

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 Townsend – Commissioner Chuck Stites – Commissioner Bill Burns –
Commissioner Phil Lopez – Stevie Wakes, BPU Board Member*

MINUTES

Monday, July 29, 2024
5:00 PM-5:43 PM

Attendance:

Committee Members Present:

- Commissioner Burroughs (Chair)
- Commissioner Lopez
- Commissioner Burns
- Commissioner Stites
- Commissioner Townsend
- Mr. Wakes (BPU Board Member)

Committee Members Absent:

- None

Staff Present:

- Brittne MacDonald (Clerk)
- Jeff Conway (Senior Counsel)
- Bridgette Cobbins (Assistant County Administrator)
- Rodney Lucas (Interim Assistant County Administrator)

Call to Order:

Commissioner Burroughs called the meeting to order at 5:00 PM.

Revisions to Agenda:

No revisions to the agenda were reported.

Approval of Previous Minutes (Discussion Begins 2:32)

BPU Board Member Wakes moved to approve the minutes from the July 10, 2023, meeting. The motion was seconded by Commissioner Townsend.

Vote: Motion carried 6-0

- Ayes: Wakes, Lopez, Burns, Stites, Townsend, Burroughs
- Nays: None

Committee Agenda:**Item 1: RESOLUTION: SECOND AMENDMENT TO THE 505 CENTRAL DEVELOPMENT AGREEMENT (Discussion Begins 3:05)**

Jeff Conway from the UG Legal Department and Todd LaSala, Stinson Leonard Street Law Firm, presented the item, which proposed extending the commencement date from September 1, 2024, to March 1, 2026, and the completion date from September 1, 2026, to March 1, 2028. Mark Moberly from Sunflower Development Group explained that the request for extension was due to challenges in raising capital because of increased interest rates.

Key Points:

- Request to push the project out 18 months
- Project details remain unchanged (129 apartment units, new construction)
- Developer hopes to secure financing as interest rates potentially decrease
- No changes to unit count or unit mix from original plan

Commissioner Burns moved to adopt the resolution. The motion was seconded by Commissioner Townsend.

Vote: Motion carried 6-0

- Ayes: Wakes, Lopez, Burns, Stites, Townsend, Burroughs
- Nays: None

Item 2: RESOLUTION: MARSHALLTOWN COMPANY INDUSTRIAL REVENUE BONDS (Discussion Begins 9:33)

Jeff Conway introduced the item and introduce Kevin Wempe, Gilmore and Bell bond counsel, for remarks which had two elements: setting a public hearing for August 29, 2024, and approving a resolution of intent to issue industrial revenue bonds in the amount of \$27 million for the property located at 9822 Leavenworth Road. Developer team: Cam Duff from Scannell Properties and Jack Murders, Chief Operating Officer, from Marshalltown Company presented the project details.

Key Points:

- \$27 million in industrial revenue bonds for a 200,000 square foot facility
- Located at 9822 Leavenworth Road in the 435 Logistics Park
- Will be used for the distribution of tools manufactured at other facilities
- Expected to create 40-50 initial jobs
- Starting wages around \$22 per hour, with skilled jobs up to \$30-\$40 per hour
- Graduated property tax abatement over 10 years
- Company plans long-term commitment to the community
- Privately held, family-owned company founded in 1890
- American manufacturing, and committed to doing it well
- Primarily distributing tools for retailers like Home Depot and Lowe's

Public comments:

- Monica Brede (Vice President, Business and Workforce Solutions at Wyandotte Economic Development Council) **(Comment Begins 29:26)**

Commissioner Lopez moved to adopt the resolution approving the setting of the public hearing for August 29, 2024. The motion was seconded by Commissioner Burns.

Vote: Motion carried 6-0

- Ayes: Wakes, Lopez, Burns, Stites, Townsend, Burroughs
- Nays: None

Commissioner Lopez moved to adopt the resolution approving the issuance of \$27 Million Industrial Revenue Bonds. The motion was seconded by BPU Board Member Wakes.

Vote: Motion carried 6-0

- Ayes: Wakes, Lopez, Burns, Stites, Townsend, Burroughs
- Nays: None

Item 3: RESOLUTION: AMENDING DEADLINES RELATED TO ISSUANCE OF INDUSTRIAL REVENUE BONDS (AMERICAN ROYAL PROJECT) (Discussion Begins 33:50)

Jeff Conway presented the item, which proposed extending the IRB issuance for the American Royal project deadline from July 31, 2024, to December 31, 2024. Todd LaSala and Kevin Lee provided additional context on the ongoing negotiations and the need for the extension.

Key Points:

- This is the second amendment
- IRBs are for \$250 million in sales tax on construction materials
- Ongoing negotiations are still in progress
- Parties are actively working to finalize development agreement details
- Meetings are scheduled to continue discussing major deal points
- No changes to the actual project scope at this time
- Extension allows more time to complete negotiations and documentation

Commissioner Stites moved to adopt the resolution and fast-track the item to the August 1, 2024, Board of Commissioners meeting. The motion was seconded by Commissioner Townsend.

Vote: Motion carried 5-1

- Ayes: Wakes, Stites, Burns, Townsend, Burroughs
- Nays: Lopez

Adjournment: (Discussion Begins 43:33)

BPU Board Member Wakes moved to adjourn the meeting. The motion was seconded by Commissioner Townsend.

Vote: Motion carried 6-0

- Ayes: Wakes, Lopez, Burns, Stites, Townsend, Burroughs
- Nays: None

The meeting was adjourned at 5:43 PM.

MLS