County	**-**	**-**	**127,825**	**127,825**	**127,825**