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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MINUTES

Monday, December 9, 2024
5:02 PM-6:53 PM

Attendance:

Committee Members Present:

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

Committee Members Absent:

- None

Staff Present:

- Monica L. Sparks (Clerk)
- Wendy Green (Deputy Chief Counsel)
- Shelley Kneuvean (Chief Financial Officer)
- Chelsee Chism (Director of Economic Development)
- Jeff Conway (Legal Department)

- Andrea Vineyard (County Treasurer)
- Michelle Wooten (Deputy County Treasurer)
- Alan Howze (Assistant County Administrator)

Call to Order (Video beings at 05:23; Audio begins at 07:30)

Commissioner Burroughs called the meeting to order at 5:02 PM.

Revisions to Agenda:

No revisions to the agenda were reported.

Approval of Previous Minutes:

BPU Board Member Wakes moved to approve the minutes from October 9 and December 4, 2023, meetings. The motion was seconded by Commissioner Burns.

Vote: Motion carried 6-0

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

Committee Agenda:

Item 1: RESOLUTION: AUTHORIZING THE BILL OF SALE, GENERAL ASSIGNMENT AND INDEMNITY REGARDING SIGNAGE AT VILLAGE WEST (DISCUSSION BEGINS 07:45)

Chelsee Chism and Todd LaSalla presented information on transferring the highway sign at Village West to Kansas Speedway. The sign needs to be removed due to the Buc-ee's development.

<u>Key Points:</u>

1. The existing highway sign at Village West is located in the Buc-ee's parking lot and needs to be removed.
2. The Unified Government will transfer the sign to Kansas Speedway.
3. Kansas Speedway will:
    - Terminate the current lease and right of entry agreements

- Provide alternatives to businesses currently on the sign
- Create new way-finding signs to direct visitors to Village West attractions

4. The new signage concept will help direct millions of visitors to businesses in the area.
5. Kansas Speedway commits to keeping the new signs up for 30 years.
6. The transfer is memorialized in a Bill of Sale and General Assignment Agreement with an indemnity to the Unified Government

Commissioner Burns moved to adopt the resolution and fast-track the item to the December 19, 2024, Board of Commissioners meeting. The motion was seconded by Commissioner Stites.

Vote: Motion carried 6-0

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

Item 2: RESOLUTION: AUTHORIZING EXECUTION OF PROPERTY EXCHANGE AGREEMENT WITH BUC-EE'S (DISCUSSION BEGINS 19:06)

Todd LaSalla presented information on a land swap to relocate Village West Parkway for the Buc-ee's development.

Key Points:

- Current Location Issue:
  - A. The existing Village West Parkway runs through the proposed Buc-ee's site
  - B. A new alternative Village West Parkway and roundabout will be constructed immediately north of the current location
- Property Exchange Details:
  - A. The Unified Government currently owns the right-of-way for the existing parkway
  - B. Buc-ee's will dedicate the new parkway to the UG
  - C. Buc-ee's will construct the new parkway and roundabout
  - D. The land will be swapped: UG will transfer the current parkway to Buc-ee's
- Construction and Dedication:
  - A. Buc-ee's will build the new parkway and connect it to existing roads
  - B. The UG will provide construction easements during the project
  - C. The land swap will be completed through deed or platting

- Additional Benefits:
    A. The UG will receive more acreage in the exchange than it is trading

Commissioner Stites moved to adopt the resolution and fast-track the item to December 19, 2024, Board of Commissioners meeting. The motion was seconded by Commissioner Burns.

Vote: Motion carried 6-0

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

Item 3: PRESENTATION: 2024 THIRD QUARTER INVESTMENT REPORT (DISCUSSION BEGINS 26:29)

Andrea Vineyard, County Treasurer, presented the investment report. The average yield for the third quarter was 3.17% with 157 days to maturity. Total interest earned for Q3 was $6.7 million, with a year-to-date total of $14 million.

Key Points:

- Financial Performance:
    A. Average yield for the quarter: 3.17%
    B. Days to maturity: 157 days
    C. Total interest earned in Q3: $6.7 million
    D. Year-to-date total interest: $14 million
- Portfolio Composition:
    A. Total portfolio value: $242 million
- Breakdown:
    A. $60 million in Certificates of Deposit (CDs) - $43 million in federal agencies - Remaining balance in cash and other investments
- Investment Strategy:
    A. Purchased approximately $25 million in new investments
    B. Worked with new financial institution like Argentine Federal Savings
    C. Continued to diversify investment sources
- Benchmark Performance:
    A. Performed below target T-bill rate of 4.01%
    B. Remained within limits of cash management policy
    C. Maintained compliance with liquidity and investment type guidelines

- Future Outlook:
  A. Continuing to evaluate and adjust investment strategies
  B. Introducing Michelle Wooten as new Deputy Treasurer to help manage investments

This item was for information only and no action was required.

Item 4: RESOLUTION: THIRD AMENDMENT TO DEVELOPMENT AGREEMENT (KANSAS ENTERTAINMENT LLC) (DISCUSSION BEGINS 35:08)

Wendy Green presented the proposed changes to the development agreement, including reducing hotel rooms from 250 to 125, increasing charitable contributions, and extending construction deadlines.

Key Points:

- Hotel Modifications:
- Reduced hotel rooms from 250 to 125
- Increased charitable contribution from $500,000 to $850,000
- Construction Timeline:
  A. Extended deadline for beginning construction to December 31, 2026
  B. Liquidated damages will continue until construction begins
- Construction Commencement Definition: Defined as both issuance of necessary permits and undertaking a continuously pursued construction program

Commissioner Townsend moved to adopt the resolution and fast-track the item to the December 19, 2024, Board of Commissioners meeting. The motion was seconded by Commissioner Burns.

Vote: Motion carried 5-1

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

Item 5: RESOLUTION: APPROVING THE WAIVING OF CERTAIN APPLICATION AND PERMIT FEES FOR RESIDENTIAL DEVELOPMENT EAST OF 55TH STREET IN KANSAS CITY, KANSAS (DISCUSSION BEGINS 44:32)

Shelley Kneuvean presented a revised resolution to waive certain permit fees for residential development projects east of 55th Street for five years.

Key Points:

- Scope of Waiver:
  A. Applies to single-family and duplex residential units only
  B. Covers area east of 55th Street to city limits
  C. Excludes apartment complexes and multi-family developments
- Development Impact:
  A. Replaces previous resolution covering 78th Street to city limits
  B. Focuses on land bank lots and vacant property development
  C. Aims to incentivize residential development in targeted areas
- Historical Performance:
  A. In past three years, 285 single-family permits were issued citywide
  B. 148 permits (52%) were east of 55th Street
  C. 79 of those 148 permits were on land bank lots
- Key Features:
  A. Five-year waiver period
  B. Waives permit fees for qualifying residential developments
  C. Will track performance measures and development benchmarks
- Geographical Considerations:
  A. Development permits are dispersed throughout the targeted area
  B. Aligns with Neighborhood Revitalization Area (NRA) incentives
  C. Prioritizes areas with more vacant lots and development potential

Public Comment

Greg Kindle, Kansas City, KS (**Comments begin 58:03)**

Doug Spangler, Kansas City, KS **(Comments begin 01:04:54)**

Commissioner Townsend moved to adopt the resolution with specifics included in the resolution. The motion was seconded by BPU Board Member Wakes.

Vote: Motion carried 5-1

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

Item 6: RESOLUTION: AUTHORIZE THE COUNTY ADMINISTRATOR TO CALCULATE CERTAIN NEW GROWTH REVENUES AND TO RECOMMEND MILL LEVY REDUCTIONS (DISCUSSION BEGINS 01:11:36)

Shelley Kneuvean presented a resolution to calculate and potentially allocate 25% of new growth revenues from expired economic development incentives towards property tax reduction or debt reduction.

Key Points:

- Purpose:
  A. Calculate new growth revenues from expiring economic development incentives
  B. Recommend potential allocation of 25% of new revenues
  C. Provide annual transparency on economic development financial impacts
- Financial Projections:
  A. 2025: Approximately $955,000 to city, $926,000 to county
  B. 2026: Around $1.4 million to city, $1.5 million to county
  C. 2027: Projected $5.4 million for city, $2.6 million for county
- Potential Allocation Options:
  A. Property tax reduction
  B. Debt reduction
  C. Flexible annual decision during budget process
  D. Not mandatorily locked into specific use
- Key Characteristics:
  A. 10-year period of annual reporting
  B. Focuses on revenues after economic incentives expire
  C. Provides detailed breakdown of expiring development projects
  D. Aims to show tangible benefits of economic development incentives
- Procedural Approach:
  A. Advance resolution to full commission without specific recommendation
  B. Encourage further discussion and potential refinement
  C. Maintain flexibility for future commissions

Public Comment

Greg Kindle, Kansas City, KS (**Comments begin 01:32:56))**

Nathan Barnes, Kansas City, KS **(Comments begin 01:38:56)**

Commissioner Townsend moved to forward the item to the Board of Commissioners meeting in January with no recommendation. The motion was seconded by Commissioner Stites.

Vote: Motion carried 6-0

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

Adjournment: (DISCUSSION BEGINS 01:55:31)

Commissioner Townsend moved to adjourn the meeting. The motion was seconded by Commissioner Lopez.

Vote: Motion carried 6-0

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

The meeting was adjourned at 6:53 PM.

MLS