Economic Development and Finance Committee

Standing Committee Meeting Agenda

Monday, April 1, 2019

Immediately upon adjournment of earlier committee

Location:

Municipal Office Building
701 N 7th Street
Kansas City, Kansas 66101
5th Floor Conference Room (Suite 515)

Name	Absent
Commissioner Tom Burroughs, Chair	☐
Commissioner Brian McKiernan	☐
Commissioner Gayle E. Townsend	☐
Commissioner Ann Brandau-Murguia	☐
Commissioner James Walters	☐
Jeff Bryant, BPU Member	☐

I. Call to Order/Roll Call

II. Revisions to April 1, 2019 Agenda

III. Approval of standing committee minutes from February 4, 2019.

IV. Committee Agenda

Item No. 1 - REPORT: FOURTH QUARTER BUDGET TO ACTUALS

Synopsis: Fourth Quarter 2018 Budget to Actuals Report, submitted by Kathleen VonAchen, Chief Financial Officer; and Reginald Lindsey, Budget Manager.

For information only.

Tracking #: 19648

Item No. 2 - REPORT: FOURTH QUARTER BUDGET REVISIONS

Synopsis: Fourth Quarter Budget Revision Report, submitted by Reginald Lindsey, Budget Manager.

For information only.

Tracking #: 19649

Item No. 3 - UPDATE: MOTOR VEHICLE REGISTRATION CUSTOMER SERVICE

Synopsis: Update on the performance of the customer service initiatives for the Motor Vehicle Registration Program of the Treasury Division from 2018, submitted by Kathleen

VonAchen, Chief Financial Officer; Rick Mikesic, Director of Revenue/Treasury; and Andrea Parra, Deputy Treasurer.

For information only.
Tracking #: 19644

Item No. 4 - ORDINANCE: REDEVELOPMENT DISTRICT PLAN FOR PROJECT AREA 1 IN THE DOWNTOWN GROCERY REDEVELOPMENT DISTRICT
Synopsis: An ordinance making findings and adopting the Redevelopment District Plan for Project Area 1 in the Downtown Grocery Redevelopment District, submitted by Katherine Carttar, Director of Economic Development.

On March 7, 2019, the Commission unanimously adopted Resolution No. R-15-19, setting a public hearing for April 11, 2019, to consider the redevelopment project plan.
Tracking #: 19645

Item No. 5 - RESOLUTION: CREATION OF TWO NONPROFIT CORPORATIONS
Synopsis: A resolution authorizing the creation of two Kansas nonprofit corporations (KCK 501 Minnesota, Inc. and KCK 501 Minnesota ALL, Inc.) and applications to the IRS for status as exempt organizations under 501(c)(3), submitted by Katherine Carttar, Director of Economic Development.
Tracking #: 19650

V. **Public Agenda**

VI. **Adjourn**

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, February 4, 2019

The meeting of the Economic Development and Finance Standing Committee was held on Monday, February 4, 2019, at 5:30 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Burroughs, Chairman; Commissioners Townsend, McKiernan, Murguia, Commissioner Bynum substituting for Commissioner Walters; and Jeff Bryant, BPU Board Member. Commissioner Walters was absent. The following officials were also in attendance: Gordon Criswell and Melissa Sieben, Assistant County Administrators; Patrick Waters, Senior Attorney; Maureen Mahoney, Chief of Staff in Mayor's Office; Kathleen VonAchen, Chief Financial Officer; Alan Howze, Chief Knowledge Officer; Andrea Parra, Deputy Treasurer; Katherine Carttar, Interim Director of Economic Development; and Jay Doleshal, Sergeant-At-Arms.

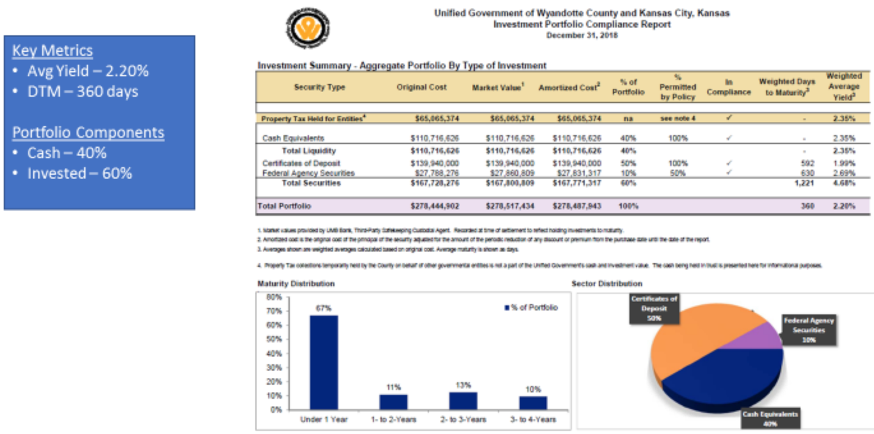
Chairman Burroughs called the meeting to order. Roll call was taken and members were present as shown above.

Approval of standing committee minutes from December 3, 2018. **On motion of Commissioner McKiernan, seconded by BPU Board Member Bryant, the minutes were approved.** Motion carried unanimously.

Committee Agenda:

Item No. 1 – 199…REPORT: 4TH QUARTER 2018 CASH AND INVESTMENT

Synopsis: The 4th Quarter Cash and Investment Report for the period of October through December 2018, submitted by Kathleen VonAchen, Chief Financial Officer.



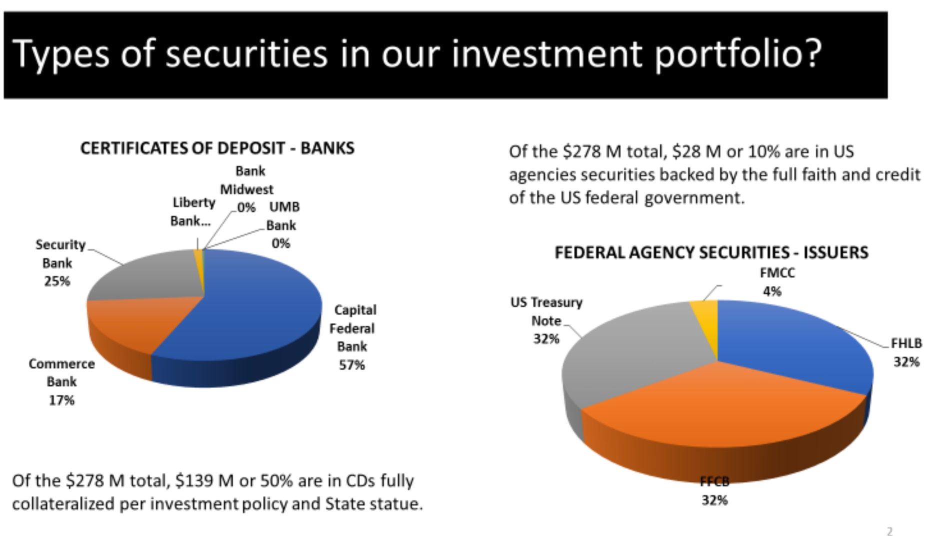
Unified Government of Wyandotte County and Kansas City, Kansas
Investment Portfolio Compliance Report
December 31, 2018

Investment Summary - Aggregate Portfolio By Type of Investment

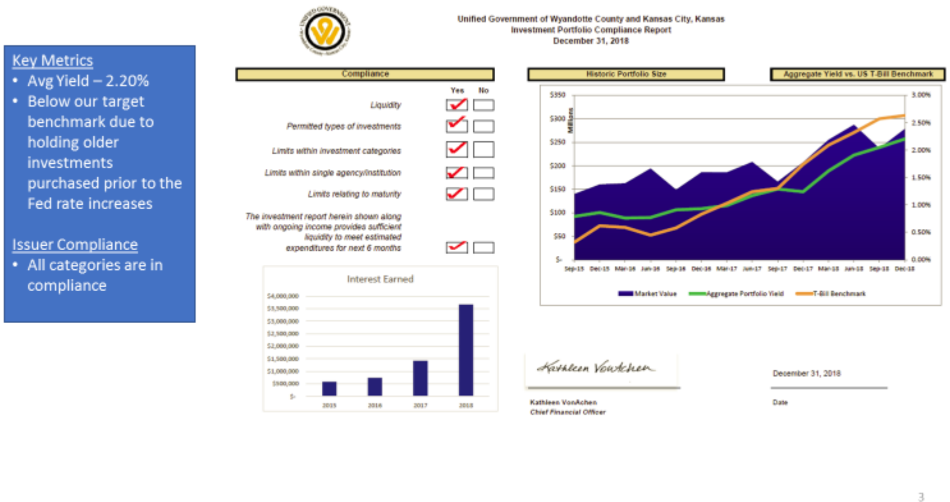
Security Type	Original Cost	Market Value[1]	Amortized Cost[2]	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity[3]	Weighted Average Yield[3]
Property Tax Held for Entities[4]	$65,065,374	$65,065,374	$65,065,374	na	see note 4	✓	-	2.35%
Cash Equivalents	$110,716,626	$110,716,626	$110,716,626	40%	100%	✓	-	2.35%
Total Liquidity	$110,716,626	$110,716,626	$110,716,626	40%			-	2.35%
Certificates of Deposit	$139,940,000	$139,940,000	$139,940,000	50%	100%	✓	592	1.99%
Federal Agency Securities	$27,788,276	$27,860,809	$27,831,317	10%	50%	✓	630	2.69%
Total Securities	$167,728,276	$167,800,809	$167,771,317	60%			1,221	4.68%
Total Portfolio	$278,444,902	$278,517,434	$278,487,943	100%			360	2.20%

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.

Andrea Parra, Deputy Treasurer, said the first slide's here. I'll just go over a few metrics. The average yield for this quarter is 2.2%. We have the days to maturity which was about 360 days and then our portfolio components; 40% were in cash and then 60% we had invested.



The next slide we're kind of going to go over the securities of our investments. We have $139M or 50% that are in CDs. The total portfolio right now in this quarter was about $278M. Then, on the right side, you'll see we did have some federal agency securities, $28M or about 10%.



The next slide is going to be kind of where we are in terms of compliance. I will note that Capital Federal, during this quarter, would have been within the limit of 30% or less. That was because we are holding what would have been about $65M in property tax held for the entities. We will see a difference that will put them back out of compliance in Quarter 1. They'll hit about 31% based on the calculation I did. With everything maturing by May, we should hit down below for a firm 30 or lower by the second quarter 2019. They have about $17M that'll be maturing before Quarter 2 of 2019, keeping them in compliance at that point.

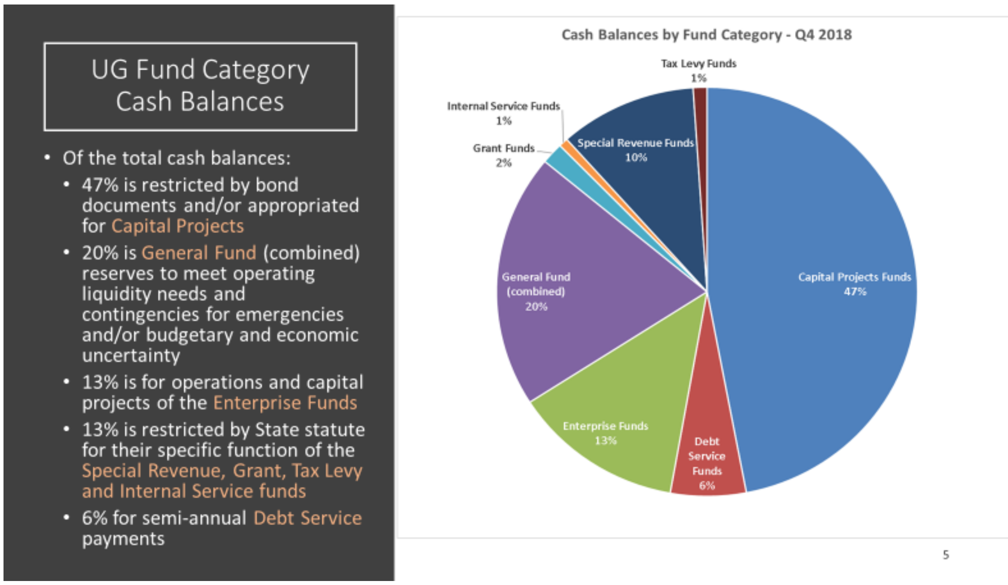
What transactions occurred in Q4?

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q4	NA	UMB, Wyandotte Operating	2.349%	1/2/2019	60,125,640	60,125,640
Thru Q4	NA	UMB, Wyandotte Health Reserve	2.349%	1/2/2019	149,000	149,000
Cash Equivalents					**60,274,640**	**60,274,640**
Purchases					-	-
12/11/2014	70122999	Capitol Federal Bank	1.340%	10/25/2018	(3,000,000)	(3,000,000)
5/11/2018	70167423	Capitol Federal Bank	2.060%	11/13/2018	(5,000,000)	(5,000,000)
5/25/2017	70155741	Capitol Federal Bank	1.440%	11/26/2018	(5,000,000)	(5,000,000)
3/26/2015	70127694	Capitol Federal Bank	1.240%	12/3/2018	(4,000,000)	(4,000,000)
Calls/Maturities					**(17,000,000)**	**(17,000,000)**
Total					**43,274,640**	**43,274,640**

4

This will be what kind of happened overall in Quarter 4. We did not make any purchases. Then we did have 4 matures; obviously all showing Capital Federal as well, which did help quite a bit lowering the amount that they were holding. As you see at the top, we did have quite the higher level of our operating account, which was part of what we were holding for the securities of the other entities for property tax.



Kathleen VonAchen, Chief Financial Officer, said one thing I did want to point out is that in the—since this is the yearend, we earned $2M more in interest than we did in the previous year and that's because the interest rates rose during the year by the fed mainly.

The other point is that blue area is larger than the prior years and that is mainly because we're holding quite a bit of cash because of the juvenile center. There's a variety of temp notes that we're holding and spending down, and PBC bond money because we're in the middle of construction of various large projects. That kind of goes into what I was going to talk about with this last pie chart, which as you can see 47% of the total portfolio was in capital project funds. The general fund has 20%, enterprise funds combined have 13%, and other special revenue funds have 10%.

Commissioner Murguia said this is just for information only, correct.

Chairman Burroughs asked any questions. Anyone from the public have any questions? Seeing none, as I stated, it is for informational purposes only.

Action: For information only.

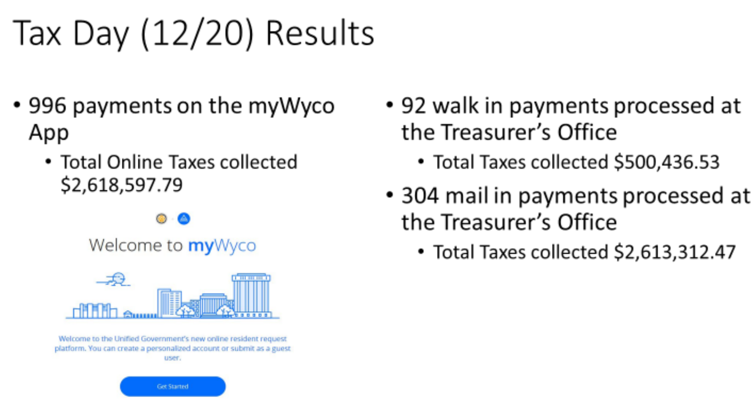
Item No. 2 – 1910…PRESENTATION: PAYIT PERFORMANCE FOR 2018 TAX SEASON

Synopsis: Presentation by Andrea Parra, Deputy Treasurer, on the performance of the PayIt property tax collection process for tax season 2018, submitted by Kathleen VonAchen, Chief Financial Officer.

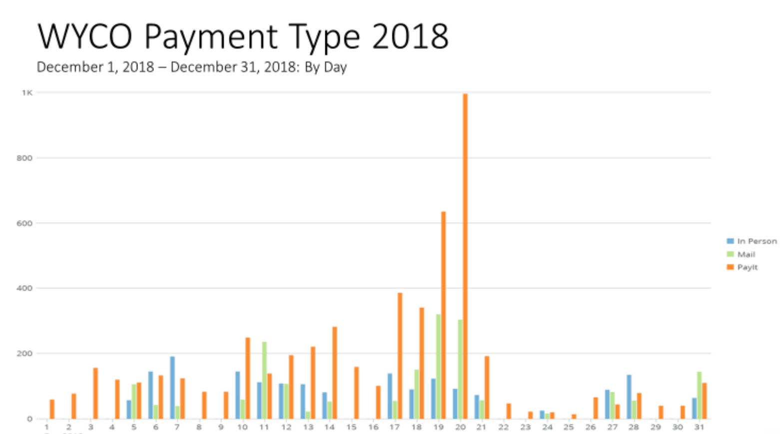
Andrea Parra, Deputy Treasurer, said this is kind of like a story we're going to tell if you will. As you may know, we went live with PayIt in 2017. We've had a full year and a full tax cycle to kind of compare what was done before as opposed to what we did here a few months ago. The first one I'd like to touch on is we really hit the marketing really hard thanks to the PayIt team, the Knowledge Department and Alan's group.

A few features we did, the very top right side you're going to see—this right here is going to be on the flap of every envelope we did and then the back of your envelope you would have seen this marketing item and additionally we added what is essentially this large size. It's a business card shaped marketing card that every member of my office would have handed out, regardless of what they were coming in to do, talking about what to do. We kind of pushed towards what we call an education campaign where we wanted to push them to attempt to PayIt first, myWyco app, then if there was an issue, we would bring them in for essentially mailing your payment in or walk-ins at the third level.

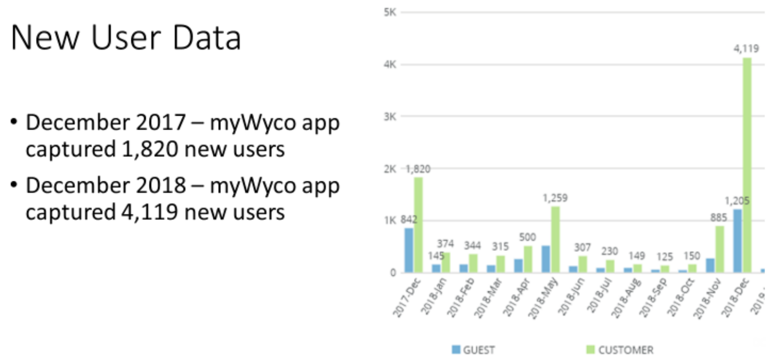
We did all three types of business, of course, but we tried to really up sale myWyco as much as we could this year. Like I said, we did heavy emphasis on the different envelopes that we had, then we did heavy emphasis on the social media. We had Edwin Birch help us out, posted it to every newsletter and every market item. We went to neighborhood meetings, talked about the program and then we also updated what we call, they are 6-foot tall standalone banners, if you haven't been in either of our offices, that stand outside in the front lobby of both locations.



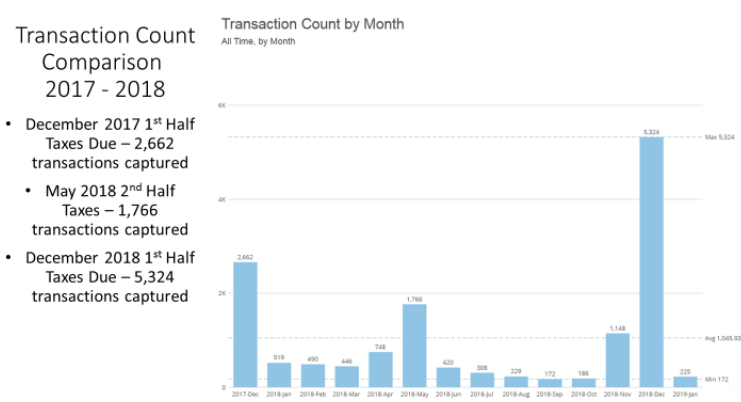
This is going to be the results that we had on Tax Day on the 20th of December, kind of show you what we really did. On the 20th we had 996 payments on the myWyco app, totaling about $2.6M of tax collected. Then we completed 92 walk-in payments for about $500,000 and then our back-office team worked on mail and got about 304 mailed payments. About $2.6 was collected that day as well.



Just to kind of compare, about 71% of the total payments that day were done online; then we had 6% in walk-in and about 21% mail that we processed. This follows up from that slide. It just shows you on the 20th, that red line is going to be the PayIt online payments that we received. Blue line is in person and then you've got your green line which is mail and that's going to be Tax Day. As you kind of compare every orange line is about higher than all the blue or green which is great for us to see.



New User Data is going to kind of compare what we call a new user versus a guest. In 2017 when we went live, we only had captured about 1,800 people that actually joined the service, created an account and have since synced their properties. After multiple different discussions with everybody we could talk to we got 4,100 people to join as a new user. What that will essentially do is next year 4,100 people don't have to call. They can go on; we push them a notification and they pay their taxes in about two minutes or less.



The next one is going to kind of just compare what we did last year to what we did this year. The first half in 2017 got about 2,600 transactions. The tax half first in this year 5,300 transactions. We're hoping to double, if not triple, the amount we get here in May as well by just continuing to talk about the service and pushing it. Everyone in the office knows how it works from beginning to end which really helps educate everyone involved.

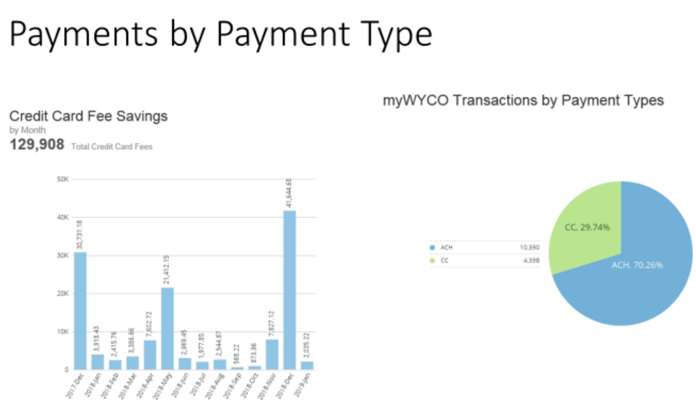
Chairman Burroughs asked with this increase in app application for paying your property taxes, are we seeing a decrease in delinquent taxes. **Ms. VonAchen** said yes, I recently took a look at that and I'm very happy to report that where I was budgeting 7% on the city general fund side and 6.5% on the county, what we actually saw in 2019 was 5.5% for both. **Chairman Burroughs** said wow. That's good. **Ms. VonAchen** said a decrease of over 1%. **Chairman Burroughs** said and what does that translate into dollars? Do we know just a rough estimate? **Ms. VonAchen** said no, I don't know offhand, but we'll provide that during the budget process because we talk about delinquency rates then. **Chairman Burroughs** said I'm just taking into consideration the $2M in interest that we were able to achieve and with additional property tax delinquencies dropping, that's important revenue for bonded indebtedness that we'll be discussing later. **Ms. VonAchen** said well, the $2M is spread across all the UG funds. Some of it goes to sewer and a lot of the other funds but sure.

Alan Howze, Chief Knowledge Officer; said I'll just add, I think there's a combination effect too. I think the work of the SOAR Team to focus on delinquent tax and the work on the Tax Sale is also driving additional messaging within the community about—it makes it easier for people to pay online and so these things are working in combination or in concert with each other in positive ways.

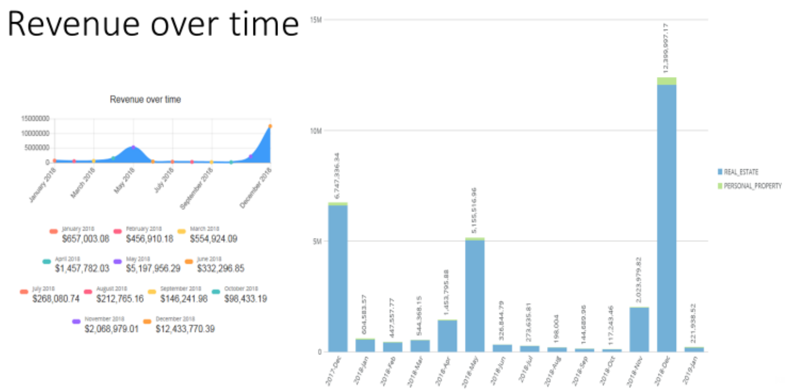
BPU Board Member Bryant asked is there a processing fee that the UG has to pay to use this service? **Mr. Howze** said there is. We have a per transaction fee that we pay to PayIt and then if someone chooses to use the ACH option, which is you eCheck option, it's free; and we pay a small amount on that. If it's a credit card, people still have the option to use a credit card because that's a percentage of the transaction amount that is passed through to the end user, to the person paying the taxes. We retain the free option to pay, whereas in the past, we just had the credit card option. We had very high credit card fees as a result. Large taxpayers were paying using credit cards and thousands of dollars worth of associated fees with that for a single transaction. We've basically sort of flipped that ratio if you will.

BPU Board Member Bryant said so the credit card fees, which we're very aware of, because we see that when you pay online at BPU, but the credit card fees are the responsibility of, the payee/payer and the fee, just the general online fee to use is a set fee per transaction not based on the amount. **Mr. Howze** said that is correct and that is absorbed by the UG. That per transaction cost is not factored in. It doesn't show up on your bill. **BPU Board Member Bryant** said no, it's just a convenience to try to improve. **Mr. Howze** said correct because it's certainly a lot cheaper to process an online payment than any other form of payment; somebody walking in the door, somebody paying by mail. The cheapest channel for them to pay is paying online.

PU Board Member Bryant said well, it's nice to see that it has increased the traffic. Thank you. **Mr. Howze** said correct. If you went back to that daily, you know that showed every transaction that in the past, you spoke to this, it would have looked different where what is now the orange or the online payments would have been the mail in payments. Again, that sort of whole channel, those channels have flipped in essence.



Ms. Parra said it actually leads up to the next slide we are going to go over. As you see for the month of December, each month it kind of breaks out what credit card fee the Unified Government has saved by using this new process through PayIt. As Alan was kind of touching on, the UG used to pay the credit card fees. Now they're passed through to the payee who is accessed the fee based on what they're charging a lot of, most honestly 70% of our residents are using that free feature through ACH.



This kind of just breaks down the revenue over time. We've got December 2018 hits at about $12M over time based on the comparison of December 2017. I would say we doubled that for sure.

Commissioner McKiernan said Mr. Howze knows I've been an early adopter of this. There were some growing pains that, with credit to your department, you have worked through each of those growing pains. I just want to know how responsive has the vendor been to concerns that have come up, requests for feature changes, requests for bug fixes, those types of things? **Mr. Howze** said I'll start. We've been having a weekly meeting with the vendor. This conversation started in July for how we were going to advertise and support the marketing for the fall tax season. They've been with us every step of the way providing ideas and providing feedback on ideas that our team presented. I think they've been quite responsive. There are more features that we've identified that we would like to continue to iterate and improve upon. Andrea can speak to those as well.

Ms. Parra said not only have they been very open, I mean every meeting we have it leads with, here's what we're doing next. Here are the ideas we have. Even to the point where there are weeks where we don't even realize there was a bug because it was already fixed when it was brought to us; whether it be an interest issue or something did not download right. Most of the time we know because it's already fixed.

From my experience being in Treasury, I've never used another vendor that is so cooperative but also informative and very transparent when there comes an issue and they accept the fault, fix it and move on.

Our residents do not suffer when they use this product for sure. We're open. We have a dashboard, a long list of things we want to do. We're working with multiple different departments, seeing how we can push anyone who does anything in terms of making a payment goes through myWyco. Setting up reoccurring payments is the next goal. We'll meet with them next week to make sure that's on the board. They're just really the sky's the limit of what they can do for us.

Commissioner McKiernan said and this is something I had communicated with Mr. Howze about. I had one complaint that you couldn't link multiple properties together. I just want to confirm that you can make one payment for multiple properties with one transaction. Is that correct? **Ms. Parra** said correct. Yes, that is correct.

Commissioner McKiernan said so the person who complained to me said they had been informed by your office that was not possible. All of our staff do know the capabilities of the system and they're able to give accurate instruction and feedback to anyone who calls in? **Ms. Parra** said yes. We actually had a vendor representative come out and do a walkthrough from beginning to end at our October offsite training, and then we reiterate it every time we have meetings. We discuss how to use this function and to sell it, upsell it and make sure you understand how to work it. **Commissioner McKiernan** said perfect. I really do appreciate it.

I'd love to get a report someday on the code violation module since that was the one I downloaded, even during your presentation, that it was available and have used it and have been pleased to see many similar evolutionary changes in it. I'd love to get an update on where it is at some point down the road. **Mr. Howze** said we'd like to bring that to you this spring.

The 4,000 new people that have set up accounts now, part of the benefit of that is that they're also able to use the 311 feature on that as well to submit where there's code violations, pothole or any number of things. We want to continue to think about how we can use that user base to improve neighborhoods to improve the community. The other benefit is that you can also pay your motor vehicle registration through that so—**Commissioner McKiernan** said I do that too by the way. **Mr. Howze** said so that's an additional benefit for Treasury is that you can—as people begin to link their vehicles to it as well, that again becomes less calls and service requests that are coming in Treasury, and more people can do 24/7 at their convenience and at no cost. **Commissioner McKiernan** said I really do appreciate it because as I said, I experienced a rocky start in my association with this app; but it has grown in ease of use and certainly I'm a strong proponent. I pay all my stuff through it, so thank you.

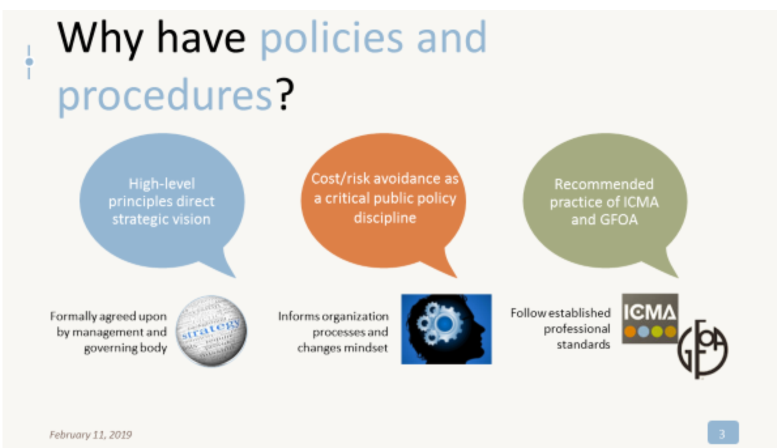
Action: For information only.

Item No. 3 – 19559…DISCUSSION/RESOLUTION: DEBT POLICY REVISIONS
Synopsis: Discussion and approval of a resolution adopting debt policy revisions, submitted by Kathleen VonAchen, Chief Financial Officer.

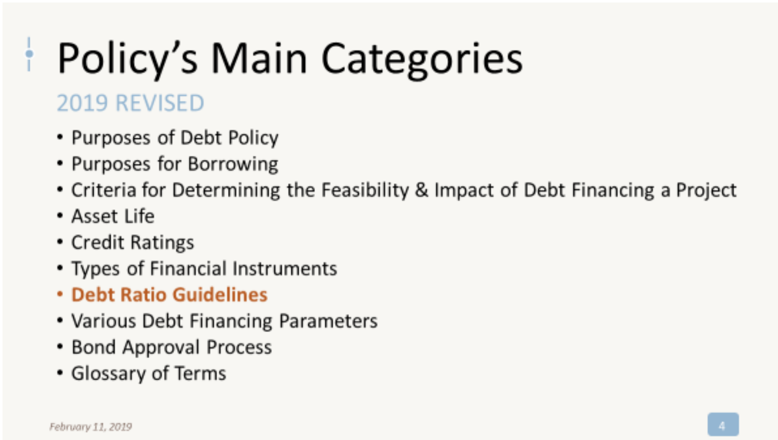
Kathleen VonAchen, Chief Financial Officer, said the presentation tonight is just to review or talk a little bit about the debt policy revisions and to provide some graphic information of how the debt structure would look given certain ratio guidelines that are discussed in the policy. I would recommend that we hold on voting on this policy until the March meeting when we can have all of it finalized at that time. I've had a variety of meetings with various Commission members over this past month. I think it would be best if we held off.

At this time, I did want to present to you some information I've compiled. Tonight, no action in other words. **Chairman Burroughs** said so this will be for information purposes only. **Ms. VonAchen** said that's correct. **Chairman Burroughs** said okay.

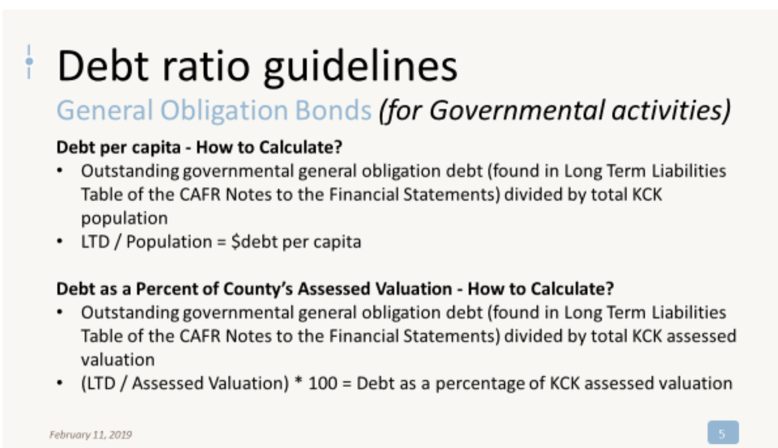
Ms. VonAchen said as you know, we've been reviewing all of the policies. The meeting tonight is really just to answer questions and have discussion. I hope we can adopt it at a future date.



We want to prepare policies that have a high level of principle that direct the strategic vision of the organization, that mitigates costs or risks that are critical in public policy, discipline and then also that these policies are recommended by ICMA and the GFOA.



Last month, we went over the policy as revised and so here are the major sections or categories of the policy as discussed before: the purpose of a debt policy, the purposes for borrowing, the criteria for determining whether it's feasible or what's the impact of the debt financing of a project, the asset life, the credit rating, the type of financial instruments (there's a variety of them), there's a section on debt ratio guidelines—that's what I want to talk about tonight. In addition, later on, in the policy there is also various debt and financing parameters, then how a bond is approved, and then a glossary of terms.

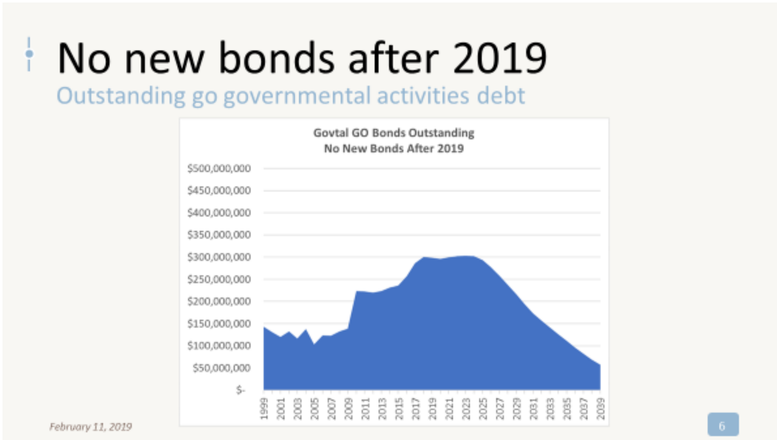


In the debt ratio guidelines, there's some discussion of what kind of ratios do we look at for only general obligation debt that is funding governmental activity projects. There's also another section on what debt ratios do we look at when we're issuing revenue bonds for electric utilities, for the water utility, or for the sewer utility. Tonight, I only want to talk about that debt that's a general obligation bonded debt that is supporting governmental activities that are not business type activities. In other words, what I'm referring to is what's often referred to as the $15M a year debt, the general obligation debt that pays for our streets and for many of our other capital projects that relate to our infrastructure and pay for facility replacement and that sort of thing. **Commissioner Murguia** said these aren't economic developments. **Ms. VonAchen** said that's right because see, economic development projects are often paid for from special revenue bonds where sales tax revenue or property tax revenue is generated within the project to pay that debt. That's separate from what we got here tonight that I'll be talking about.

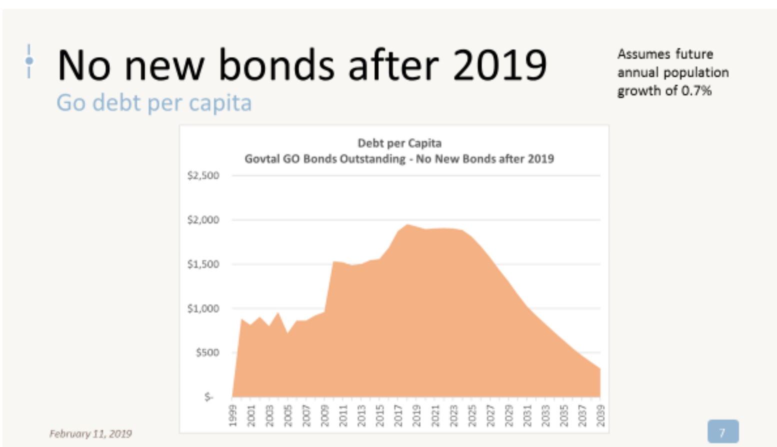
The ratio guidelines I've outlined in the revised policy are two. They're very common in most cities. It's debt per capita and then debt as a percentage of the county or the city's assessed valuation. The first one is very easily calculated. It's that general outstanding governmental general obligation debt that's found in our CAFR under the long-term financial, long-term liability table and then you just divide it by the total KCK population.

One revision that I'm recommending, which isn't in the packet tonight, is that when we do this calculation, we use Kansas City, KS population and Kansas City, KS assessed valuation. Because our organization is so large, and Kansas City, KS, does make up 93% of the total population in Wyandotte County, a lot of time we sort of interchangeably use the City of Kansas City or interchangeable use Wyandotte County when we really should be really specific and just talk about the city of Kansas City, KS.

This bonded debt that's paying for general governmental infrastructure improvements is all coming from a city mill rate. When we do our ratios, we should also use the city population and the city assessed valuation because that's the right way to go. I'm making a few refinements to the policy that you have in front of you or that was posted on the agenda system tonight to accommodate some of those nuances. There's also some edits which some of the committee members suggested. I'm taking that total bonded debt divided by the city population. On the assessed value side, and I probably should of written city here, I should take the debt as a percentage of the city's assessed valuation, and that's the calculations I did do so I'm going to show you here in a second. That one's presented as a percentage so you multiply it by 100.



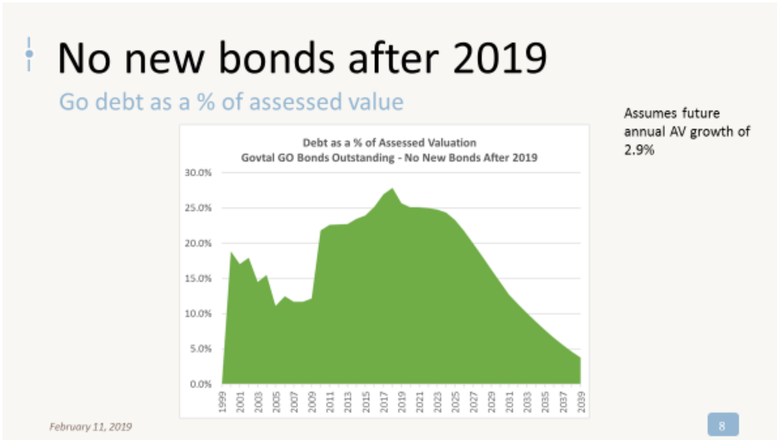
Now how does that look? What we're going to show you is a series of three graphs. One of them is just the outstanding debt. How much debt in this category? Is there? How does it look out in the future? The second graph will be the debt per capita and then the third graph is the debt as a percentage of assessed value. This is if we did not issue any more bonds. We just issued bonds last Thursday.



This is how we look. Today, our outstanding general governmental debt level is $300M. Basically, we're about right there. Actually, there are no more bonds after 2019. It does bump up a little bit because we have included bonds as they were approved in the current CMIP. I have to qualify that just a little bit. We have the current CMIP financed here and then after that, there are no more bonds. It drops all the way down to $57M in 2039. Now, this is how it looks for GO per capita. Right now, in 2019, it's $1,900 per resident. As we pay down those bonds, it drops down to $300 per resident. Just consider it like your mortgage, like that, where it drops as you pay down the principal.

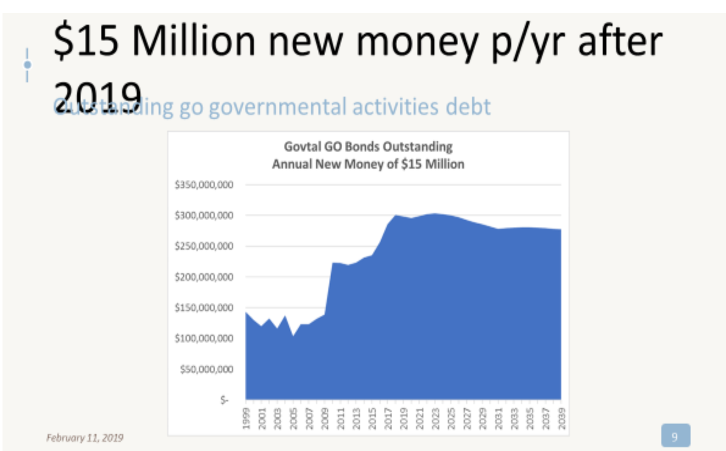
Chairman Burroughs asked, Kathleen, may I stop you just one second. The question that I would have, you show no additional bonding after 2027 but realistically, we know we have $17M, I believe, in the budget that we bond every year. **Ms. VonAchen** said yes, so—**Chairman Burroughs** said that we look at bonding every year for projects. That's not reflected in this graph. **Ms. VonAchen** said that's right. What's reflected here is only financing the amount that is in the current Capital Maintenance and Improvement Plan. Next year, there is about $19M. The year after that, I don't remember offhand how much, we can look it up, but whatever is already approved for projects is in this graph and then after that, no more projects. I'm showing you these three graphs as a baseline, so you can make a judgement compared with the next graphs I'm going to show you.

Commissioner Murguia said I know that we've talked about this multiple times and at strategic planning and stuff, but I just have to hear you say it. Is that really possible? **Ms. VonAchen** said well, you know our community is aging. We have dire infrastructure needs as our streets become—you know there's a lot of maintenance that needs to happen and there's a lot of replacement and rehabilitation of our streets. This is not doable. The recommendation in the debt policy is not necessarily to adopt any specific ratio target, but to provide a guideline. We're going to go through that in a moment. What is an investment in our infrastructure that's sustainable and yet still diminish our outstanding debt? **Commissioner Murguia** said again, these are capital improvement projects and regular expenses that normal government incurs on a regular basis; road improvements, sewer improvements—**Ms. VonAchen** said not sewer. Sewer is an enterprise fund. **Commissioner Murguia** said list three things that are so people know what you're talking about. **Ms. VonAchen** said buildings and facilities—**Commissioner Murguia** said that are owned by the government. **Ms. VonAchen** said owned by the government, roads, bridges, sidewalks. **Commissioner Murguia** said that's good. Yes.

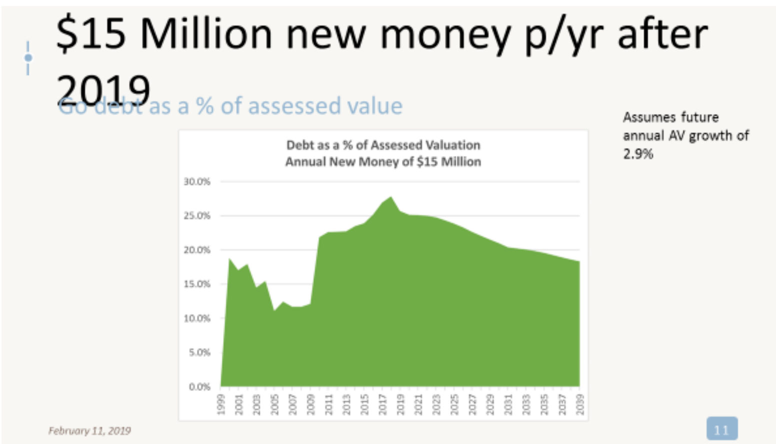


Ms. VonAchen said right now, it's at $1,900 per resident. On a debt per—debt as a percentage of assessed valuation, remember this is the city, right now, we are at 25.7% of—that's how much outstanding governmental GO debt as a percentage of our assessed value. It's at 25.7%. Moody's and S&P, you know the credit rating agencies generally think 15% is a better percentage, but don't lose hope because you're going to see some information here in a minute.

Chairman Burroughs said, but if I may, at a time of low interest rates, the exception to carrying a little more debt than usual is a fact that that debt is cheaper now than what it would be in a higher interest environment. Even though carrying debt is not what a business should do, but with the the market as being as it is with the low interest rates on borrowing money, it's cheaper to do it now than it would be in hypothetically 2-4 years from now. **Ms. VonAchen** said that's a very good point. I am going to back up to the two slides before and touch on that topic for a moment.



You can see in 2009 we had an $85M increase in our outstanding debt and that was because the Unified Government and the Commission approved bonds that were backed by the—they called the stimulus bonds. Partly, as a result of undertaking those stimulus bonds, we got credit back from the federal government on the amount of interest that was due on those bonds. They turned out to be very inexpensive. That is part of the reason why all of this is still sitting out here. It increased dramatically. As that burns off, then you see the slope coming down. **Chairman Burroughs** said that's the recession time that we're referring to on the stimulus programs. **Ms. VonAchen** said yes.



Now we're here. Now you notice there's this big kind of peak right here. The reason that this drops down is because our assessed value went up. As our assessed value went up, the percentage of debt as a percentage of assessed value went down. That's the benefit of growth in our assessed value. That's why we or the credit rating agencies look at it so closely. We can grow our debt as long as the growth of our city and our county is growing as well. It's when you enter into debt and you're not seeing a lot of market value improvements in your area that you know it gets problematic.

Commissioner Murguia asked do those projections out to 2039 take in account the potential for growth in our property values or is that solely based on not taking out additional debt. **Ms. VonAchen** said this 2.9% is a ten-year average of the assessed value of the entire. It factors in the recession as well as the recovery. That's purely all it is. **Chairman Burroughs** said it doesn't have the ongoing, you add on to it. **Commissioner Murguia** said right. I get that. I just wanted to make sure in the projections, that you've included the average rate of appraisals going up. **Ms. VonAchen** said right, very conservative because last year we had 7.5% for the county.

Now, what we're going to do is we're going to look at the current administrative policy or the direction that the County Administrator is taking, with your guidance, is that we issue about \$15M a year on average in governmental general obligation debt. This past budget year, he recommended and you approved \$13.5M. Subsequent to that, we added another \$2M for the grade school, which I'm forgetting the name of it now. Brune, thank you. We brought back up to \$15.5M just so you know. You noticed how it's not going down here. Before, this was all going down here, all the way down to \$59M. Now we're ending—we start around \$300M and we end at \$277M. Not growing the level.

By pursuing this guideline or policy, we're not actually growing our outstanding debt because we're adding as—as we pay down, we add, and so it's staying pretty much level with where it is. It does represent an investment in our community and addresses those infrastructure needs. This is how the ratios look. Our debt per capita, right now it's at \$1,900. At the end of this period, it drops down to \$1,600. It does drop down a little bit. On an assessed value basis, it drops from that 25.7% down to 18%. The credit rating agencies, they kind of like to see 15%.

Commissioner Murguia asked do we have any information on how less of an investment—okay, let me see if I have this right. We're going to spend less general obligation money on these types of improvements. I assume that means we're going to do less projects. **Ms. VonAchen** said this is actually what we're doing now. We actually are just spending about \$15M a year in new money. If we were to do less projects, that would be the next three slides. **Commissioner Murguia** said this is if we do the same out of money that we're doing now. **Ms. VonAchen** said yes, status quo. **Commissioner Murguia** said it's going down, and then you're going to show us if we do less. **Ms. VonAchen** said yes.

Commissioner Murguia said we are going to issue general obligation bonds, we're just going to issue less than what we have in the past. **Ms. VonAchen** said well, that's entirely up to you. The policy actually just provides some guidelines. You all provide us what direction you want to undertake. The policy just helps you to frame your thoughts around your outstanding debt so you could say yes, I think we want to target this amount per capita or this percentage as a percentage of assessed value. From there, we're able to move forward with how much new debt we should issue in order to meet those guidelines. **Commissioner Murguia** said right.

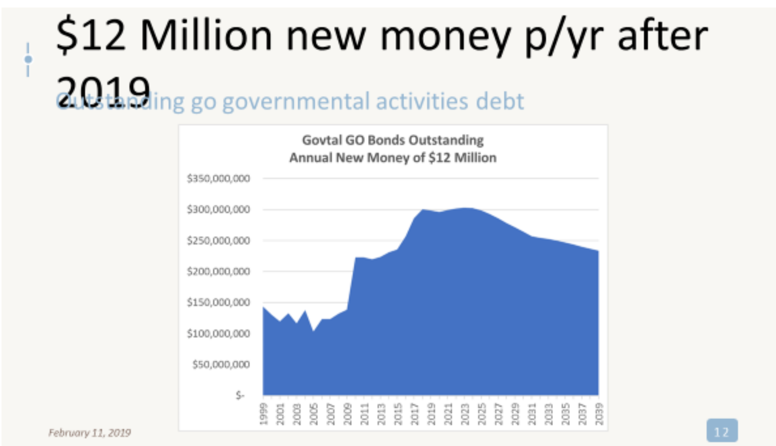
Just for clarity for people watching, because I get this question in my district, these kind of projects don't generate any revenue so there's a difference in the general obligation bonds the government issues to pay for government expenses. The general obligation bonds that are issued, for example, economic development deals which typically the way those deals are structured is that the deal itself is paying down the debt on those general obligation bonds, not the taxpayer. Correct? **Ms. VonAchen** said that's correct. That's not part of this at all. **Commissioner Murguia** said right. There's no potential to get revenue from any of these projects. These are just things we have to do. **Ms. VonAchen** said right; exactly. **Commissioner Murguia** said right.

Chairman Burroughs said I would add it's not a monetary return, but what you will see is a goodwill. You'll see a public that sees new sidewalks and new streets. You'll see enhancements in your neighborhood. You'll see a commitment to people to stay in their neighborhoods and continue to grow our population. That's the return on a GO investment if it's done properly. **Ms. VonAchen** said that's right. There are intangible benefits to the community, which we're calling quality of life, that if we make these improvements, then generally the community will feel happier in their community and more fulfilled as they travel to work, or play in the parks, what have you. That all intrinsically has a benefit which may translate to improved assessed value on the growth of their property because as they enjoy where they live, others will see that and want to move here to and it may drive demand up. It's not necessarily a revenue that's pledged like an economic development bond.

Commissioner Murguia said I completely agree with what Commissioner Burroughs and you are saying. I get that putting in a new street or a new sidewalk greatly enhances the quality of life, but also does have an affect on the appraised value of individual residents that live on that street which I think is good. I only emphasize that because if we decide as a commission to issue less general obligation bonds to provide those kinds of infrastructure needs to our community, it will have an affect on our appraised values. **Ms. VonAchen** said it certainly could. Yes.

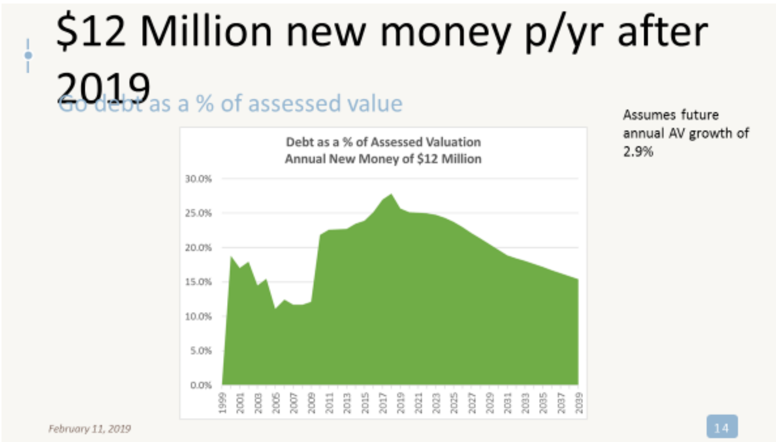
Commissioner Murguia said I would like—**Ms. VonAchen** said deinvesting or investing less in our community. **Commissioner Murguia** said I think we've seen that in particular in the older parts of our county and those older neighborhoods east of 635 with the lack of investment and sort of those basic infrastructure needs what happens to appraised values, and also what happens to the housing stock. There isn't a lot of motivation for the resident to reinvest if their own government isn't reinvesting. I'm anxious to see if we're going to issue less general obligation bonds and maintain the quality. I'd like to see it actually go up, the quality of our infrastructure. It'll be interesting to see how we're going to do that, maintain valuations and keep our residents motivated in maintaining their property.

Ms. VonAchen said alright. If we dropped it from $15M a year to $12M, how does that look? We're starting out around $300M. With $15M, we end with $277M. With $12M a year, it's $233M.



Instead of $277M, it's $233M, a $12M investment. $40M less at the end of roughly 20 years.

On a per capita basis, right now we're at $1,900 per resident. At the end of 2039, we would be at $1,300 per resident. If we stayed at the $15M per year, it'd be $1,500 per resident; $200 less if we changed from the status quo. It still drops because we were at $1,900 and it goes down to $1,300.



If we were to invest $12M, how does it look in terms of the debt as a percentage of assessed value? Right now, we're at 25.7% and it drops to 15%, which is basically what Moody's and S&P would recommend, but at the current status quo value of 15%, it's around 18%. If we may continue to just invest or issue debt of $15M a year, we end up with 18% at the end instead of the 15% if we dropped it to $12M a year. Clear as mud.

Commissioner McKiernan said I just wanted to put this out there. Historically, I've been concerned about the amount of debt that we're issuing and I want us to be prudent in that. I will say going back to Commissioner Murguia's comment about infrastructure improvements, I am struck more, more and more by the critical need to improve the infrastructure in our older neighborhoods: the streets, the curbs, the sidewalks and the alleys. It is going to take a very large investment on our part. While I want us to be cautious about significantly increasing the amount of debt we take on for infrastructure purposes, I also don't want to see us cut it down any because we are in such a large hole and it's going to take a lot of resources and a lot of time to dig out of it for the benefit of our residents.

Commissioner Murguia said I also have another comment and question. I've been gone for a little bit but when I came back, I understand there's been some changes in regard to—it's a little bit different, but it does relate to this, that our government has decided not to issue general obligation bonds on development deals any longer or they're going to be more strict about the projects that they do invest general obligation bonds in. I'm saying this, but if I'm wrong, someone correct me. I'm really not completely sure, but I think I understand this.

When we issue in the past, since I've been up here, when we've issued general obligation bonds on development projects, we usually require that developer to install new roads, new curbs, new sidewalks as part of that development deal. My understanding is the development itself has to pay those general obligation bonds off, not the residents through our traditional tax base like what we're referring to tonight.

Ms. VonAchen said ideally, what we want to do, is issue special obligation bonds that are economic development bonds, that are not backed by the general obligation of the government. When you refer to general obligation bonds, they do get lumped into here because basically we've determined that the project isn't secure enough to generate the revenues to make the debt service payments and so we have to issue an annual appropriation clause. If the project doesn't generate enough revenue, the Unified Government is on the hook to make the debt service payment.

There's two types of economic development projects. You just need to keep that in mind when we're talking about it. It's those projects that don't have a history of a revenue that is strong enough to be able to sell the bonds to investors because the investors are concerned about whether they're going to get their return as they expect. Those bonds, we have to tack on a GO backing or an appropriation clause. Our direction is that because our economic development efforts are becoming more mature than they were say 20 years ago, we feel now that perhaps we're in a position where we can be a little bit more selective about which projects we want to assume risks for and which others we don't. That's probably more, but I don't actually remember anything happening per se in the last month or so but generally, that's the direction the administration would like to take.

Commissioner Murguia said you would think, okay, I think most people would agree that growth is risky in development; but without taking that risk, there is no potential. You take the risk or there's no potential at all. I think there does need to be some risk. I guess what I don't understand is would we rather just pay for infrastructure improvements ourselves and rely on our taxpayers to shoulder that entire burden, or would we rather take a little bit of risk that a potential development deal or potential economic development situation could incur that debt. I just think logic would rule on the side of if there is even a remote potential for someone else to pay that debt other than our residents, why would we not take that level of risk. **Ms. VonAchen** said right now in this section of the debt policy, we don't talk at all about projects that developers potentially would be interested in maybe doing if we gave them support. These are projects that don't have any possible means of generating any other revenue. That's what we're talking about right now.

Commissioner Murguia said maybe, and I'll just throw it out and I won't belabor it, I can meet with you later about more of the specifics, but maybe that's the problem. Maybe if we had looked at our infrastructure around the county as opportunities for development potential instead of just a burden to shoulder to improve them and we incentivize those areas with general obligation bonds for potential development, we can get the infrastructure that we need and the improvements that we need, not to mention create additional jobs and at the same time, potentially share the risk of the payoff with another party other than our taxpayers. They are very separate. I agree, Kathleen. I'm not sure that they should be. If we're having to revamp these infrastructure areas, then there has got to be some sort of development potential there. That would mean nothing else is there. **Ms. VonAchen** said rehab or replacement of old streets, that's what we're talking about here and other similar activities, facilities that are very old and rehabbed.

Commissioner Murguia said I would like to see those top projects, let's just say the top 10 projects that we'd like to do in the next couple of years, where they're located at and what we plan to do. The ones we want to spend the bulk of our bonds on. I would like to see those. **Ms. VonAchen** said I'll send you a link to our Budget document with what page to look at specifically. I wanted to have that up here on the screen to show you. **Commissioner Murguia** said yes, because I don't think those are neighborhood streets that are eating up the bulk of our money. **Ms. VonAchen** said what we do is we review all those in May as part of the Capital Maintenance & Improvement Program budget process. **Commissioner Murguia** said I've seen those projects before and a lot of times they're large stretches of road that maybe aren't necessarily neighborhood roads. I would just like to see the top ten, even the top five projects that we're spending money on.

BPU Board Member Bryant said, Kathleen, I appreciate the scenarios. My one hazard would be that you're projecting out 20 years, and I don't believe that $12M will buy you $12M worth of what you're seeing now in 10 years. **Ms. VonAchen** said that's true. We had to make it—**BPU Board Member Bryant** said I understand. I just believe that even the $15M won't be $15M anymore. **Ms. VonAchen** said right. You do see the dramatic impact that an increase in our assessed value has. It really does improve the capacity of your debt. **BPU Board Member Bryant** said I believe that's going to be the biggest gain will be the fact that in 20 years from now, $15M will cost us $20M, $22M to realize the same value; but hopefully, our growth in assessed value is more than 2.9. **Ms. VonAchen** said if I inflated the $15M a year, then I think everyone would have been really confused but—**BPU Board Member Bryant** said no, no. Thank you.

Commissioner Bynum said I don't disagree with what you're saying at all, but I need to make sure I'm understanding since I don't normally sit on this committee either. These slides are talking only about GO debt, nothing else and—**Ms. VonAchen** said what's really a little bit confusing, by way, is when we say GO. We do issue general obligation debt for sewer. I am not including that in there because sewer pays for itself through sewer rate fees. **Commissioner Bynum** said when we keep moving down through the packet, the next item is revenue bonds, which are used, can be used for economic development. **Ms. VonAchen** said yes, there are some economic development related revenue bonds. **Commissioner Bynum** said that's not this. **Ms. VonAchen** said no. **Commissioner Bynum** said what you're suggesting is, and I guess part of this is a question because it talks about how each of these are set out by state statute, the ways that we can use the various forms of debt. I think you're suggesting we be a little bit more outside the box with how we might use GO debt versus maybe another of these forms of debt. Then my question just becomes, is that yet another arena in which we are constricted by what the state law tells us we can and can't do? **Commissioner Murguia** said no, because we do that now. We have issued general obligation funds for large economic development projects.

Just a mini example, because I happen to be intimately familiar with it. When the Walmart was built on the superfund site in Argentine, it was a requirement of that development to put in substantial curb and sidewalk. Road improvements were made to Metropolitan and 24th Street.

I'm just saying, when we look at an area that's in need of these traditional, regular maintenance kind of things, is there someone out there that is looking strategically at those. Maybe what we do is we look at our economic development incentive packages and our financing options there because at least we then have a partner in the debt. We're not trying to pay it ourselves. It's a bad analogy, Melissa, but it's sort of like do you want to just go out and buy a new car for yourself or would you like someone to potentially help you pay it off. Economic development is sort of like that. **Commissioner Bynum** said I was just wanting to make sure I understood are there constraints that keep us from doing more of that kind of thing.

Commissioner Murguia said I do think there's a lot of public confusion when you talk about, and I know you all hear it—**Commissioner Bynum** said the different kinds of debt. Right? **Commissioner Murguia** said absolutely. I know that all of you get the same calls I get from people complaining about why we're giving these wealthy developers a bunch of money. They're making tons of money and we're not getting anything out of it. What they don't realize a lot of time is we are getting something out of that. They just—I don't know if it's the way we're explaining it or it's too technical for the average person to understand because I know that I didn't when I first came up here. I'm just saying there are some very strategic, creative ways to look at making not just infrastructure improvements, but developing our county.

I'll just leave with this very broad-brush statement. All of our staff do a good job watching our money. Everybody does the best they can with what we give them as part of our budget; how much money we allow them. I personally have not seen a lot of waste of financial resources on behalf of our staff but when they run out of asphalt patch and they don't have any more money to buy more, then we can't fill a pothole. I'm just saying that instead of us trying to shoulder that entire burden, we need someone that has the ability to look at these areas that need improvement strategically from an economic development standpoint, figure out a way to partner with developers in making those improvements, and also creating development opportunities that create jobs and amenities for the people that live here. Until we grow our county, you can only stretch a dollar so far. At some point, it's just not a $1 anymore, it's $1.50. I think our staff's done a really good job at that.

I think from a policy perspective, we're going to have to come up with a more strategic way, and we're also going to have to do a better job at explaining this and educating our constituents and the taxpayer about actually how these kinds of debts are paid off. Right now, they're under the impression they're paying for things like that. **Commissioner Bynum** said no, that makes sense.

It kind of leads to one of the other questions that I had thought of as I was trying to read through the packet, which is, once this committee does approve a debt policy that comes forward to the full commission, is that going to be in a place that's very easy to get to on the website where people can go and see it and understand it for themselves? **Ms. VonAchen** said yes. The policy will be on our Finance Department Fiscal Accountability's Rule website. By the way, this debt policy has a lot more verbiage and discussion of how the debt process works, how we evaluate projects, and how we finance them. It doesn't actually specifically set what kind of level you all want in terms of debt. It just provides some guidelines.

Commissioner Murguia said it's a very small, in the weeds, incremental story I'll tell you. For example, I think we just had Land Bank tonight where people are actually—the Land Bank and SOAR are doing a phenomenal job marketing those vacant lots in older parts of our community where we all know the infrastructure is poor. For example, the curb and sidewalk. It would seem to me if that person is interested in acquiring a vacant piece of ground next to their home to make improvements or do a yard expansion and they have money to invest, I think a missed opportunity is why are we not at that time promoting our 60/40 curb and sidewalk program. If you just invest a little bit more money, you can put new curb and sidewalk in front of your house and the government will pay 60% of that and you only have to come up with 40% of that. All of a sudden, we're seeing these incremental improvements all across our older areas. It's just those little, tiny incremental ways are way beneath what our staff is doing tonight. They're looking at a much bigger, more global picture. In my mind, we need to get someone that is really focused on a very grassroots level, incremental improvement strategy.

Chairman Burroughs said I want to go back to my original conversation in reference to the low interest rates that are being paid right now on bonds. What some of us has witnessed is borrowing a large sum of money at a lower rate to attack a major problem that encourages external investment is worth the risk when the bond market is low. We can attack those big item issues so that we don't have those big item issues come forward when we have a higher interest rate and struggle to make everyday investments for our local unit of government.

I believe the general public understands that we are—government is a business. We have to provide services; and it's our responsibility to do it in an efficient, effective and cost sound manner. We can do that if we are willing to take some of that financial risk that you're talking about.

Commissioner Murguia, when you were talking STAR bonds, for Kansas, on the state level, is doing just that. It brings a private sector, the public sector and the government sector together and builds large developments. I just don't know if local governments are there yet being able to do just that. I think if it comes to project specific, I believe the new debt policy that I've been reviewing has those criteria in there to measure the return on investment within the project of a GO distribution of funds. We have an opportunity here to look at these graphs. I could make recommendations of other things to add to these graphs, but these are pretty simple for the complicated discussion that we're having in reference to those.

As Mr. Bryant brought out, this is a 20-year projection that if we take on no additional debt and we go from a $15M to a $12M with the interest rates being the way they are, the $15M might be the place to stay right now. I don't like borrowing money, but in three years if the interest rates jump up to the extent that they could, $12M may be the cap that we want to look at and we discipline ourselves. Those are the things we will look at as a body to make those financial decisions to help lower our debt.

One thing this graph doesn't review is that we haven't started paying off debt earlier with our new debt policy paydown that we talked about as a Commission which will have an affect on that bell curve.

Commissioner Murguia said I completely agree with Commissioner Burroughs, completely. You're spot on, but we've got to start somewhere.

Chairman Burroughs said absolutely. It starts with this committee and there's enough people in this community that will provide us the guidance necessary to make the right rational, fiscally responsible decisions.

Chairman Burroughs asked does the public care to make a comment. Let it be known that nobody's stepped up. This was for information purposes and you want us to review the policies that were presented in our packets and be ready to discuss the possible passage of those at the March meeting. **Ms. VonAchen** said right. In a few weeks you're going to get a packet for the March meeting and it's actually going to have a brand new—it'll have what you have with a few more tweaks; all kind of spelled out and real clear and a resolution for you to approve.

Chairman Burroughs said I would encourage the committee, as we did with the investment policies, to review those. Should you have questions, to reach out to Kathleen early or write them down in a document and send them out to other members to see if they have the same questions, and we can expedite the questions that may come about from the new policy recommendations; take it a bite at a time versus trying to do it all in one evening; if we can chip away at it during the next month.

Action: For information only. Held over until March meeting.

Item No. 4 – 19562…RESOLUTION: SET PUBLIC HEARING DATE FOR DOWNTOWN GROCERY REDEVELOPMENT DISTRICT - PROJECT AREA 1

Synopsis: A resolution setting a public hearing date of March 28, 2019, to consider the adoption of a redevelopment project plan in the Downtown Grocery Redevelopment District - Project Area 1, submitted by Katherine Carttar, Interim Director of Economic Development. On January 14, 2019, the Economic Development and Finance Standing Committee, chaired by Commissioner Burroughs, voted unanimously to hold this item over until the February meeting.

Katherine Carttar, Interim Director of Economic Development, said I'm actually going to ask yet again for a hold on this item. What we've decided was that in an attempt to bring you kind of a larger package of things and if you would allow me, I would love to go into a bit of an update on some of the things that will be forthcoming so they'll be kind of a nice package rather than have this kind of one item here, one item there. If you are amenable to that. **Chairman Burroughs** said you're requesting we take no action this evening. This will be for information purposes only. Do you want to do the full presentation this evening in reference to just educating us? **Ms. Carttar** said I would, if you wouldn't mind. **Chairman Burroughs** said I don't mind if that's alright with the committee. **Ms. Carttar** said fantastic.

As I mentioned, we're trying. We've got a lot of different things kind of in the hopper that we're trying to make this kind of very unique project. It's almost kind of a new way of thinking about options for financing large development projects. This is not a particularly large project, but still our hope is to kind of try out some different tools so they will be more kind of accessible to the rest of KCK and that we can really use this in a different way. I just want to give just a couple—I had promised that I would give some periodic updates on the grocery store.

First of all, I want to make sure everyone—there should be about 19,000 some folks who will be receiving these postcards this week. This is a community meeting. We had the design for the grocery store that was submitted. The preliminary plan was submitted just last week. As part of that process, there is necessary, obviously we would do it anyway, we want the public's input on this project. We're going to have four community meetings. They will be Wednesday, February 13th. There will be two each day. On the 13th, they'll be one over the lunch hour from 12 p.m.–1:30 p.m., and another from 5:30 p.m.–7 p.m. Then again on Thursday, February 21st, again, one at noon and one at 5:30 p.m. All will be at Memorial Hall; free parking. We want to encourage as many people to provide their input. This really is a community grocery store, and we want to make sure that everyone is heard.

We'll be specifically talking about kind of the design of the grocery store. We will have people from the MERC there to answer questions and give a little more update on what the interior design would look like as well as a bit about products, price points, and things of that nature.

Additionally, the MERC is holding some listening sessions with different community groups. That is much more focused on kind of the interior. What are the products that people want to see? Making sure that we're really covering all the bases, and this is going to be a very usable grocery store that really accommodates the needs of the public.

I did want to go in briefly, kind of at a higher level on some of the financing strides that we've made. It's, I think, pretty exciting. Kathleen and I have really been working hard on the proforma and looking at different options for financing. We do have the Special Asset Fund from the sale of the downtown hotel. If necessary, kind of what we are prepared to do is basically pay a lump sum and just pay for this grocery store to be built; however, we really want to make sure that we're able to leverage these funds and if possible, to be more flexible so there are other funds available for other projects that come down the line that really is our goal. As we're talking about in the last item, use public funds in the most responsible way but really in a way that gives us kind of the most bang for our buck.

To that end, we have engaged Sunflower Development to help us on a new market tax credit deal for this project. New market tax credits, in a nutshell, I'll try to explain them but I'm happy to go into as much or as little detail as you would like, either here or at another time. It is fairly dry how tax credits work but basically, you're getting investors to pay for projects that happen in low income areas. Basically, we are working with a community development entity, Central Bank. They've been very encouraging about our possibility of using new market tax credits on this project. They have an allocation kind of ready that they've been kind of holding aside. We have formally submitted an application and it will go through a pretty quick process with Central Bank. We're looking for the tax credits there which will actually—it's very complicated, but it ends up kind of being free moneyish. It will allow us to use this money in a different way so that we're not—we can kind of save some of the other money that we had set aside and use that for other items.

Additionally, LISC, the Local Initiative Support Corporation, here in Kansas City, we've been working with them. They have a predevelopment fund that is specific for KCK and Wyandotte County that we'd really like to see more projects get involved with. I would say as a way to kind of make them as comfortable as they can be with loaning funds to projects in KCK, we figured what better way than to kind of work on a project like this where if we can get a loan at a reasonable rate, then as loans or mortgages do, that frees up money for other things. We've been working with them.

They've got a healthy food financing, some funds through that that we've been able to kind of work with the interest rates. Now they are actually offering us a \$1.25M loan at a 3% interest rate, which is actually lower than if we were to do GO bonds, which is pretty phenomenal. That, again, just kind of frees up some of the cash that we're kind of holding on so that we can do some other things.

In a nutshell, that is what we've been doing. We're excited to get some more input from the community over the next month. Hopefully, next month, I will not only be setting the public hearing for the TIF—I promise not to hold it again, you can take that to the bank, but there'll be some other items relating to the new market tax credits and things like that that will be coming forward.

Commissioner Murguia asked is the grant money that Mayor Holland talked about still available. **Ms. Carttar** said I am not sure what you're referring to. **Commissioner Murguia** said it was a million-dollar grant contingent upon the building of the store, I believe, from the Health Care Foundation. **Ms. VonAchen** said a portion of the Health Care Foundation million-dollar grant was spent during the Healthy Campus Project, a very small portion. The remainder of the amount was returned back to the Health Foundation. **Commissioner Murguia** said so they're not willing to support the construction of the grocery store anymore. **Ms. VonAchen** said we felt together, they all felt that it was best to kind of—it was cleaner to break it off but then reexamine it once more conversation took place regarding the YMCA and the healthy portion.

Commissioner Murguia asked is there any grant money at all for this grocery store. **Ms. VonAchen** said at this moment, there is the contribution that Katherine mentioned from the Special Asset Fund. **Commissioner Murguia** asked what Special Asset Fund? **Ms. VonAchen** said we have a Special Asset Fund. **Commissioner Murguia** said I'm talking about someone else, not us; grant money outside of us paying for it. Is there any outside grant money that's helping to build a grocery store? **Ms. VonAchen** said other than the new market tax credits, which are sort of like a grant but not really. **Commissioner Murguia** said that's not a grant. **Ms. VonAchen** said the answer is no, we don't have any.

Ms. Carttar said we do have a couple of applications in. We are hopeful that we will get some funding down the road, but nothing is committed at this time. **Commissioner Murguia** said all that money that was supposedly there is not really there. Okay, alright. Thank you.

Commissioner Townsend said preliminary plans, since we, this body is not taking action tonight to move this forward to set a public hearing, if this group next month sees this again, at what point now are you anticipating there's going to be a public hearing on this. Here it said March 28th so now we're not looking at March 28th anymore? **Ms. Carttar** said right. It would be one month. **Commissioner Townsend** said in April sometime. Okay.

How will deferring that impact the dates on these cards and these meetings? **Ms. Carttar** said these are totally separate. We are moving forward with Planning Commission meetings. That is kind of on the design on one path, and then the public hearing that I was originally coming here to speak to you tonight was for the tax increment financing. We are still moving forward with getting a TIF in this location for the project plan that would encompass the grocery store, but that's kind of separate so there's kind of the financing, but then there's also the design. We're moving forward with the dates and everything that we've been working with the community and have been publicizing.

Commissioner Townsend said when these meetings are held as scheduled, the public will be able to ask questions or hear about the design of the grocery store internal, external, the type of products it'll be carrying and the price point. Who will be there addressing the public on those issues? **Ms. Carttar** said Rob Richardson and I are going to be doing a portion of the presentation on the building itself to the design aspects, and that's really what it is moving through the Planning Commission process for is the design, making sure it is in conformance with the master plan and things of that nature. Knowing that while I'm sure many people are very interested in the outside design, I would say the majority of people are more interested on what's happening inside and what they can plan to purchase and getting their input there. To that end we'll have folks from the MERC, from the grocery store, that will be the operator present and able to answer questions and take input. **Commissioner Townsend** said I think people are going to be very concerned about what it looks like inside, the design aspects, as well as the products and the price point. This may work out very well then because if members of the community who have questions about that attend the scheduled meetings, they may have even more input later in April. Now, we're looking presumably at a date in April for the public hearing.

Chairman Burroughs said, Commissioner, thanks for bringing that up. I wanted to make sure that one, there's a difference between a community meeting and taking formal action necessary to call the public in for us to do the IRB approval that night.

Action: For information only. Held over until March meeting.

Adjourn

Chairman Burroughs adjourned the meeting at 6:48 p.m.

tpl

Staff Request for Commission Action

Tracking No. 19648

Full Commission Meeting Date: NA
Committee: Economic Development & Finance

Date of Standing Committee Action: 4/1/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
3/20/2019	Kathleen VonAchen, Debbie Jonscher	x5186, x5847	kvonachen@wycokck.org, djonscher@wycokck.org	Finance

Item Description: Fourth Quarter of Fiscal Year 2018 Budget to Actuals Report is provided for informational purposes only. No action is required.
Action Requested: *For information only.*
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: UG Quarterly Financial Report FY 2018 Q4 Final (002)

QUARTERLY FINANCIAL REPORT

Fourth Quarter 2018 Budget to Actuals Trend Analysis

This document has been prepared by the Finance department.
Please direct any inquiries to the Budget Director, Reginald Lindsey at 913-573-5292

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UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

Quarterly Financial Report

Fourth Quarter of 2018

The Unified Government has completed the fourth quarter of the 2018 fiscal year which began in January 2018. This report summarizes the activities of the General Funds, and is not meant to be inclusive of all finance and accounting transactions. We hope this report provides the community with an overview of the Unified Government's financial performance.

The General Funds consist of the City General Fund, the County General Fund, and the Consolidated Parks Fund. They are the primary operating funds of the Unified Government and are used to account for a majority of operating activities. Other large funds, such as the Emergency Medical Services Fund, Dedicated Sales Tax Fund, Sewer Enterprise Fund and the Street & Highway Fund, account for a good portion of the remaining financial activities.

The total 2018 Amended Budget is $364.4M which consists of $215.8M for the General Funds, $54.1M for Other Tax Levy Supported Funds and $94.4M for Non-Tax Levy Supported Funds. The General Fund Budget does not include the annual appropriation for debt service contingency of $9.67M.

This report focuses on the General Funds. Financial performance of all other funds may be found on the last page.

CONSOLIDATED GENERAL FUND BALANCE

In measuring financial performance, it is recommended to review the collection and spending of resources through the current period and compare this information with the prior fiscal year for the same period. The following table is the financial overview of the Consolidated General Fund for the period of January through December of 2018. This data includes all three general funds.

CONSOLIDATED GENERAL FUND	FY 2017			FY 2018		
numbers in 000's	Budget	4th Qtr YTD Actual	% of budget	Budget	4th Qtr YTD Actual	% of budget
Revenues	$ 204,027	$ 207,569	101.7%	$ 212,445	$ 209,403	98.6%
Expenditures	$ 205,126	$ 198,768	96.9%	$ 213,223	$ 205,575	96.4%
Net Alloc & Transfers	$ 866	$ (1,425)	-164.6%	$ (360)	$ (3,949)	1096.3%
Net Change	$ (233)	$ 7,375		$ (1,139)	$ (121)	
Balance, Start of Year	$ 19,279	$ 19,279		$ 26,925	$ 26,925	
Balance Year-to -Date	$ 19,046	$ 26,654		$ 25,787	$ 26,804	

Table 1: Consolidated General Fund Schedule of Revenues, Expenditures and Changes in Fund Balance

- Collected revenues closed slightly lower than the 4th quarter 100% target in the current fiscal year at 98.6% of budgeted revenues primarily due to sales taxes coming in 7.8% lower than anticipated.
- Expenditures for the 4th quarter actuals were 3.6% below budgets compared to 3.1% below budgeted levels for the same period of the prior year. However, the additional $1.3M that was carried foward for ongoing cash project expenditures brings the 2018 expenditures in line at 3% below budget.
- The beginning fund balances are on a cash basis. The 2018 Year End fund balance closed with a reduction of 0.4% compared to the budgeted draw down of 4.5% anticipated in the Amended Budget.

CITY GENERAL FUND REVENUES

The City General Fund is the principal operating account of Kansas City, KS. Revenue is received from taxes, fees, intergovernmental revenue, charges for services, and other sources. The General Fund is used to support general operations, including Police, Fire, Municipal Court, Public Works, general services functions and administrative programs. General Fund revenues are also used to finance the purchase of equipment and capital projects not financed with debt.

City General Fund Revenues *numbers in 000s*	2018 Amended	2018 4th Qtr YTD Actual	% Rev Collected
Property Tax	$ 23,269	$ 23,546	101.2%
Sales Tax	$ 46,440	$ 42,692	91.9%
Other Tax	$ 55,113	$ 54,481	98.9%
Permits/Licenses	$ 1,268	$ 1,286	101.5%
Intergovernmental Revenues	$ 704	$ 940	133.6%
Charges for Service	$ 10,791	$ 10,826	100.3%
Fines, Forfeits, Fees	$ 3,778	$ 3,886	102.9%
Misc. & Transfers-In	$ 5,930	$ 6,151	103.7%
Total	**$ 147,291**	**$ 143,809**	**97.6%**

Table 2: City General Fund YTD Revenues as a % of Budget

Ninety seven percent (97.6%) of actual City General Fund revenue has been collected December 31, 2018; 2.4% lower than year end revenue budgets. *Table 2* shows the actual collections by major revenue source category and the percent collected compared to the budget. *Table 3* shows that the revenues are flat in relation to revenues collected for the same period last year with increases for Other Taxes offsetting reductions in Property and Sales Taxes.

Tax Revenue collections are at 96.7% of the amended budget. Property taxes amounts to $23.5M or 101.2% of projected property tax revenues. Sales and use tax revenues are at $42.7M or 91.9% of projections for year end. Motor vehicle and Occupation taxes ended the year in line with targets reaching 98.9% of the budgeted levels.

Permits & Licenses collections include landlord rental licenses and Right-of-way permits. Collections exceeding the target by 1.5% coming in at a comperable pace to what was recieved last year.

City General Fund Revenues *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Property Tax	$ 24,753	$ 23,546	$ (1,207)
Sales Tax	$ 45,476	$ 42,692	$ (2,784)
Other Tax	$ 50,848	$ 54,481	$ 3,633
Permits/Licenses	$ 1,236	$ 1,286	$ 50
Intergovernmental Revenues	$ 709	$ 940	$ 231
Charges for Service	$ 10,508	$ 10,826	$ 319
Fines, Forfeits, Fees	$ 3,735	$ 3,886	$ 151
Misc. & Transfers-In	$ 6,656	$ 6,151	$ (505)
Total	**$ 143,921**	**$ 143,809**	**$ (112)**

Table 3: City General Fund Revenues Year to Year Comparison

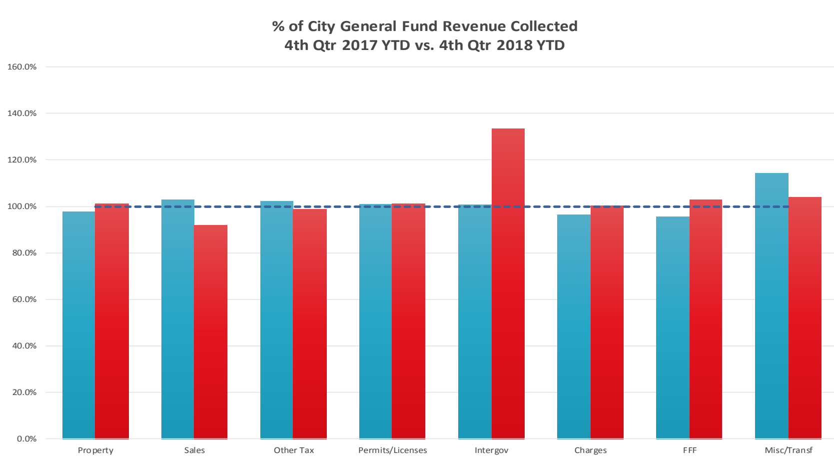


Figure 1: City General Fund Prior Year vs. Current Year

Charges for Service include residential trash fees and building inspection fees which ended at 100.3% compared to 96.5% of the budgeted amounts for year end 2017.

Fines, Forfeits, Fees include Municipal Court revenue and are 2.9% above the 100% revenue target for the 4th quarter. This is due to other Fines Forefeitures and Fees receipts ending 32.7% above the budgeted level of collections for 2018.

Misc. & Transfers-In include interest, reimbursements, sale of land and indirect charges and ended 3.7% above target. This is primarily due to higher than anticipated interest revenue coming in at 377% of budgeted levels.

CITY GENERAL FUND EXPENDITURES

City General Fund Expenditures *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% of Estimate
Personnel	$ 107,595	$ 107,255	99.7%
Services	$ 21,598	$ 20,296	94.0%
Supplies	$ 4,719	$ 4,364	92.5%
Grants, Claims	$ 5,675	$ 4,613	81.3%
Misc. & Transfers-Out	$ 1,718	$ 3,409	198.4%
Capital Outlay	$ 5,306	$ 4,281	80.7%
Total	**$ 146,612**	**$ 144,217**	**98.4%**

Table 4: City General Fund YTD Expenditures as a % of Budget

Personnel expenditure spend rate is at 99.7% of the amended budget. This is including overtime pay of personnel which has exceeded the budget by 49.8% at year end.

Services expenses ended 6% lower than budgeted levels through operational and unanticipated contingency savings. Major expenses paid in this category are transit contract fees, software maintenance, clearance and demo fees, city jail expenses, and the trash contract.

Supplies are below budget target by 7.5%, or $355K due to operational savings with the most notable savings being in lower than anticipated Auto Parts and Natural Gas expenditures.

Grants, Claims ended at 81.3% of budgeted amounts, a savings of 18.3%. This is primarily due to lower than budgeted legal claims and judgements; a obligatory expense that varies from year

City General Fund Expenditures *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Personnel	$ 102,499	$ 107,255	$ 4,756
Services	$ 19,338	$ 20,296	$ 959
Supplies	$ 4,003	$ 4,364	$ 361
Grants, Claims	$ 4,953	$ 4,613	$ (340)
Misc. & Transfers-Out	$ 2,430	$ 3,409	$ 979
Capital Outlay	$ 4,316	$ 4,281	$ (35)
Total	**$ 137,538**	**$ 144,217**	**$ 6,679**

Table 5: City General Fund Expenditures Year to Year Comparison

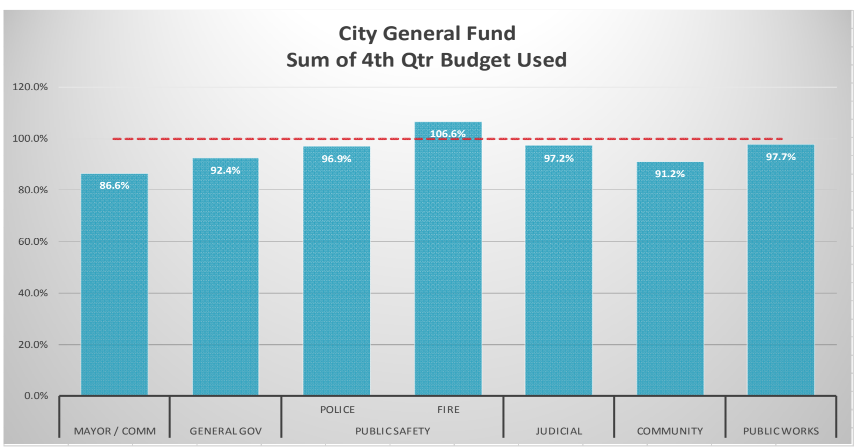


Figure 2: City General Fund Dept. Expenditures as a % of Budget

Misc & Transfers-Out were $1.7 million higher than budgeted due to transfering cash projects to a project fund to allow 2018 approved projects/initiatives not completed by year end to be continued into 2019.

Capital Outlay spend rate ended the year at 80.7% of the amended budget. Capital equipment makes up 58.8% of the capital outlay budget. A portion of this budget is made up of new capital lease payments that do not start until the future year. $1 million of this remaining balance is included in the Transfers-Out to allow completion of cash funded 2018 projects ongoing into 2019.

Most Departments are in line with spending targets for the year. The Fire Department is coming in over target due to personnel being over the target by 7.4%. This is primarily due to retirement payouts and overtime occurring above fully staffed personnel levels. Commission actuals came in significantly less than budget due to a higher than budget level of personnel expenditures being coded to the county general fund for 2018. Unified Clerk within General Government came in above budgeted expenditures for 2018 due to higher than budgeted postage costs.

COUNTY GENERAL FUND REVENUES

The County General Fund is the principal operation account of Wyandotte County. Revenue is received from taxes, fees, intergovernmental revenue, charges for services, and other sources. The County General Fund is used to support general operations including Emergency Management, Sheriff, Emergency Dispatch, Court programs, Public Works, general services functions, and administrative programs. General Fund revenues are also used to finance the purchase of capital equipment and capital projects which are not debt financed.

County General Fund Revenues *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% Rev Collected
Property Tax	$ 35,128	$ 35,485	101.0%
Sales Tax	$ 7,329	$ 6,875	93.8%
Other Tax	$ 9,789	$ 9,458	96.6%
Permits/Licenses	$ 1,037	$ 1,054	101.7%
Intergovernmental Revenues	$ 66	$ 51	77.1%
Charges for Service	$ 1,746	$ 1,860	106.6%
Fines, Forfeits, Fees	$ 3,073	$ 2,981	97.0%
Misc. & Transfers-In	$ 2,937	$ 3,743	127.5%
Total	**$ 61,104**	**$ 61,506**	**100.7%**

Table 6: County General Fund YTD Revenues as a % of Budget

County General Fund revenue ended 2018 exceeding the budgeted revenue targets by 0.7%. This is slightly lower (2.3%) than last year. *Table 6* shows the actual collections by major revenue source category and the percent collected compared to the budget. *Table 7* shows where revenues are trending in comparison to the same period last year with revenues coming in 2.9% higher than prior year totals.

Tax Revenue collections are at 99.2% of the 2018 budget. Property Taxes ended the year 1% over budget due to a lower than anticipated delinquency rate. This offset lower performing revenues with Sales Tax ending the year 6.2% below target and Other Tax revenue falling 3.4% below budgeted targets for year end.

Permits & Licenses exceeded budgets by 1.7% in the final quarter. This category consists of Auto Licenses, Auto License Fees and Antique Vehicle Licensing.

County General Fund Revenues *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Property Tax	$ 34,225	$ 35,485	$ 1,260
Sales Tax	$ 6,791	$ 6,875	$ 84
Other Tax	$ 9,968	$ 9,458	$ (510)
Permits/Licenses	$ 1,007	$ 1,054	$ 46
Intergovernmental Revenues	$ 11	$ 51	$ 40
Charges for Service	$ 1,694	$ 1,860	$ 167
Fines, Forfeits, Fees	$ 2,913	$ 2,981	$ 68
Misc. & Transfers-In	$ 3,160	$ 3,743	$ 583
Total	**$ 59,770**	**$ 61,506**	**$ 1,737**

Table 7: County General Fund Revenues Year to Year Comparison

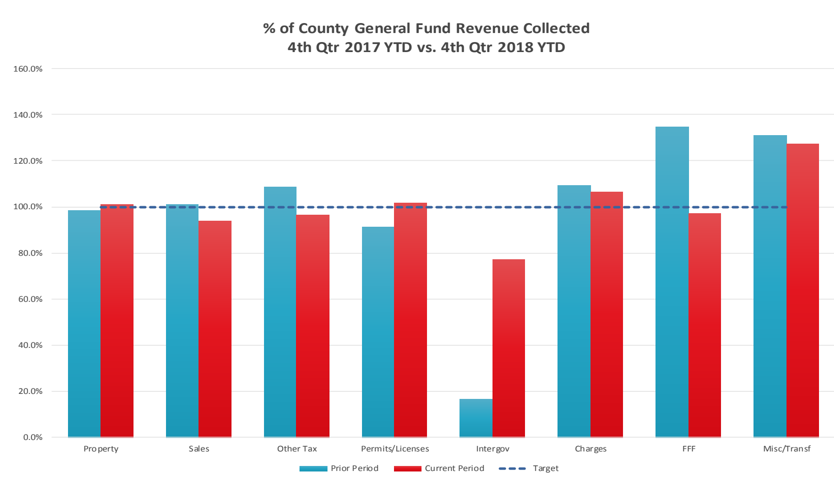


Figure 3: County General Fund Prior Year vs. Current Year

Charges for Service had strong collections for the fourth quarter exceeding budget by 6.6% for year end. This unanticipated revenue consisted primarily of Jail Fees (making up 75% of Charges for Services) exceeding budget by 8% and Computer Services exceding budget by 53%.

Fines, Forfeits, Fees includes officer fees, treasurer fees, and development agreement penalties and ended the year 3% lower than budgeted levels.

Miscellaneous Revenue ended 2018 exceeding budget by 27.5% due to interest revenue coming in 3.6 times above budgeted amounts.

COUNTY GENERAL FUND EXPENDITURES

County General Fund Expenditures *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% of Estimate
Personnel	$ 43,063	$ 42,284	98.2%
Services	$ 12,930	$ 11,813	91.4%
Supplies	$ 1,744	$ 1,563	89.6%
Grants, Claims	$ 1,239	$ 1,102	89.0%
Misc. & Transfers-Out	$ 2,172	$ 3,337	153.6%
Capital Outlay	$ 1,531	$ 1,218	79.6%
Total	**$ 62,679**	**$ 61,318**	**97.8%**

Table 9: County General Fund YTD Expenditures as a % of Budget

Personnel expenditures ended the year 1.8% lower than bugeted levels. This includes overtime pay of personnel which has exceeded it's amended budget by 74% at year end.

Services expenditures ended the 4th quarter 8.6% below target. Major expenses paid in this category are attorney and lawyers, external prisoner housing, and prisoner medical contracts. Inmate housing has exceeded its amended budget by 83% at the year end. This was offset by lower than anticipated legal costs and other operational savings.

Supplies ended the 4th quarter 10.4% below budgeted levels. Major expenses paid in this category are natural gas, fuel, and auto parts. Fuel ended the year at 85.5% of budget.

Grants, Claims ended the 4th quarter at 89.5% of budget while expending $524,000 less than in the same period prior year. The majority of these savings are in lower than average Legal Claims and Judgements that are difficult to forecast and obligatory to pay.

County General Fund Expenditures *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Personnel	$ 41,558	$ 42,284	$ 726
Services	$ 10,575	$ 11,813	$ 1,237
Supplies	$ 1,429	$ 1,563	$ 134
Grants, Claims	$ 1,626	$ 1,102	$ (524)
Misc. & Transfers-Out	$ 2,017	$ 3,337	$ 1,320
Capital Outlay	$ 1,463	$ 1,218	$ (244)
Total	**$ 58,668**	**$ 61,318**	**$ 2,650**

Table 10: County General Fund Expenditures Year to Year Comparison

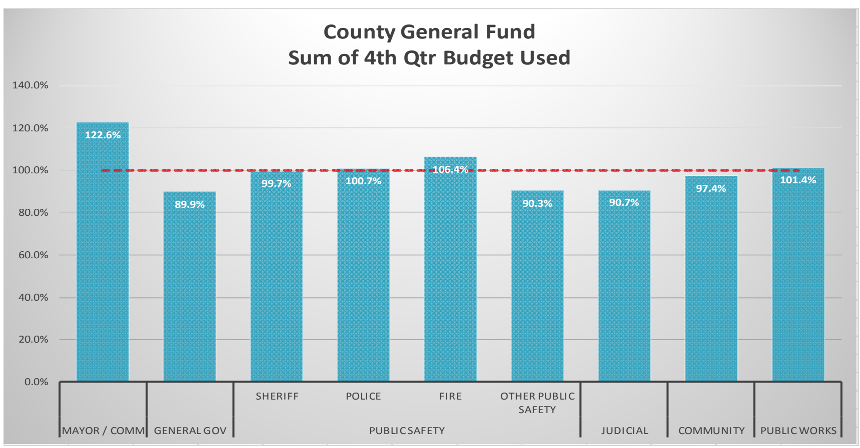


Figure 4: County General Fund Dept. Expenditures as a % of Budget

Misc. & Transfers-Out ended 2018 53.6% over budget due to carrying forward cash funding for projects and obligations that were not completed before year end. This will allow for those projects to be continued without needing to reappropriate funding in the 2019 amended budget.

Capital Outlay is 20.4% below the budget for the 4th Quarter. Capital equipment makes up 66.7% of the capital outlay budget and has expended 87.3% of it's budget with projects expending 64% of their budgets with remaining funds being transferred to enable completion of cash funded initiatives into 2019.

The majority of Departments are in line with spending targets for the year. Mayor and Commission, Police Building Security, and Fire Dispatch are exceeding 4th quarter targets for their expenditures due to higher than budgeted costs in personnel and overtime. The Commission budget is exceeded due to a system issue of expenditures that were budgeted in the City General Fund hitting the County Fund.

CONSOLIDATED PARKS GENERAL FUND REVENUES

The Consolidated Parks General Fund combines the former City and County Park's Department budget into one operating fund. This fund is used for the operation of parks, parkways, recreational areas and facilities under the supervision of the Director of Parks and Recreation. The three divisions of this fund include: Administration, Parks, and Recreation.

All park and recreation user fees, rentals, contracts and lease revenues will be allocated to this fund. In addition to a county tax levy, this fund receives an annual appropriation from the city general fund shown under Intergovernmental Revenues.

Parks General Fund Revenues *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% Rev Collected
Property Tax	$ 1,567	$ 1,585	101.1%
Other Tax	$ 320	$ 304	94.9%
Intergovernmental Revenues	$ 3,700	$ 3,746	101.2%
Charges for Service	$ 618	$ 609	98.7%
Misc. & Transfers-In	$ 101	$ 100	99.2%
Total	**$ 6,306**	**$ 6,344**	**100.6%**

Table 10: Consolidated Parks General Fund YTD Revenues as a % of Budget

Consolidated Parks General Fund revenue exceeded expectations coming in 1.1% above budgeted amounts to end 2018. *Table 10* shows the actual collections for the major revenue sources and the percent collected compared to the budget. *Table 11* shows that the revenues were stable with a slight increase in Property Tax revenue from year end 2018 to the same prior year revenues.

Tax Revenue collections are at 100.1% of the amended budget. Property Taxes came in higher than anticipated due to a lower than budgeted delinquency rate. This offset Delinquency Revenue coming in 24.1% lower than anticipated at year end.

Intergovernmental Revenues ended 2018 1.2% higher than target due to unbudgeted receipts receieved from the State of Kansas in August.

Parks General Fund Revenues *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Property Tax	$ 1,529	$ 1,585	$ 56
Other Tax	$ 310	$ 304	$ (6)
Intergovernmental Revenues	$ 3,700	$ 3,746	$ 46
Charges for Service	$ 608	$ 609	$ 1
Misc. & Transfers-In	$ 173	$ 100	$ (72)
Total	**$ 6,319**	**$ 6,344**	**$ 25**

Table 11: Consolidated Parks General Fund Revenues Year to Year Comparison

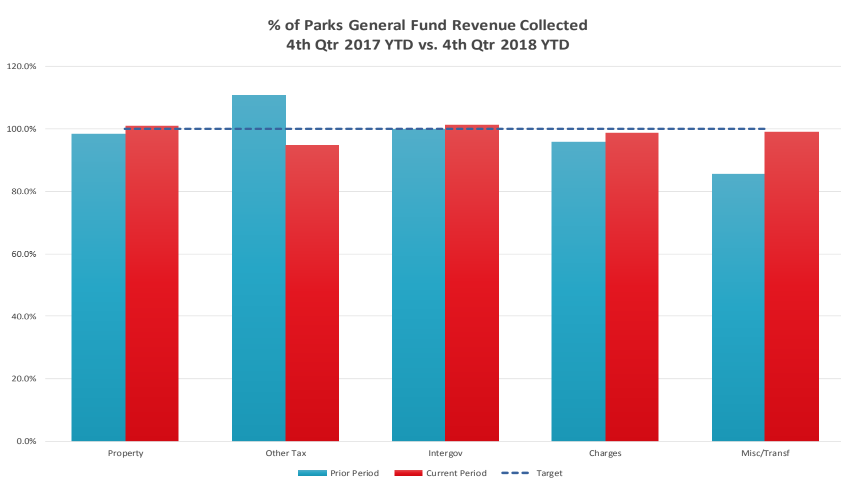


Figure 5: Consolidated Parks General Fund Prior Year vs. Current Year

Charges for Service include park shelter and field rentals and ended the 4th quarter 1.3% below target; these revenues trend flat and were in line with prior year revenues.

Miscellaneous Revenue ended 2018 at 99% of budgeted collections. This is in line with the same period of the prior year.

Revenue in each category with the exception of Other Tax Revenue exceeded collection targets for the same period the prior year.

CONS. PARKS GENERAL FUND EXPENDITURES

Parks General Fund Expenditures *numbers in 000s*	2018 Amended Budget	2018 4th Qtr YTD Actual	% of Estimate
Personnel	$ 4,339	$ 4,298	99.1%
Services	$ 1,112	$ 977	87.8%
Supplies	$ 535	$ 555	103.7%
Grants, Claims	$ 12	$ 6	49.0%
Misc. & Transfers-Out	$ 56	$ 100	178.2%
Capital Outlay	$ 495	$ 309	62.5%
Total	**$ 6,549**	**$ 6,245**	**95.4%**

Table 12: Consildated Parks General Fund YTD Expenditures as a % of Budget

Personnel expenditures for 2018 ended in line with the amended budget coming in just 0.9% shy of budget.

Services ended the 4th quarter 12.2% below target. This is primarily due to operational savings in grounds keeping and contract labor costs due to a dryer than normal mowing season and changes in procedures for contract labor.

Supplies exceeded budget targets by 3.7% utilizing savings in services to allow for higher than anticipated expenses in Fuel and Electricity costs as well as Maintenance, Construction and Custodial Supplies.

Misc. & Transfers-Out ended the year with a transfer of the 100K budgeted for the Inclusive Playground to allow for more time fundraising for the remaining revenue needed to complete the project.

Parks General Fund Expenditures *numbers in 000s*	2017 4th Qtr YTD Actual	2018 4th Qtr YTD Actual	Increase/ Decrease
Personnel	$ 4,172	$ 4,298	$ 126
Services	$ 1,112	$ 977	$ (136)
Supplies	$ 558	$ 555	$ (3)
Grants, Claims	$ 6	$ 6	$ ()
Misc. & Transfers-Out	$ 61	$ 100	$ 39
Capital Outlay	$ 518	$ 309	$ (209)
Total	**$ 6,427**	**$ 6,245**	**$ (182)**

Table 13: Consolidated Parks Expenditures Year to Year Comparison

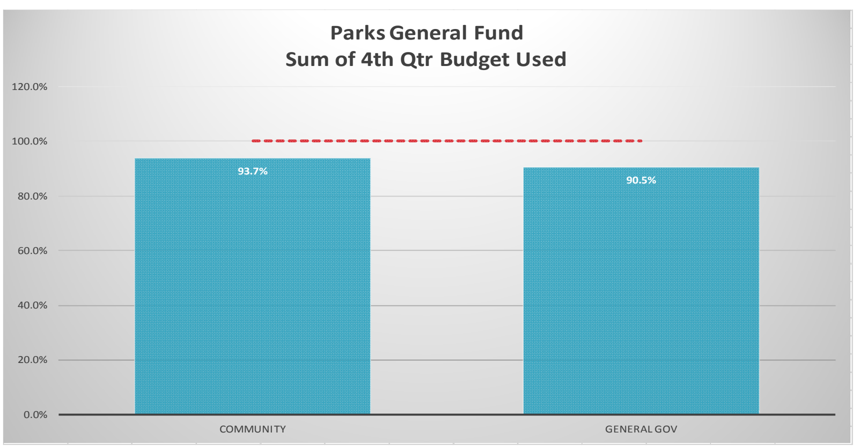


Figure 6: Parks General Fund Dept. Expenditures as a % of Budget

Capital Outlay ended the year at 62.5% of budgeted expenditures. Capital equipment makes up 50%, or $250K, of the capital outlay budget. Capital equipment is at 100% of budget. Capital projects make up 49%, or $245,000, of the capital budget. The Consolidated Parks Fund was able to utelize 61k rolled forward in cash for unfunded projects to the project fund at year end 2017 to generate a savings to the Parks fund for 2018. The majority of the remaining unspent Capital was rolled to the cash project fund to allow the Inclusive Playground to move forward into 2019.

Parks and Recreation, or Community Services, is a majority of the Consolidated Parks Fund making up 99.8% of the fund. Spending for Parks and Recreation is in line spending targets for the amended budget.

Budget to Actual through December 31st 2018
Fourth Quarter

Tax Levy Funds	REVENUES (numbers in 000's) 2018 Amended Budget	2018 YTD Actual	% of Budget	EXPENDITURES (numbers in 000's) 2018 Amended Budget	2018 YTD Actual	% of Budget
City General Fund	$ 156,962	$ 143,809	91.6%	$ 156,282	$ 144,217	92.3%
City Bond & Interest	$ 32,197	$ 32,763	101.8%	$ 33,200	$ 28,159	84.8%
County General Fund	$ 61,104	$ 61,506	100.7%	$ 62,679	$ 61,318	97.8%
Cons. Parks General Fund	$ 6,306	$ 6,344	100.6%	$ 6,549	$ 6,245	95.4%
County Bond & Interest	$ 4,909	$ 4,967	101.2%	$ 3,323	$ 3,016	90.8%
CIFI	$ -	$		$ -	$ -	
Aging	$ 1,783	$ 1,784	100.0%	$ 1,932	$ 1,932	100.0%
Developmental Disabilities	$ 494	$ 504	102.1%	$ 592	$ 451	76.1%
Elections	$ 1,237	$ 1,201	97.0%	$ 1,478	$ 1,313	88.8%
Health	$ 3,140	$ 2,989	95.2%	$ 3,368	$ 3,122	92.7%
Mental Health	$ 576	$ 577	100.1%	$ 580	$ 540	93.1%
Total UG Tax Levy Funds	**$ 268,708**	**$ 256,444**	**95.4%**	**$ 269,984**	**$ 250,314**	**92.7%**

Other Funds	2018 Amended Budget	2018 YTD Actual	% of Budget	2018 Amended Budget	2018 YTD Actual	% of Budget
Wyandotte County 911	$ 815	$ 842	103.4%	$ 954	$ 878	92.0%
Alcohol	$ 515	$ 547	106.2%	$ 777	$ 335	43.1%
Court Trustee	$ 410	$ 437	106.5%	$ 580	$ 463	79.8%
Dedicated Sales Tax	$ 10,200	$ 10,469	102.6%	$ 10,943	$ 10,943	100.0%
Emergency Medical Services	$ 11,158	$ 11,779	105.6%	$ 11,539	$ 11,514	99.8%
Environmental Trust	$ 1,078	$ 1,086	100.7%	$ 1,130	$ 1,049	92.8%
Jail Commissary	$ 25	$ 54	214.7%	$ 60	$ 5	7.9%
Parks & Recreation	$ 515	$ 548	106.4%	$ 574	$ 527	91.9%
Public Levee	$ 335	$ 336	100.3%	$ 387	$ 320	82.7%
Register of Deeds Technology	$ 160	$ 163	101.8%	$ 130	$ 114	87.6%
Clerk Technology	$ 45	$ 40	88.5%	$ 50	$ 10	20.5%
Treasury Technology	$ 45	$ 40	88.5%	$ 39	$ 21	54.3%
Sewer System	$ 40,816	$ 37,401	91.6%	$ 45,356	$ 41,824	92.2%
Stormwater	$ 3,515	$ 3,530	100.4%	$ 4,235	$ 3,636	85.9%
Street & Highway	$ 7,030	$ 7,706	109.6%	$ 7,563	$ 7,276	96.2%
Sunflower Hills Golf Course	$ 875	$ 726	83.0%	$ 840	$ 718	85.4%
Travel & Tourism	$ 3,714	$ 3,619	97.4%	$ 4,348	$ 2,240	51.5%
Stadium	$ 443	$ 773	174.4%	$ 661	$ 599	90.7%
Special Assets	$ -	$ -		$ 4,250	$ 2,856	67.2%
Total Other Funds	**$ 81,694**	**$ 80,097**	**98.0%**	**$ 94,416**	**$ 85,328**	**90.4%**
Total Funds	**$ 350,402**	**$ 336,541**	**96.0%**	**$ 364,400**	**$ 335,642**	**92.1%**
County Library	$ 2,956	$ 2,955	99.9%	$ 3,124	$ 2,786	89.2%
Total ALL Funds	**$ 353,358**	**$ 339,496**	**96.1%**	**$ 367,524**	**$ 338,427**	**92.1%**

Staff Request for Commission Action

Tracking No. 19649

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 4/1/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
3/20/2019	Reginald Lindsey	x5292	rlindsey@wycokck.org	Finance

Item Description:
Fourth Quarter Budget Revision Report is provided for informational purposes only. No action is required.

Action Requested:
For information only.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
4th Quarter 2018 Summary of Budget Revisions

BUDGET REVISIONS $10,000 OR GREATER - FOURTH QUARTER 2018*(For information only)*

ENTRY	FUND	DEPARTMENT	CMIP/OPERATING	DESCRIPTION	FUNDING SOURCE	AMOUNT	DATE APPROVED
1	City General	Clerk's Office	Operating	Postage	Outside Department	$21,000	October 12, 2018
2	City General	Police	Operating	Dispatch Study	Inside Department	$20,000	November 19, 2018
3	County General	Sheriff	Operating	Food Service	Inside Department	$14,000	November 19, 2018
4	County General	Sheriff	Operating	Security equipment	Inside Department	$13,900	November 19, 2018
5	City General	Clerk's Office	Operating	Postage	Outside Department	$11,892	November 19, 2018
6	County General	Sheriff	Operating	Fuel	Inside Department	$20,000	November 19, 2018
7	Dedicated Sales Tax	Police	Capital	Animal Shelter Improvements	Inside Department	$75,000	December 5, 2018
8	City General	Police	Operating	Building Security	Inside Department	$16,000	December 12, 2018
9	City & County General	Relations	Capital	Upgrade of UGTV Broadcast System	Inside Department	$54,000	December 13, 2018
10	Tourism	Public Works	Operating	Reardon Center Electric Charges	Inside Department	$24,000	December 19, 2018
11	City General	Police	Operating	Clothing Allowance	Inside Department	$50,000	December 19, 2018
12	Water Pollution Control	Public Works	Operating	Safety Equipment/Main Phone Lines	Inside Department	$75,000	December 19, 2018
13	City General	Clerk's Office	Operating	Postage	Outside Department	$22,711	December 19, 2018
14	City General	Police	Capital	CSI Van	Inside Department	$23,232	December 19, 2018
15	City General	Transit	Operating	Fuel	Inside Department	$12,270	December 19, 2018
16	City General	Appraiser's Office	Operating	Outside Appraisals	Inside Department	$24,800	December 21, 2018
17	County General	Clerk's Office	Operating	Postage	Outside Department	$11,200	December 21, 2018
18	City/County General	Knowledge	Operating	my Sidewalk	Outside Department	$25,200	December 27, 2018
19	Water Pollution Control	Public Works	Capital	Treatment Plant Repair	Inside Department	$75,000	December 31, 2018
20	City General	Police	Operating	KCK Police Inmate Housing	Inside Department	$116,380	December 31, 2018
				GRAND TOTAL		**$705,585**	

Staff Request for Commission Action

Tracking No. 19644

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 4/1/19
(If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
3/19/2019	Kathleen VonAchen, Rick Mikesic	x5186, x8046	kvonachen@wycokck.org, rmikesic@wycokck.org	Treasurer

Item Description:
A presentation to update the Committee on the performance of the customer service initiatives for the Motor Vehicle Registration program from 2018 of the Treasury Division.

Action Requested:
No action required

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Motor Vehicle Customer Service Update 4.1.19

Motor Vehicle Registration Program

Customer Service Progress Report

April 1, 2019
UG Administration Standing Committee
Unified Government Treasury

Productivity Results

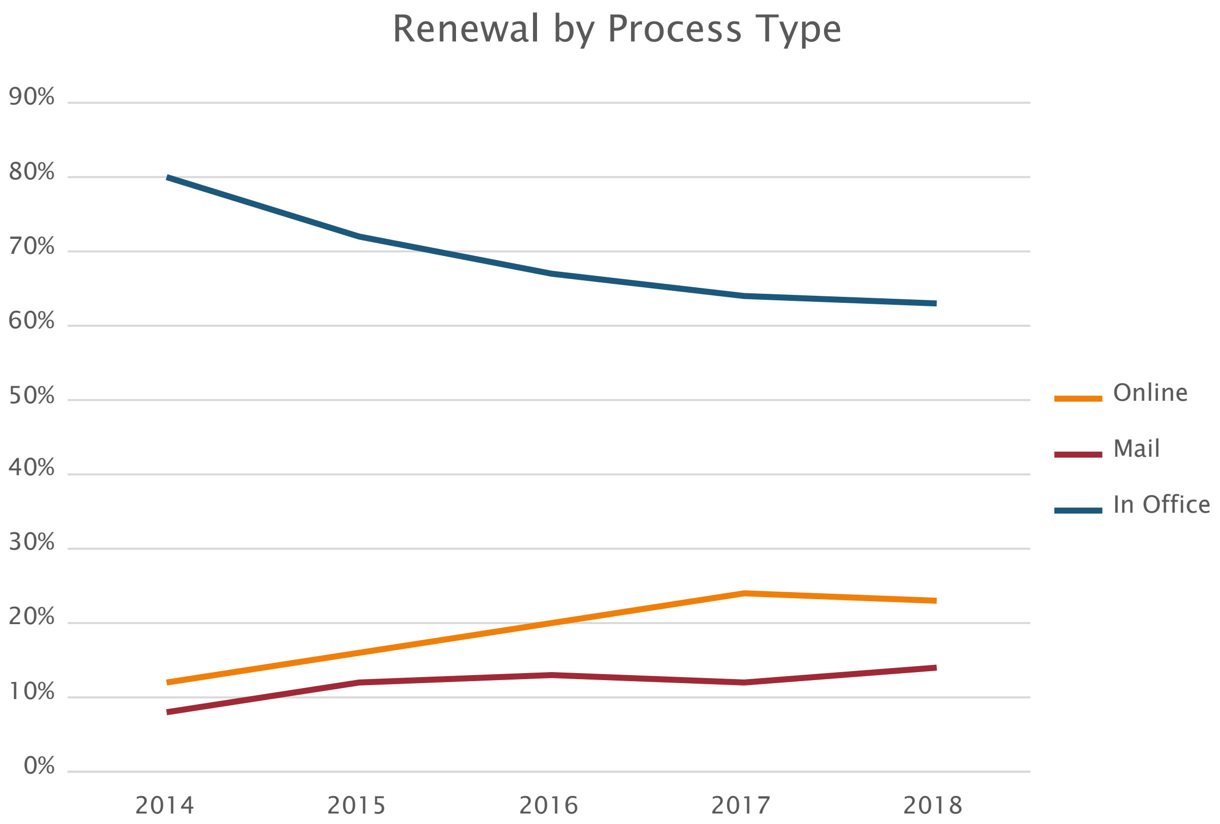
2018

- Title & Registration–38,986
- Registration Renewal–108,800
- Miscellaneous Transactions–28,523

2017

- Title & Registration–40,550
- Registration Renewal–109,502
- Miscellaneous Transactions–32,855

Renewals Breakdown



Customer Service Surveys

Text msg from Kiosk

As of December 31, 2018

- 2,802 responses

What Facility Did You Visit Today?		
Downtown	1002	35.76%
Annex	1800	64.24%
Total	2802	

How Did You Check In?		
Kiosk (In Office)	1362	48.61%
Online	1440	51.39%
Total	2802	

email

As of December 31, 2017

- 2,382 responses

What Facility Did You Visit Today?		
Downtown	789	33.12%
Annex	1593	66.88%
Total	2382	

How Did You Check In?		
Kiosk (In Office)	1035	43.45%
Online	1347	56.55%
Total	2382	

On-line

Customer Service Surveys

2018

How Would You Rate the Check In System?		
Unfavorable	365	13.03%
Favorable	2437	86.97%
Total	2802	

How Would You Rate Our Customer Service?		
Unfavorable	242	8.64%
Favorable	2560	91.36%
Total	2802	

How Would You Rate Our Knowledge?		
Unfavorable	162	5.78%
Favorable	2640	94.22%
Total	2802	

Overall, How Was Your Experience?		
Unfavorable	459	16.38%
Favorable	2343	83.62%
Total	2802	

2017

How Would You Rate the Check In System?		
Unfavorable	142	5.96%
Favorable	2240	94.04%
Total	2382	

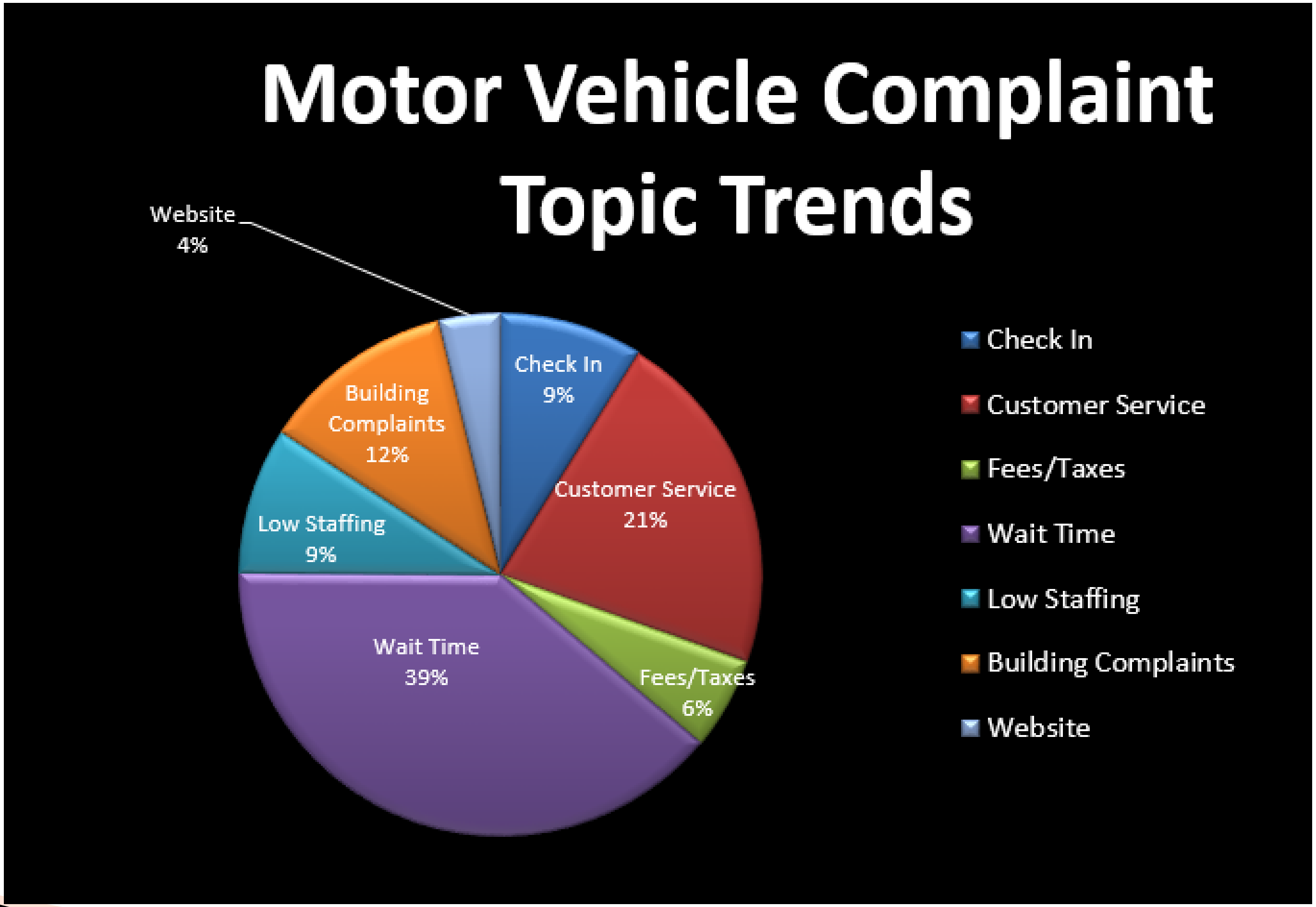
How Would You Rate Our Customer Service?		
Unfavorable	124	5.21%
Favorable	2258	94.79%
Total	2382	

How Would You Rate Our Knowledge?		
Unfavorable	72	3.02%
Favorable	2310	96.98%
Total	2382	

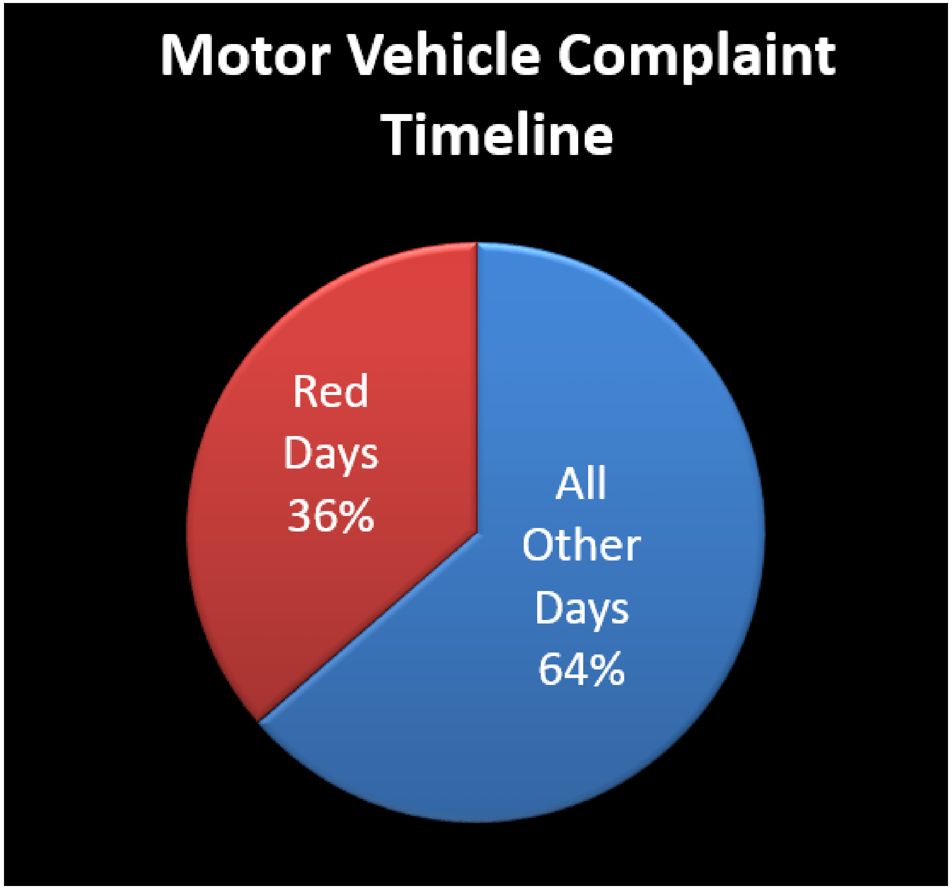
Overall, How Was Your Experience?		
Unfavorable	192	8.06%
Favorable	2190	91.94%
Total	2382	

Comments or would you like us to contact you?

Motor Vehicle Complaint Topics



Complaint Topic Timeline



Survey Examples

I love your new system, I like that you show me respect for my time, speaking of the notification of your place in line. Two thumbs up!

Employee was amazing! She was very knowledgeable. What customer service should be!

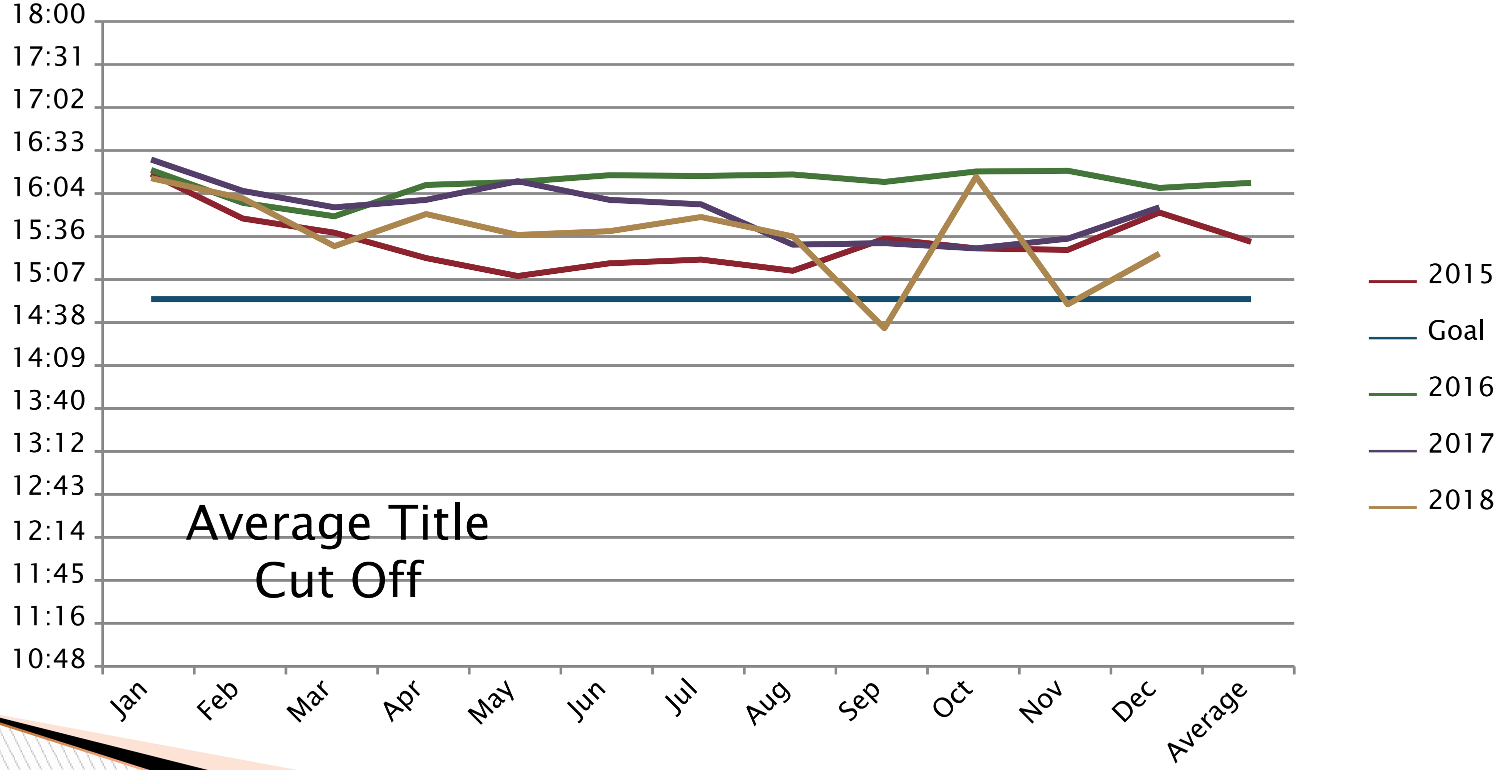
I had a wonderful experience! It was take your child to work day and everyone was happy and wearing superhero gear. It just seems like a warm, loving environment. The Courthouse is extremely clean, the staff was very efficient and helpful.

The girls that helped me on the two days that I had to go were very helpful and explained everything to me in a way I could understand. I was totally appreciative of how they helped me out.

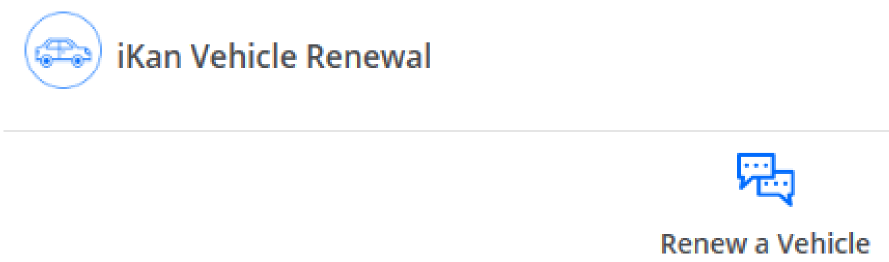
Great customer service. They were very nice. They tell you if you need anything and give you all the right answers.

Average Title Cut Off

- Goal– 2:54pm
- 2018– 3:29pm



Efforts to Enhance Custome Experience



Awesome Q (Online Check In):
Full service – bilingual option (February, 2018)

KDOR Changes:
- Switched from kswebtags to iKan – app used in conjunction with the myWyco app to renew Motor Vehicles online (April, 2018)
- Digital License Plate Production (DLPP) – Process to digitally print all future license plates (August, 2018)

Office Upgrades:
- Annex Office Upgrades: Installation of Safety Barriers and Cam-Dex Badge Access Door
  - Microphone and PA Speaker System (Coming soon, Spring 2019)

Process Improvements:
- Motor Vehicle FAQ PowerPoint in both lobbies (December, 2018)
- Commercial Motor Vehicle changes to allow constituents to request appointments (Full Implementation Q1, 2019)

Training:
- All Motor Vehicle new hires go through a formal two week training period.
  - Full overhaul of training environment to better expose new employees to any/all types of transactions (Coming soon, Spring 2019)

Morale Boosting Initiatives:
- Treasury Improvement Plan (T.I.P) Committee created. (October, 2018)
  - Initiatives include: Retirement Celebrations, Birthday Celebrations, Baby Showers, Spirit Weeks and Office Outings outside of Work Hours.

Welcome to myWyco

Questions or Comments

- Contact Information

  - Richard Mikesic, Director of Revenue/County Treasurer
    - 710 N. 7th Street, Suite 240 Kansas City, KS 66101
    - 913-573-8046
    - rmikesic@wycokck.org

  - Andrea Parra, Deputy Director of Revenue/Deputy County Treasurer
    - 710 N. 7th Street, Suite 240 Kansas City, KS 66101
    - 913-573-8226
    - aparra@wycokck.org

Staff Request for Commission Action

Tracking No. 19645

Full Commission Meeting Date: 4/11/19

Committee: Economic Development & Finance

Date of Standing Committee Action: 4/1/19 (If none, please explain):

Publication Required: Yes 4/18/2019

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
3/20/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:
An Ordinance making findings and adopting the Redevelopment District Plan for Project Area 1 in the Downtown Grocery Redevelopment District.

Action Requested:
Approve and advance to April 11, 2019 Full Commission.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Ordinance Approving Downtown Grocery Project Area 1 Project Plan (002), Grocery Store TIF Project Plan - final with all exhibits, Exhibit B - Map of Project Area 1, Exhibit C - Legal description of Project Area 1, Exhibit D - O--41-18

(Published in *The Wyandotte Echo* on April 18, 2019)

ORDINANCE NO. O-___-19

AN ORDINANCE OF THE GOVERNING BODY OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS MAKING FINDINGS AND ADOPTING THE REDEVELOPMENT PROJECT PLAN FOR PROJECT AREA 1 IN THE DOWNTOWN GROCERY REDEVELOPMENT DISTRICT PURSUANT TO K.S.A. 12-1770 ET SEQ., AND AMENDMENTS THERETO.

WHEREAS, pursuant to the provisions of K.S.A. 12-1770 *et seq.*, as amended (the "Act"), the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") is authorized to establish redevelopment districts within a defined area of the Unified Government which is an "eligible area" as said term is defined in the Act; and

WHEREAS, the Unified Government adopted Resolution No. R-38-18 on August 30, 2018, calling for a public hearing considering the establishment of a redevelopment district to be held by the Board of Commissioners on October 11, 2018; and

WHEREAS, notice of the public hearing on establishment of a redevelopment district was given as required by the Act; and

WHEREAS, a public hearing on establishment of a redevelopment district was held on October 11, 2018, and closed on the same day; and

WHEREAS, the Unified Government, by the adoption of Ordinance No. O-41-18 on October 11, 2018, created the Downtown Grocery Redevelopment District (the "Redevelopment District") consisting of four redevelopment project areas (respectively, "Project Area 1," "Project Area 2," "Project Area 3" and "Project Area 4"); and

WHEREAS, the Unified Government is considering the adoption of a redevelopment project plan entitled Redevelopment Project Plan Downtown Grocery Store Redevelopment District – Project Area 1 and dated February 8, 2019 (the "Project Plan") which provides for the redevelopment of Project Area 1 within the Redevelopment District; and

WHEREAS, on February 11, 2019, the Planning Commission of the Unified Government made a finding that the Project Plan is consistent with the intent of the Unified Government's comprehensive plan for the development of the Unified Government; and

WHEREAS, a copy of the Project Plan was delivered by the Unified Government to the Board of County Commissioners of Wyandotte County and to the Board of Education of Unified School District No. 500; and

WHEREAS, notice of a public hearing on adoption of the Project Plan was given as required by the Act; and

WHEREAS, a public hearing on adoption of the Project Plan was held on April 11, 2019 and closed on the same day; and

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

Section 1. The Board of Commissioners hereby adopts the Project Plan, which governs redevelopment of the real property in Project Area 1 of the Downtown Grocery Redevelopment District, which is shown on **Exhibit A** and legally described as shown on **Exhibit B**.

Section 2. The Board of Commissioners of the Unified Government finds and determines that the Project Plan does not require a relocation assistance plan under the Act because no relocation assistance will be provided under the Project Plan and finds and determines that all required notice of the public hearing and the Project Plan were properly given in accordance with the Act.

Section 3. The Act authorizes the issuance of bonds by the Unified Government to finance all or a portion of the costs of implementing the Project Plan. Said bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of passage of this Ordinance, pursuant to Treasury Regulation §1.150-2.

Section 4. The Unified Government may issue its full faith and credit tax increment bonds to finance the costs of implementing the Project Plan, unless within 60 days following the date of the public hearing on the Project Plan a protest petition signed by 3% of the qualified voters of the Unified Government is filed with the Unified Government Clerk in accordance with the provisions of K.S.A. 25-3601 *et seq.*, and amendments thereto. If a sufficient petition is filed, no full faith and credit tax increment bonds shall be issued until the issuance of the bonds is approved by a majority of the voters voting at an election thereon. Such election shall be called and held in the manner provided by the general bond law. The failure of the voters to approve the issuance of full faith and credit tax increment bonds shall not prevent the Unified Government from issuing special obligation bonds in accordance with the Act.

Section 5. The Mayor/CEO, County Administrator, and other officials and employees of the Unified Government, including the County Attorney, and the Unified Government's Financial Advisor and Bond Counsel. are hereby authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Ordinance.

Section 6. This Ordinance shall take effect and be in force from and after its passage by a 2/3 vote of the Board of Commissioners, and its publication once in the ***The Wyandotte Echo***.

ADOPTED by the Board of Commissioners and **SIGNED** by the Mayor/CEO on April 11, 2019

____
Mayor/CEO

(SEAL)

____
Unified Government Clerk

EXHIBIT A

MAP OF PROJECT AREA 1

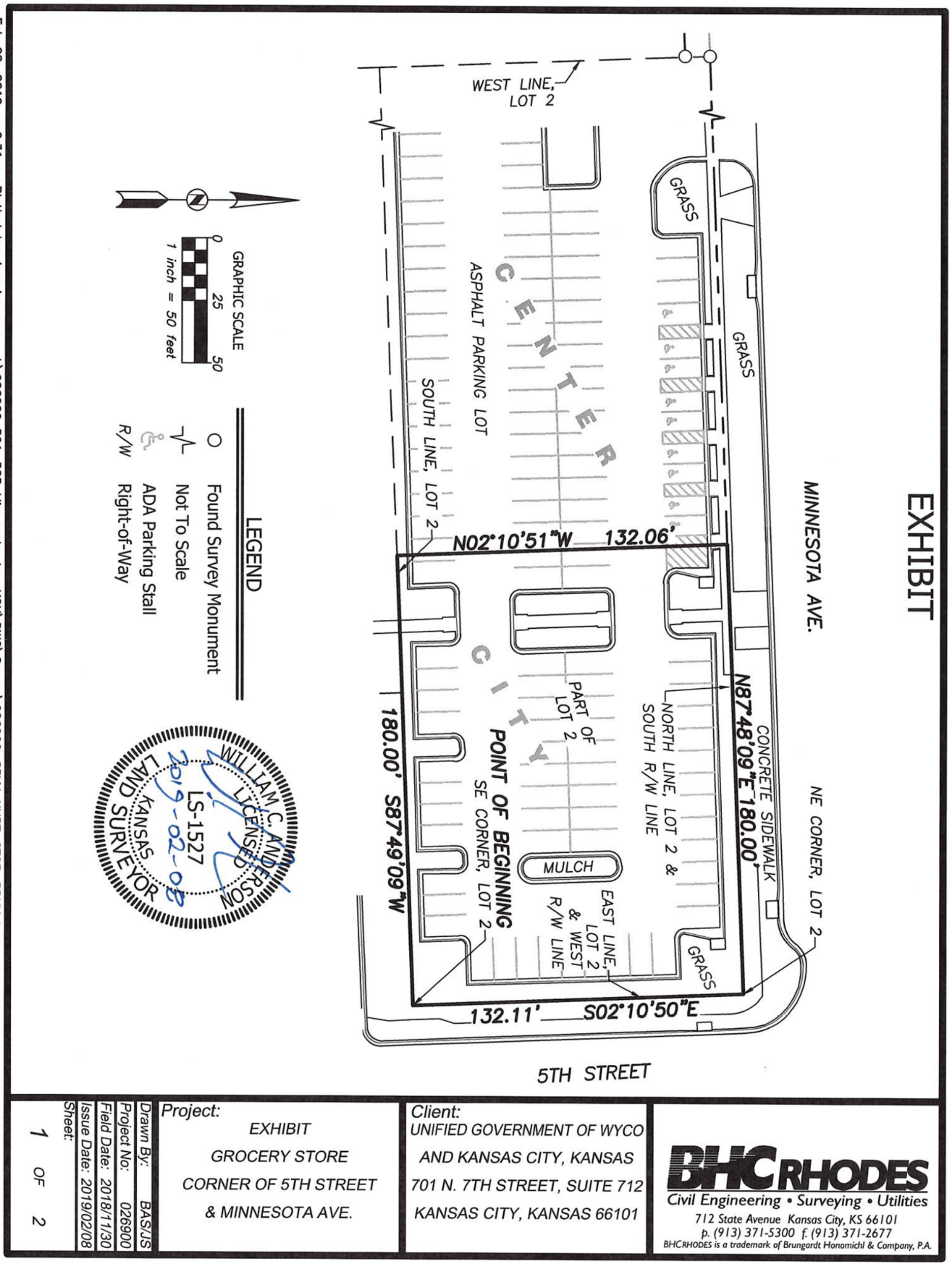


EXHIBIT B

LEGAL DESCRIPTION OF PROJECT AREA 1

BOUNDARY DESCRIPTION

A Tract of land being a part of Lot 2, CENTER CITY, a subdivision of land recorded May 26, 1978 in Plat Book 33 at Page 56 in Kansas City, Wyandotte County, Kansas, said Tract being more particularly described by William C. Anderson, PLS 1527 of BHC RHODES, CLS 175, by metes and bounds as follows:

(Note: For course orientation the bearings in this description are based on the platted bearings for the plat of CENTER CITY.)

BEGINNING at the Southeast corner of said Lot 2;

Thence South 87° 49' 09" West, 180.00 feet, on the South line of said Lot 2;

Thence North 2° 10' 51" West, 132.06 feet, to a point on the North line of said Lot 2 and the South Right-of-Way line of Minnesota Avenue as now established;

Thence North 87° 48' 09" East, 180.00 feet, on said North line, to the Northeast corner of said Lot 2;

Thence South 2° 10' 50" East, 132.11 feet, on the East line of said Lot 2 and the West Right-of-Way line of 5th Street as now established, to the POINT OF BEGINNING, said Tract containing 23,776 square feet or 0.5458 acres more or less.

Subject to survey, covenants, conditions, restrictions, and easements, if any.

REVELOPMENT PROJECT PLAN
Downtown Grocery Store Redevelopment District - Project Area 1

Redevelopment Project Plan

Dated: February 8, 2019

SUBMITTED PURSUANT TO:

K.S.A. 12-1770 *ET SEQ.*, AS AMENDED

This Redevelopment Project Plan was prepared by the Unified Government of Wyandotte County/Kansas City, Kansas and the UG Planning Commission, in consultation with the market study conducted by G2G Research Group and the Community Mercantile, Inc.

TABLE OF CONTENTS

I. INTRODUCTION

The UG has prepared this Tax Increment Financing Redevelopment Project Plan for Project Area 1 (this "**Project Plan**") for consideration and approval. The term of the Project Plan shall not exceed twenty (20) years and shall commence as provided in the resolution of the governing body approving this Project Plan.

The TIF Act requires that this Project Plan be prepared in consultation with the Planning Commission, and the Planning Commission must make a finding as to whether the development components of the Project Plan are consistent with the intent of the UG's Comprehensive Plan.

A. Redevelopment District

Pursuant to the Kansas Tax Increment Financing Act, K.S.A. 12-1770, *et seq.*, as amended ("**TIF Act**"), Kansas municipalities are authorized to establish a redevelopment district and approve Tax Increment Financing ("**TIF**") redevelopment project plans for property within their jurisdiction. Redevelopment districts may be created based upon certain findings by the municipality.

The Unified Government of Wyandotte County/Kansas City, Kansas (the "**UG**"), pursuant to Ordinance No. O-41-18 adopted on October 11, 2018 and published on October 18, 2018, established a redevelopment district called the Downtown Grocery Redevelopment District (the "**District**"). The property within the District was eligible for TIF because it is located within an area designated prior to July 1, 1992 as an enterprise zone pursuant to K.S.A. 12,17-107 through 12,17-113. The District consists of an area located between 5th Street and 6th Street, and between Minnesota Avenue and Armstrong Avenue in Kansas City, Wyandotte County, Kansas, and adjacent public right of way. The District is comprised of four (4) project areas. A map depicting the boundaries of the District and the four project areas is attached as <u>Exhibit A.</u>

B. Project Area 1

Project Area 1 is comprised of approximately half an acre located at or about 501 Minnesota Avenue., Kansas City, Wyandotte County, Kansas, and all adjacent right of way, located in the northeast portion of the District ("**Project Area 1**"). A map and legal description of the property included in Project Area 1 are attached as <u>Exhibits B and C</u>, respectively.

C. Summary of the Redevelopment Project Plan

The development of Project Area 1 will consist of an approximately 14,000 square foot grocery store along with associated infrastructure and other site improvements located throughout the District (the "**Project**").

It is important to note, however, that this description of uses, and the buildings the UG plans to construct for such uses, is not intended to be inflexible. This Project Plan contemplates reasonable variations from the descriptions above, but generally allowing for commercial uses, including a grocery store, mixed use commercial retail, restaurant uses, and any other commercial structure or use (including but not limited to, office, non-profit, governmental, or community use), residential uses including apartment uses, and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), other associated and appurtenant structures and facilities, and any other items allowable under the Act.

The Project is anticipated to cost approximately $6,697,946. The Project costs are expected to be paid from the following sources of funds: (1) incremental property tax revenues generated within Project Area 1, and (2) other available funds of the UG.

As shown herein, the Project Plan proposes to finance Redevelopment Project Costs (as defined by the Act) by capturing property tax increment generated within Project Area 1. Sales tax within Project Area 1 will not be captured as part of this Project Plan.

Based on projections of the assessed valuation of all proposed improvements within Project Area 1 over the 20-year term of this Project Plan, it is estimated that the TIF will generate present value revenues ("**Project Area 1 TIF Revenues**") of approximately $1,967,339[1] from Project Area 1. As permitted by the TIF Act, Project Area 1 TIF Revenues may be utilized to pay for Redevelopment Project Costs approved pursuant to this Project Plan, including repayment of the GO TIF Bonds (as defined herein).

II. REDEVELOPMENT PROJECT PLAN

A. The Property Included in Project Area 1

A map generally depicting Project Area 1 is attached hereto as Exhibit B, and a legal description of Project Area 1 is attached hereto as Exhibit C.

B. Established Redevelopment District

Project Area 1 is within the District established by the UG's Governing Body pursuant to Ordinance No. O-41-18 adopted on October 11, 2018 and published on October 18, 2018, a copy of which is attached hereto as Exhibit D. This proposed Project Plan is consistent with the stated purpose and intent of the District Plan as described in Exhibit D.

C. The Project – Description and Overview

This Project Plan provides for the construction of an approximately 14,000 square foot grocery store along with associated infrastructure and other site improvements located throughout the District, including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), other associated and appurtenant structures and facilities. Notwithstanding the

[1] See Exhibit F for assumptions.

foregoing, the real property located within Project Area 1 shall not be limited to uses described in this section and may be used for any use permitted by the District Plan.

D. Feasibility Study

As required by the Act, a study has been prepared to determine whether the Project's estimated benefits, tax increment revenues, and other revenues and sources of funding are expected to exceed or be sufficient to pay for the Project's estimated costs. This effort involved data collection and review by the UG's Finance Department, in collaboration with the UG's Economic Development Department. Further, outside resources were consulted to compare and verify the cost and revenue projections including outside industry sources and actual taxing jurisdiction data where available. The results of this study are as follows:

1. Project Costs

The total estimated cost to complete the Project, including land acquisition, and hard and soft costs, is $6,697,946. As determined from contract prices, engineering estimates and estimates made by the UG, a breakdown of the estimated costs by category is set forth below (See Exhibit E for a detailed budget).

Pursuant to the TIF Act, only certain costs are eligible for TIF financing and reimbursement ("**Redevelopment Project Costs**"). Of the total Project costs, approximately $882,693 is estimated to qualify under the TIF Act as Redevelopment Project Costs, meaning that only those costs may be financed using TIF Revenues[2]. These Redevelopment Project Costs are set forth by category and amount below (see also Exhibit E for a more detailed itemization):

ESTIMATED TOTAL COSTS AND REDEVELOPMENT PROJECT COSTS

DESCRIPTION	TOTAL COSTS	REDEVELOPMENT PROJECT COSTS
Acquisition Costs	$72,519	$72,519
Hard Construction Costs	$3,003,822	$277,042
Soft Costs	$3,363,704	$351,731
SUBTOTAL	**$6,440,045**	**$701,292**
Contingency	$257,901	$181,401
TOTAL	**$6,697,946**	**$882,693**

[2] These figures represent estimated amounts and should not be construed as caps on the amount of TIF being requested or available to be funded pursuant to this Project Plan.

It is anticipated that the Redevelopment Project Costs will be financed under this Project Plan through the issuance of general obligation bonds repayable first from incremental property taxes generated within the District, as described in the following section.

2. Project Area 1 TIF Revenues

The present value of Project Area 1 TIF Revenues generated over the term of this Project Plan is estimated to be $1,967,339[3]. Project Area 1 TIF Revenue projections are set forth in Exhibit F, attached hereto.

Pursuant to the TIF Act and this Project Plan, Project Area 1 TIF Revenues will be generated only from 100% of the a*d valorem* property tax revenues generated during the term of this Project Plan from that portion of the assessed valuation of property within Project Area 1 in excess of the assessed valuation of such property as of the date the District was established (excluding *ad valorem* taxes not allowed to be captured pursuant to the TIF Act). The assessed value of property within Project Area 1 as of the date the District was established was $0.00.

Sales tax revenues generated within Project Area 1 will not be captured as part of this Project Plan.

3. Funding Sources

The UG anticipates financing the total costs of the Project from the following sources:

General Obligation TIF Bonds. Redevelopment Project Costs will be financed by general obligation TIF bonds (**"GO TIF Bonds"**) in the estimated principal amount of $882,693 plus costs of issuance, capitalized interest and interest on any temporary financing. The GO TIF Bonds will be repayable first by the Project Area 1 TIF Revenues, and if not so paid, then from the full faith and credit of the UG.

The total amount of GO TIF Bonds to be issued will be increased or decreased depending on total eligible Redevelopment Project Costs, interest rates on the GO TIF Bonds and expected Project Area 1 TIF Revenues. In lieu of issuing GO TIF Bonds, the UG, in its sole discretion, may issue special obligation TIF bonds to finance the Redevelopment Project Costs.

Other Anticipated Sources of Funding. The UG anticipates funding the balance of the Project Costs from a variety of other sources, including: (1) from revenue sharing and lease payments made by the operator of the grocery store, (2) local sales tax revenues generated from the grocery store, (3) financing obtained by the UG through the Local Initiatives Support Corporation (LISC), (4) New Market Tax Credits (NMTCs), and (5) other available UG funds.

[3] See Exhibit F for assumptions.

4. Significant Contribution to Economic Development of the City

The development contemplated in the Project Plan will provide significant economic development for the UG by, among other things, creating a new grocery store that will draw additional consumers from both inside and outside the UG, and increasing employment opportunities and general commerce for area residents. The feasibility study demonstrates that the benefits derived from the development contemplated in this Project Plan will exceed the costs and that the income from the Project will be sufficient to pay the costs of the Project.

5. Sufficiency of Tax Increment Revenues and Other Available Revenues Compared to Project Costs

The Project Area 1 TIF Revenues will be used to finance Redevelopment Project Costs or pay debt service on the GO TIF Bonds issued to finance Redevelopment Project Costs. This feasibility study demonstrates that the benefits derived from the development contemplated in this Project Plan will exceed the costs and that the income from and other funding sources related to the Project will be sufficient to pay the costs of the Project.

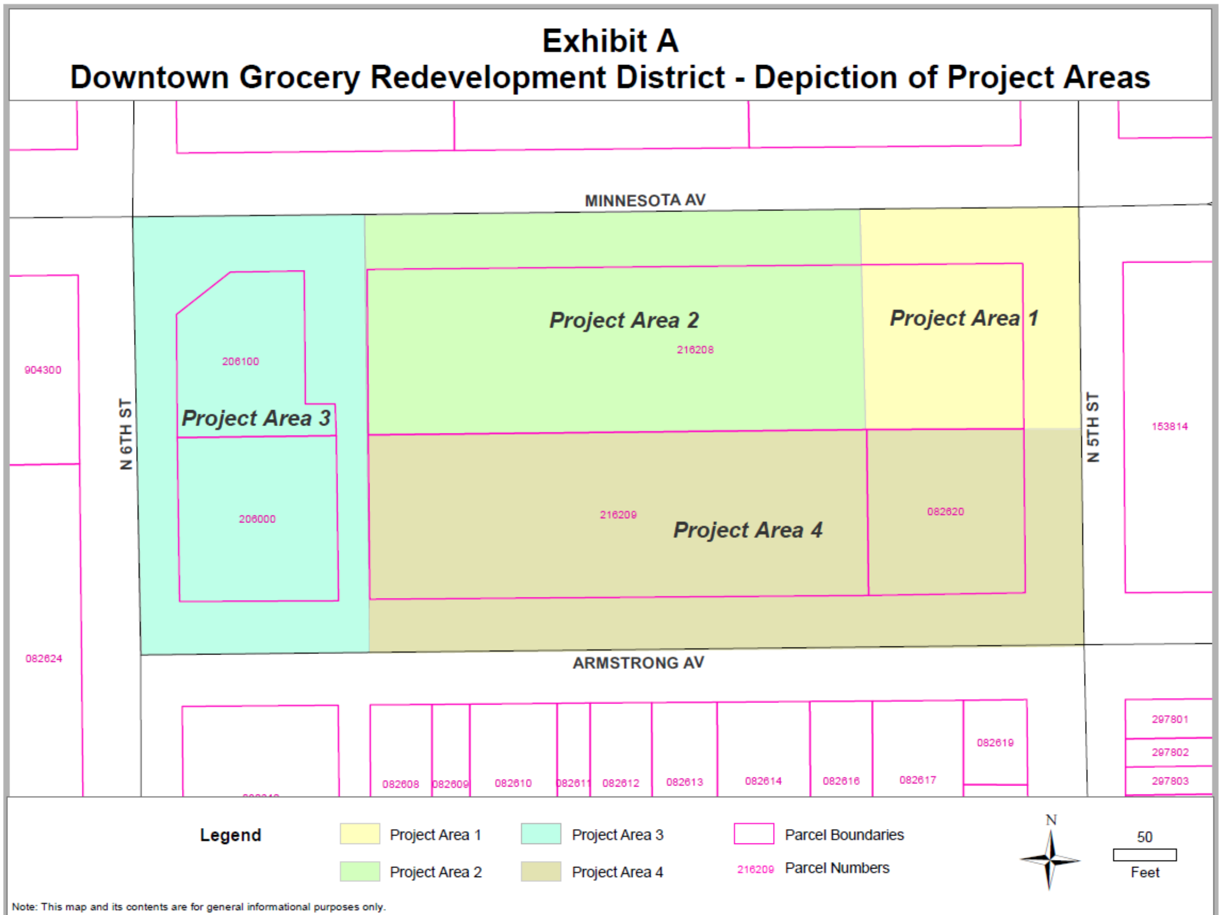
There is no anticipated effect on special obligation bonds payable from revenues described in K.S.A. 12-1774(a)(1)(D) because only Project Area 1 TIF Revenues and the other financing sources described herein will be used to finance the costs of the Project.

E. Relocation Plan

Other than easements that may need to be acquired to facilitate the Project, the UG owns all property and all necessary property rights within Project Area 1. The site is currently a parking lot and thus the Project will not require the relocation of any tenant.

EXHIBIT A

Map of the Downtown Grocery Store Redevelopment District and Project Areas



Prepared by Unified Government of Wyandotte County/Kansas City, KS - Research Division; Published 10/4/2018.

X:\ESRI _ from Happi\ESRI\Arcview_shp\tif_2018\Downtown_Grocery_Project_areas_v2.mxd

EXHIBIT B

Map of Project Area 1

EXHIBIT C

Legal Description of Project Area 1

EXHIBIT D

Redevelopment District Ordinance No. 41-18

[see attached document]

EXHIBIT E

Budget / Reimbursable Project Costs

Cost Categories	Estimated Total Project Costs	Estimated TIF Eligible Costs
LAND ACQUISITION COSTS		
Cost per acre	$ 56,628	$ 56,628
Other Acquisition Costs	27,500	27,500
EST. LAND ACQUISITION COSTS	**$ 72,519**	**$ 72,519**
CONSTRUCTION COSTS		
Sitework & Streetscape	277,042	277,042
Building Construction	2,465,000	-
Design Contingency @ 5%	123,250	-
Escalation @ 4%	103,530	-
Utility Connection Fees	30,000	-
Plan Review Fees	5,000	-
EST. CONSTRUCTION COSTS	**$ 3,003,822**	**$ 277,042**
PROFESSIONAL SERVICES		
Architect Fees (inc: civil, structural, MEP, interior design)	264,600	105,840
Real Estate Advisory Fee	154,720	61,888
Owner's Representative Services	89,134	35,654
Legal Fees	10,000	4,000
Geotechnical Testing	6,000	2,400
Environmental Testing	11,750	4,700
Lender Site Inspections	15,000	6,000
Building Commissioning	5,000	2,000
Consultant Reimbursables	10,000	10,000
Builder's Risk Insurance	8,000	-
Civil: Easements	5,000	2,000
Civil: ALTA Survey	10,000	4,000
Feasibility Study (?)	15,000	6,000
EST. PROFESSIONAL SERVICES COSTS	**$ 604,204**	**$ 244,481**

FIXTURES, FURNISHINGS & EQUIPMENT		
Store Fixtures & Equipment	1,380,000	-
Public Spaces	25,000	25,000
Technology/Data	50,000	-
Interior Signage	25,000	-
Artwork	25,000	-
EST. FIXTURES, FURNISHINGS & EQUIPMENT COSTS	**$ 1,505,000**	**$ 25,000**
CONTINGENCY		
Contingency - Hard costs	151,441	151,441
Contingency - Soft costs	29,960	29,960
Contingency - Fixtures, Furniture & Equipment	76,500	-
EST. CONTINGENCY COSTS	**$ 257,901**	**$ 181,401**
FINANCING COSTS		
Construction Loan - Interest Carry	57,500	28,750
Construciton NMTC - Interest Carry	50,000	25,000
Bonds - Cost of Issuance	37,000	18,500
Bonds - Legal	20,000	10,000
EST. FINANCING COSTS	**$ 164,500**	**$ 82,250**
OTHER PROJECT COSTS		
Operating Stabilization Escrow	690,000	-
Other Pre-Development Costs	400,000	-
EST. OTHER PROJECT COSTS	**1,090,000**	-
EST. TOTAL PROJECT COSTS - GROCERY STORE	**$ 6,697,946**	**$ 882,693**

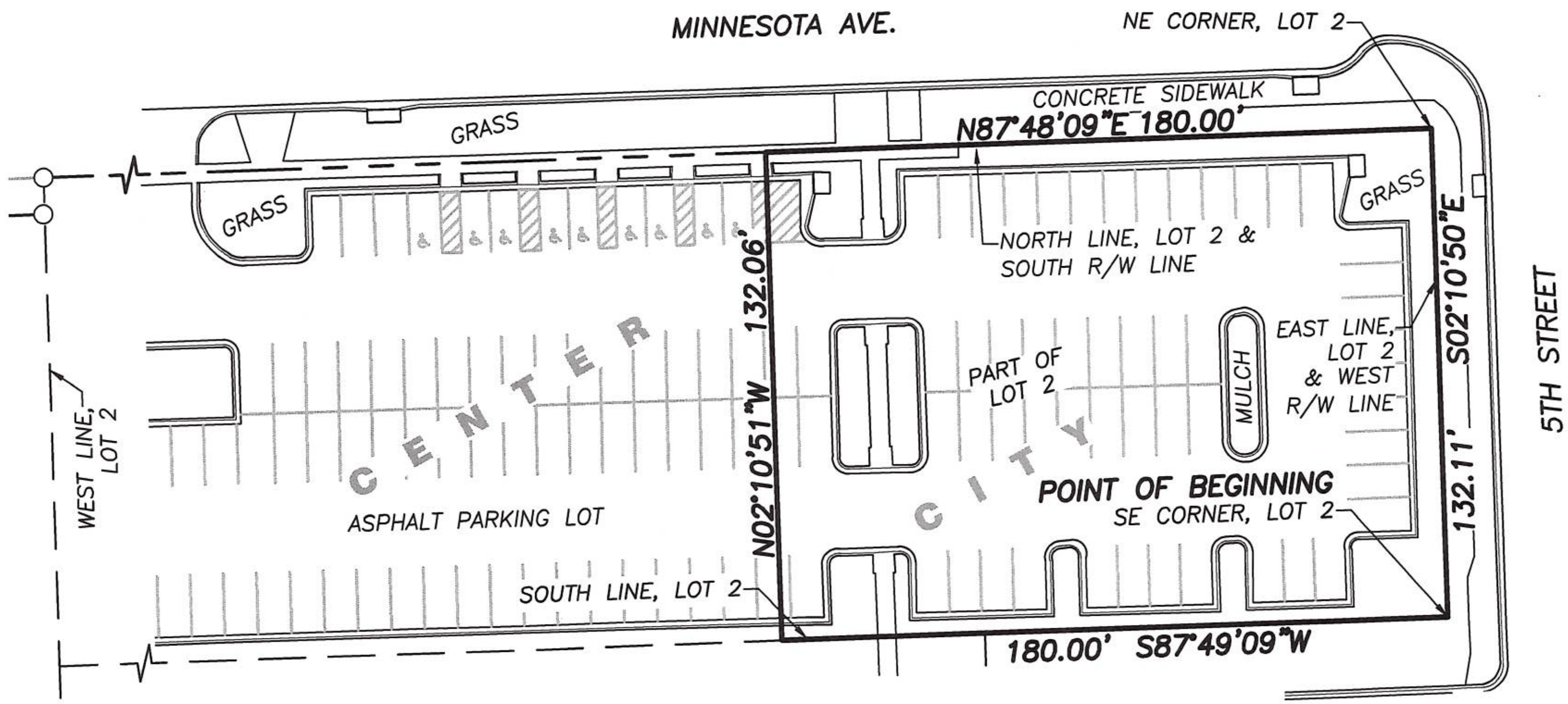
EXHIBIT F

TIF Revenue Projections – Grocery Store

Project Plan Year	**Estimated Assessed Value***	**Estimated Project Area 1 TIF Revenues****
Year 1	$ 750,000	-
Year 2	771,750	$ 114,391
Year 3	794,131	117,709
Year 4	817,161	121,122
Year 5	840,858	124,635
Year 6	865,243	128,249
Year 7	890,335	131,968
Year 8	916,155	135,795
Year 9	942,723	139,733
Year 10	970,062	143,786
Year 11	998,194	147,956
Year 12	1,027,142	152,246
Year 13	1,056,929	156,661
Year 14	1,087,580	161,205
Year 15	1,119,120	165,879
Year 16	1,151,574	170,690
Year 17	1,184,970	175,640
Year 18	1,219,334	180,734
Year 19	1,254,695	185,975
Year 20	1,291,081	191,368
Total Estimated Project Area 1 TIF Revenues =		**$ 2,845,742**
NPV of Estimated Project Area 1 TIF Revenues at 3.30%* =**		**$ 1,967,339**

* Assumes $3,000,000 property valuation at full build-out, 25% commercial assessment ratio, and 2.9% annual assessed valuation growth.
** Assumes total mill levy of 148.223 mills (excludes school and state mill levies not eligible for TIF capture per Kansas law).
*** Assumed interest rate on GO TIF Bonds.

EXHIBIT



GRAPHIC SCALE

0 25 50

1 inch = 50 feet

LEGEND

○	Found Survey Monument
	Not To Scale
	ADA Parking Stall
R/W	Right-of-Way

WILLIAM C. ANDERSON
LICENSED
LS-1527
2019-02-08
KANSAS
LAND SURVEYOR

BHC RHODES
Civil Engineering • Surveying • Utilities
712 State Avenue Kansas City, KS 66101
p. (913) 371-5300 f. (913) 371-2677
BHC RHODES is a trademark of Brungardt Honomichl & Company, P.A.

Client:
UNIFIED GOVERNMENT OF WYCO
AND KANSAS CITY, KANSAS
701 N. 7TH STREET, SUITE 712
KANSAS CITY, KANSAS 66101

Project:
EXHIBIT
GROCERY STORE
CORNER OF 5TH STREET
& MINNESOTA AVE.

Drawn By:	BAS/JS
Project No:	026900
Field Date:	2018/11/30
Issue Date:	2019/02/08
Sheet:	1 OF 2

Feb 08, 2019 – 9:31am Plotted by: jon.simpson I:\026900 501–525 Minnesota Ave KCK\DWG\Survey\026900–SRVY–XHBT–STOR–BDNY.dwg

EXHIBIT

BOUNDARY DESCRIPTION

A Tract of land being a part of Lot 2, CENTER CITY, a subdivision of land recorded May 26, 1978 in Plat Book 33 at Page 56 in Kansas City, Wyandotte County, Kansas, said Tract being more particularly described by William C. Anderson, PLS 1527 of BHC RHODES, CLS 175, by metes and bounds as follows:

(Note: For course orientation the bearings in this description are based on the platted bearings for the plat of CENTER CITY.)

BEGINNING at the Southeast corner of said Lot 2;

Thence South 87° 49' 09" West, 180.00 feet, on the South line of said Lot 2;

Thence North 2° 10' 51" West, 132.06 feet, to a point on the North line of said Lot 2 and the South Right-of-Way line of Minnesota Avenue as now established;

Thence North 87° 48' 09" East, 180.00 feet, on said North line, to the Northeast corner of said Lot 2;

Thence South 2° 10' 50" East, 132.11 feet, on the East line of said Lot 2 and the West Right-of-Way line of 5th Street as now established, to the POINT OF BEGINNING, said Tract containing 23,776 square feet or 0.5458 acres more or less.

Subject to survey, covenants, conditions, restrictions, and easements, if any.

WILLIAM C. ANDERSON
LICENSED
LS-1527
2019-02-08
KANSAS
LAND SURVEYOR

Sheet:	Drawn By:	Project No:	Field Date:	Issue Date:	Project:	Client:	
2 OF 2	BAS/JS	026900	2018/11/30	2019/02/08	EXHIBIT GROCERY STORE CORNER OF 5TH STREET & MINNESOTA AVE	UNIFIED GOVERNMENT OF WYCO AND KANSAS CITY, KANSAS 701 N. 7TH STREET, SUITE 712 KANSAS CITY, KANSAS 66101	BHC RHODES Civil Engineering • Surveying • Utilities 712 State Avenue Kansas City, KS 66101 p. (913) 371-5300 f. (913) 371-2677 BHCRHODES is a trademark of Brungardt Honomichl & Company, P.A.

EXHIBIT C
PROJECT AREA 1

BOUNDARY DESCRIPTION

A Tract of land being a part of Lot 2, CENTER CITY, a subdivision of land recorded May 26, 1978 in Plat Book 33 at Page 56 in Kansas City, Wyandotte County, Kansas, and a portion of the adjacent street Right-of-Way's for 5th Street and Minnesota Avenue, said Tract being more particularly described by Steven C. Shafer, PLS 852 of BHC RHODES, CLS 175, by metes and bounds as follows:

(Note: For Course Orientation the bearings in this description are based on the platted bearings for the plat of CENTER CITY.)

BEGINNING at the Southeast corner of said Lot 2;

Thence South 87° 49' 09" West, 335.22 feet, on the South line of said Lot 2;

Thence North 2° 10' 51" West, 132.02 feet, to a point on the North line of said Lot 2 and the South Right-of-Way line of Minnesota Avenue as now established;

Thence North 2° 10' 51" West, 18.00 feet, to a point;

Thence North 87° 48' 09" East, 305.18 feet, on a line 18.00 feet North of and parallel with the North line of said Lot 2;

Thence North 2° 11' 51" West, 8.00 feet, to a point;

Thence North 87° 48' 09" East, 46.04 feet, on a line 26.00 feet North of and parallel with the North line of said Lot 2;

Thence South 2° 10' 50" East, 158.12 feet, on a line 16.00 feet East of and parallel with the East line of said Lot 2 and the West right of way line of 5th Street;

Thence South 87° 49' 09" West, 16.00 feet, to the POINT OF BEGINNING of the Tract herein described, said Tract containing 53,075 square feet or 1.2184 acres more or less.

STEVEN C. SHAFER LICENSED LS-852 1/4/19 KANSAS LAND SURVEYOR

Jan 04, 2019 - 2:50pm Plotted by: baron.schultheis I:\026900 501-525 Minnesota Ave KCK\DWG\Survey\026900-TIF DESCRIPTION EXHIBIT.dwg

Sheet: 2 OF 2	Drawn By: BAS	Project No: 026900	Field Date: 2018/11/30	Issue Date: 2019/01/04	Project: EXHIBIT C PROJECT AREA 1	Client: UNIFIED GOVERNMENT OF WYCO AND KANSAS CITY, KANSAS 701 N. 7TH STREET, SUITE 712 KANSAS CITY, KANSAS 66101

BHC RHODES
Civil Engineering • Surveying • Utilities
712 State Avenue Kansas City, KS 66101
p. (913) 371-5300 f. (913) 371-2677

Exhibit D

(Published in *The Wyandotte Echo on October 18,* 2018)

ORDINANCE NO. O-41-18

AN ORDINANCE MAKING CERTAIN FINDINGS AND ESTABLISHING THE DOWNTOWN GROCERY REDEVELOPMENT DISTRICT

WHEREAS, K.S.A. 12-1770 *et seq.*, as amended (the "Act"), provides for the creation of redevelopment districts and the approval of redevelopment plans, and permits the issuance of tax increment bonds in accordance with the terms of the Act; and

WHEREAS, the Downtown Grocery Redevelopment District (the "Redevelopment District") consists of an area located within the boundaries of Kansas City, Kansas described on the attached **Exhibit A** and generally delineated on the map attached as **Exhibit B**, and which is generally described as an area located between 5th Street and 6th Street, and in between Minnesota Avenue and Armstrong Avenue in Wyandotte County, Kansas City, Kansas; and

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") desires to promote, stimulate, and develop the general and economic welfare of Kansas City, Kansas and to assist in the development and redevelopment of eligible areas within Kansas City, Kansas, thereby promoting the general welfare of the citizens of the Unified Government; and

WHEREAS, pursuant to the provisions of the Act, the Unified Government is authorized to establish redevelopment districts within eligible areas of Kansas City, Kansas, as those terms are defined in the Act, to approve redevelopment district plans for the completion of redevelopment projects within such redevelopment districts, and to finance all or a portion of redevelopment project costs from tax increment revenues and various fees collected within such redevelopment district, revenues derived from redevelopment projects, revenues derived from local sales taxes, other revenues described in the Act, or a combination thereof, or from the proceeds of full faith and credit tax increment bonds of the Unified Government payable from such described revenues; and

WHEREAS, the Unified Government desires to create the Downtown Grocery Redevelopment District.

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

Section 1. It is hereby found that pursuant to the authority granted by the Act, the Unified Government adopted Resolution No. R-38-18 on August 30, 2018 (the "Resolution"), giving notice of a public hearing to consider the establishment of a redevelopment district to be known as the Downtown Grocery Redevelopment District, and all required notices under the Act were properly and timely given.

Section 2. A public hearing was held on October 11, 2018, with presentation of the above-described Redevelopment District's boundaries and an opportunity for all interested persons to be heard, and the Board of Commissioners of the Unified Government (the "Governing Body") hereby finds that the real property described in **Exhibit A** and generally depicted on **Exhibit B**, attached hereto, is the same real property designated in the notice of public hearing given as required by the Act and the Resolution.

Section 3. The Governing Body hereby finds that the real property described in **Exhibit A** and generally depicted on **Exhibit B**, attached hereto, is an eligible area for being designated as a redevelopment district pursuant to the Act because the real property is an area within the Unified Government that was designated as an enterprise zone prior to July 1, 1992 by Resolution No. 37415, attached hereto as **Exhibit C**.

Section 4. The Governing Body hereby finds that the conservation, development, or redevelopment of the Redevelopment District is necessary to promote the general and economic welfare of the Unified Government.

Section 5. The Governing Body hereby approves the district plan for the Redevelopment District, which is attached hereto as **Exhibit D** and incorporated herein by reference (the "District Plan").

Section 6. The Governing Body, having considered and reviewed the proposed Redevelopment District and District Plan, hereby approves and establishes the Downtown Grocery Redevelopment District.

Section 7. The Mayor/CEO, County Administrator, and other officials and employees of the Unified Government, including the County Attorney, and the Unified Government's Financial Advisor and Bond Counsel, are hereby further authorized and directed to take such other action as may be appropriate or desirable to accomplish the purpose of this Ordinance.

Section 8. The Act authorizes the issuance by the Unified Government of bonds to finance all or a portion of the costs of implementing the District Plan.

Section 9. This Ordinance shall be in full force and effect and take effect from and after its passage, approval, and publication in the *Wyandotte Echo*.

PASSED BY THE MAJORITY OF THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS 11th DAY OF OCTOBER 2018.

By: ______________________
David Alvey, Mayor/CEO

ATTEST:

Exhibit D

By: ______________________
Unified Government Clerk

EXHIBIT A

All the original block 131 of Wyandotte City and the north vacated 4 feet of right of way along Armstrong Avenue from 5th to 6th street, along with half of the dedicated right of way adjacent to 5th street, 6th street, Minnesota Avenue and Armstrong Avenue, in the City of Kansas City, Wyandotte County, Kansas, being described as follows.

Beginning at a point that is 40 feet west and 40 feet south of the original southwest corner of Voss Subdivision, a resurvey of the original Lots 25, 26, 27, Block 131 of Wyandotte City, a subdivision of land in Kansas City, Wyandotte County, Kansas, also being 36 feet south of the north 4 feet of vacated right of way along Armstrong Avenue, said point being at the intersection of 6th street and Armstrong Avenue centerlines as said roads now exists.

Thence north along the centerline of said 6th street being 40 feet distant and parallel to the west line of said subdivision and the east right of way line of said 6th street, to the point of intersection with the east-west centerline of Minnesota Ave, as said road now exists, said point being 40 feet west and 50 north of the northwest corner of said Voss subdivision.

Thence east along said east-west centerline 50 feet distant and parallel to the south right of way line of Minnesota Ave said line also being the north line of Voss subdivision and Lot 2, Center City, a partial replat of blocks 95, 96, 97, 109, 110, 115 and 131 of Wyandotte City, a subdivision of land in Kansas City, Wyandotte County, Kansas, to a point of intersection with the north-south centerline of 5th street as said road now exists, said point being 50 feet north and 40 feet east of the northeast corner of said Lot 2, Center City.

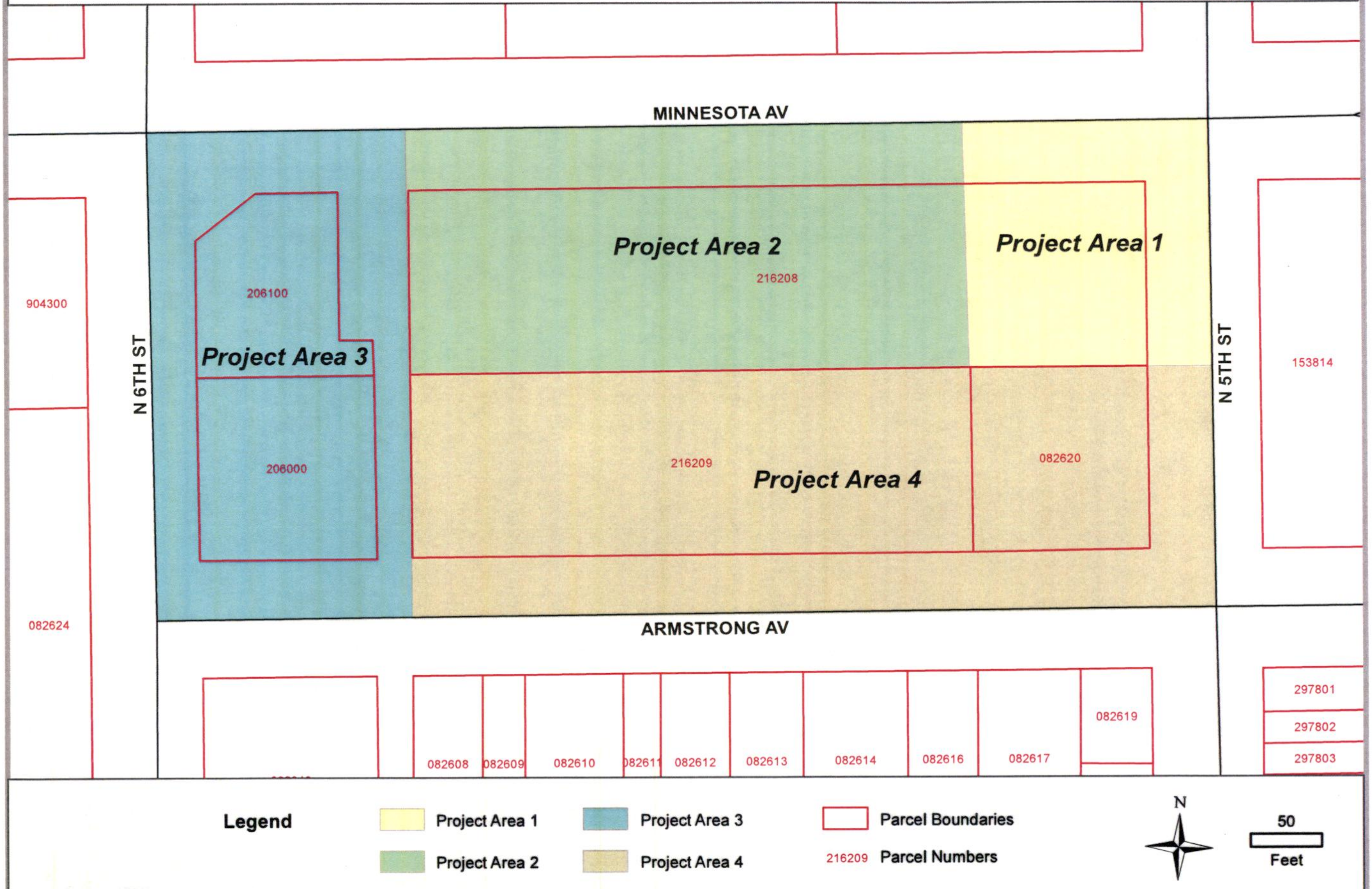
Thence south along the north-south centerline 40 feet distant and parallel to the west right of way line of 5th street said line also being the east line of Lot 2 Center City and Lot 48, Block 131 of Wyandotte City, to the point of intersection with the east-west centerline of Armstrong Avenue, said point being 40 feet east and 40 feet south of the original southeast corner of Lot 48 Block 131, Wyandotte City, also being 36 feet south of the north 4 feet of vacated right-of-way along Armstrong Avenue.

Thence west along said east-west centerline 36 feet distant and parallel to the north right of way line of Armstrong Avenue, said line being 4 feet south of the original south line of Block 131, Wyandotte City, to the Point of Beginning of the herein described tract of land.

Exhibit D

Exhibit B

Downtown Grocery Redevelopment District - Depiction of Project Areas



Note: This map and its contents are for general informational purposes only.

Prepared by Unified Government of Wyandotte County/Kansas City, KS - Research Division; Published 10/4/2018.

X:\ESRI _ from Happi\ESRI\Arcview_shp\tif_2018\Downtown_Grocery_Project_areas_v2.mxd

Econ Dev.

Exhibit D

RESOLUTION NUMBER: 37415

WHEREAS, Zones A,B,C,D,E,F,G,H,I,J,Q,Y, and Z as delineated on the map attached as Exhibit A are fully in the corporate limits of Kansas City, Kansas; and

WHEREAS, the boundary of each zone is continuous and includes vacant or underutilized land or buildings which are easily accessible to residents of the area; and

WHEREAS, the total combined area of these zones is 27.7474 square miles which is 24.90% of the land area of the City; and

WHEREAS, these thirteen (13) zones have total combined population of 17,533 persons which is 10.880% of the total 1980 City population; and

WHEREAS, all thirteen (13) zones are wholly within a city which meets the requirements for federal assistance under Section 119 of the Housing and Community Development Act of 1974; and

WHEREAS, the City Council has considered the eligibility requirements and certifies the correctness of supporting evidence; and

WHEREAS, the City Attorney has opined that each zone conforms to KSA 1989 Supp. 12-17,109 et seq. which outlines the criterium for designation as an enterprise zone.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF KANSAS CITY, KANSAS THAT:

1. The thirteen (13) zones as shown in Exhibit A and designated as A,B,C,D,E,F,G,H,I,J,Q,Y, and Z are hereby in conformity with KSA 1989 Supp. 12-17,109 et seq. declared to be Enterprise Zones of the City of Kansas City, Kansas; and

2. The area defined herein meets the requirements for designation as an enterprise zone; and

KANSAS DEPARTMENT OF COMMERCE
'91 AUG PM 4 31

3. The Secretary of the Kansas Department of Commerce is hereby requested to approve these areas as authorized enterprise zones consistent with Kansas Statues Annotated; and

4. Resolution Number 37202 of September 20, 1990 establishing certain parts of the City of Kansas City, Kansas as an enterprise zone shall be rescinded upon approval of this resolution by the Secretary of the Kansas Department of Commerce.

ADOPTED BY THE CITY COUNCIL OF THE CITY OF KANSAS CITY, KANSAS ON THIS 1st DAY OF august, 1991.

Tom G. Roberts

TOM G. ROBERTS, CITY CLERK

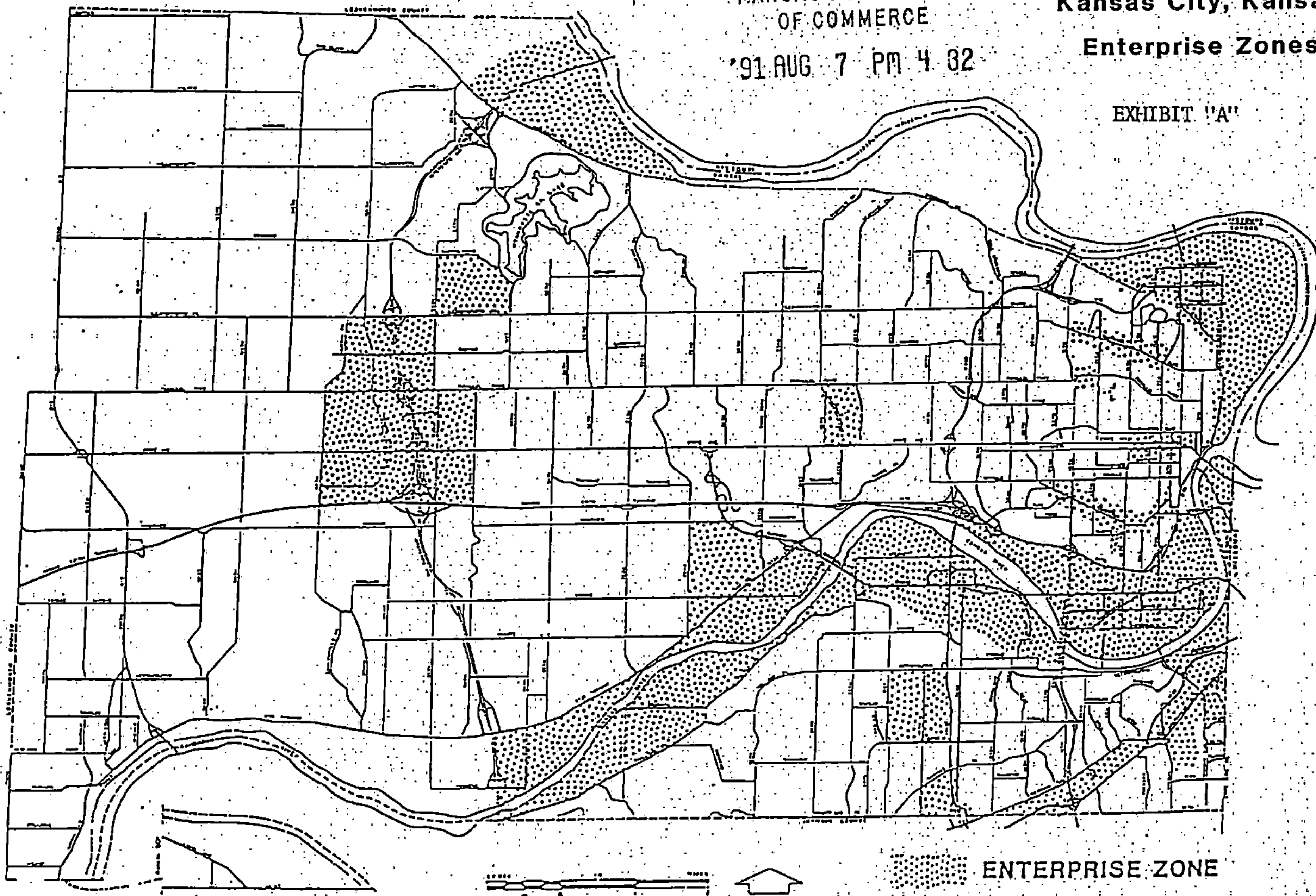
KANSAS DEPARTMENT OF COMMERCE
'91 AUG 7 PM 4 31

Exhibit D

KANSAS DEPARTMENT
OF COMMERCE
'91 AUG 7 PM 4 32

Kansas City, Kansas
Enterprise Zones

EXHIBIT "A"



91-593
Recd 8/7/91
Apprd 8/14/91
24.9%

Exhibit D

KANSAS DEPARTMENT OF COMMERCE
91 AUG 7 PM 4 32

Kansas City, Kansas
Enterprise Zone
Description of Zone

Zone A

An area beginning on the SE corner of I-70 and 110th Street and proceeding north on 110th Street to Hutton Road and continuing north on Hutton Road to Leavenworth Road, then continuing east on Leavenworth Road to 99th Street, then south on 99th Street to Parallel Parkway, then east on Parallel Parkway to 94th Street, then south on 94th Street to I-70, and then west on I-70 to the point of beginning.

ZONE C

That portion of US census tract 446.02 which lies to the east of Conner Creek, more particularly described as the area beginning on NE corner of Wolcott Drive and Conner Creek and proceeding north along Conner Creek to the Missouri River, then southeasterly along the south side of the Missouri River to the Missouri Pacific RR tracks, then northwesterly along the Missouri Pacific RR tracks to Wolcott Drive,then northwesterly along Wolcott Drive to the point of beginning.

ZONE D

An area beginning on the SE corner of the north side of the Kansas River and the City limits and proceeding north along the City limits to Kaw Drive, then east along Kaw Drive to 72nd Street,then north on 72nd Street to Kansas Avenue, then east along Kansas Avenue to Kaw Drive, then east along Kaw Drive to the Turner Diagonal, then south along the Turner Diagonal to the Kansas River, then southwesterly along the north side of the Kansas River to the point of beginning.

ZONE E

An area beginning on the SE corner of Holiday Drive and I-435, then proceeding north along I-435 to the Kansas River, then easterly along the south side of the Kansas River to the 18th Street Expressway, then south along the 18th Street Expressway to the southern boundary of the Santa Fe RR yard, then west along this southern boundary of the Santa Fe RR yard to 55th Street, then south on 55th Street to Inland Drive, then west on Inland Drive to 70th Street, then south on 70th Street to Holiday Drive, then west along Holiday Drive to the point of beginning.

\# 91-593
Recd 8/7/91 Exhibit D
Appvd 8/14/91
24.9%

KANSAS DEPARTMENT
OF COMMERCE

'91 AUG 7 PM 4 32

ZONE F 1

An area beginning on the SE corner of Kansas Avenue and the Kansas River, then proceeding north along the east bank of the Kansas River to the State Line, then south along the State Line to Kansas Avenue. then west along Kansas Avenue to the point of beginning.

ZONE F 2

An area beginning on the SE corner of the west bank of the Kansas River and the Missouri Pacific RR tracks, then proceeding northwestly along the Missouri River RR tracks to I-635, then north along I-635 to the Missouri River, then easterly along the south bank of the Missouri River to the north bank of the Kansas River.

ZONE F 4

An area beginning on the SE corner I-635 and the north bank of the Kansas River, then proceeding north along I-635 to Kaw Drive, then east along Kaw Drive to the east bound ramp of I-70, then east along this east bound ramp to I-70, then east along I-70 to Central Avenue, then east along Central Avenue to the west bank of the Kansas River, then south and west along the west (north) bank of the Kansas River to the point of beginning.

ZONE G 1

An area beginning on the SE corner of I-635 and the County Line, then proceeding north along I-635 to Shawnee Drive, then east along Shawnee Drive to 42nd Street, then south along 42nd Street to Oliver, then east on Oliver to 39th Street, then south on 39th Street to the County Line, then west along the County Line to the point of beginning.

KANSAS DEPARTMENT
OF COMMERCE

'91 AUG 7 PM 4 32

ZONE G 2

An area beginning on the SE corner County Line Road and 47th Street, then proceeding north along 47th Street to Shawnee Drive, then east along Shawnee Drive to I-635, then south along I-635 to County Line Road, then west along County Line Road to the point of beginning.

ZONE G 3

An area beginning on the SE corner of Gibbs Road and 49th Street, then proceeding north along 49th Street to Metropolitan Avenue, then east along Metropolitan Avenue to I-635, then south along I-635 to Gibbs Road, then west along Gibbs Road to the point of beginning.

ZONE H

An area beginning on the SE corner of State Avenue and 59th Street, then proceeding north along 59th Street to Meadowlark Lane, then north on Meadowlark Lane to Parallel Parkway, then east on Parallel Parkway to 55th Street, then south on 55th Street to State Avenue, then west on State Avenue to the point of beginning.

ZONE Q 1

An area beginning on the SE corner of Yecker Avenue and 18th Street, then proceeding north along 18th Street to Getty, then north on Getty to Rosewell, then east on Rosewell to Hutchins, then south on Hutchins to Kimball, then east on Kimball to Hiawatha, then north on Hiawatha to Webster, then east on Webster to Cissina, then south on Cissina to Kimball, then east on Kimball to 17th Street, then north on 17th Street to Webster, then east on Webster to 16th Street, then south on 16th Street to Kimball, then east on Kimball to 12th Street, then north on 12th Street to Webster, then east on Webster to Bethany, then south of Bethany to Laurel, then east on Laurel to 10th Street, then south on 10th Street to Quindaro Blvd., then east on Quindaro Blvd. to 9th Street, then north on 9th Street to Georgia, then east on Georgia to 8th Street, then south on 8th Street to Cleveland, then east on Cleveland to 7th Street, then south on 7th Street to Haskell, then east on Haskell to 7th Street Trafficway, then south on 7th Street Trafficway to Greeley, then west on Greeley to 8th Street, then north on 8th Street to Waverly, then west on Waverly to Early Street, then north on Early to Waverly, then west on Waverly to 9th Street, then north on 9th Street to Haskell, then west on Haskell to 10th Street, then north on 10th Street to Cleveland, then west on Cleveland to 12th Street, then north on 12th Street to Georgia, then west on Georgia to 13th Street, then north on 13th Street to Yecker, then West on Yecker to the point of beginning.

ZONE Q 2

An area beginning on the SE corner of 26th Street and Grandview Blvd, then proceeding north on 26th Street to Orville, then east on Orville to 21st Street, then south on 21st Street to Grandview Blvd., then east on Grandview Blvd. to 16th Street, then south on 16th Street to Park Drive, then east on Park Drive to Thorpe, then south on Thorpe to Reynolds, then east on Reynolds to 11th Street, then south on 11th Street to Calvin, then east on Calvin to 10th Street, then south on 10th Street to Ridge, then east on Ridge to Boeke, then north on Boeke to Lyons, then east on Lyons to 9th Street, then south on 9th Street to Ridge, then east on Ridge to Lyons, then east on Lyons to to 6th Street Trafficway, then north on 6th Street Trafficway to Reynolds, then east on Reynolds to 6th Street, then south on 6th Street to Lowell, then west on Lowell to Tremont, then north on Tremont to Sumner, then west on Sumner to 7th Street, then south on 7th Street to Lowell, then west on Lowell to Coy, then south on Coy to Pacific, then west on Pacific to Mill, then south on Mill to Homer, then west on Homer to 9th Street, then north on 9th Street to Pacific, then west on Pacific to 10th Street, then north on 10th Street to Lowell, then west on Lowell to 12th Street, then north on 12th Street to Ridge, then west on Ridge to 15th Street, then north on 15th Street to Wilson Blvd., then west on Wilson Blvd. to 19th Street, then north on 19th Street to Park Drive, then west on Park Drive to 24th Street, then north on 24th Street to Grandview Blvd., then west on Grandview Blvd. to the point of beginning.

Exhibit D

KANSAS DEPARTMENT
OF COMMERCE

'91 AUG 7 PM 4 32

ZONE Q 3

An area beginning on the SE corner of 18th Street and Troup, then proceeding north on 18th Street to Greeley, then east on Greeley to 13th Street, then south on 13th Street to Troup, then west on Troup to the point of beginning.

Also an area beginning on SE Corner of 10th Street & Gilmore Avenue, then proceeding North on 10th Street to Lowell Avenue then west on Lowell Avenue to 11th Street, then south on 11th Street to Gilmore Avenue, then east on Gilmore to the point of beginning.

ZONE Y

An area beginning on the SE corner of 10th Street and Ann Avenue, then proceeding north on 10th Street to Washington Blvd., then east on Washington Blvd. to Minnesota Avenue, then west on Minnesota Avenue to 4th Street, then south on 4th Street to Ann Avenue, then west on Ann Avenue to the point of beginning.

ZONE Z

An area beginning on the SE corner of the County Line and Merriam Lane then proceeding east on Merriam Lane to Southwest Blvd., then east on Southwest Blvd. to I-35, then northeasterly along I-35 to 7th Street, then north on 7th Street to the south bank of the Kansas River, then north along the Kansas River to Kansas Avenue, then east on Kansas Avenue to the State Line, then south along the State Line to 36th Avenue, then west on 36th Avenue to Rainbow Blvd. then north on Rainbow Blvd. to Rainbow Ext., then northwesterly along Rainbow Ext. to Booth, then south on Booth to Springfield, then south on Springfield to 41st Avenue, then west on 41st Avenue to Fisher, then north on Fisher to 40th Terr., then west on 40th Terr. to 40th Avenue, then northwesterly on 40th Avenue to Thompson, then south on Thompson to 40th Terr., then west on 40th Terr. to Mission Road, then north on Mission Road to I-35, then west along I-35 to 18th Street Expressway, then south on 18th Street Expressway to the County Line, then west along the County Line to the point of beginning.

Exhibit D

ZONE I

An area beginning on the NE corner of Kansas Avenue and 72nd Street, then proceeding north on 72nd Street to Riverview Avenue, then east on Riverview Avenue to the Turner Diagonal, the southeasterly along the Turner Diagonal to 65th Street, then south along 65th Street to Kaw Drive (K-32 Hwy.) then southwesterly along Kaw Drive to Kansas Avenue, then west along Kansas Avenue to the point of beginning.

ZONE J

An area beginning on the SW corner of 18th Street and Metropolitan Avenue, then proceeding north on 18th Street to the southern boundary of the Santa Fe Railroad Yard, then west along the southern boundary of the Santa Fe Railroad Yard to 25th Street, then south on 25th Street to Strong Avenue, then east on Strong Avenue to 24th Street, then south on 24th Street to Metropolitan Avenue, then east on Metropolitan Avenue to the point of beginning.

ZONE B

An area beginning on the SW corner of 91st Street and Leavenworth Road, then proceeding north along 91st Street to State Highway 5, then northwesterly on State Highway 5 to Hurrelbrink Road, then west on Hurrelbrink Road to 99th Street, then south on 99th Street to Leavenworth Road, then east on Leavenworth Road to the point of beginning.

EXHIBIT D

DISTRICT PLAN

The Redevelopment District will consist of four (4) project areas, and a general description of the buildings, facilities and improvements that are proposed to be constructed or improved in each redevelopment district project area is as follows:

- Project Area 1 (located generally in the northeast portion of the Redevelopment District, consisting of approximately the eastern one-third section of Parcel No. 216208 and the adjacent streets of Minnesota Ave. and 5th Street to the centerline) – One or more buildings to be utilized for a mixture of uses, including a grocery store, retail, and apartments, along with such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), land acquisition, and other associated and appurtenant structures and facilities, and any other items allowable under the Act.

- Project Area 2 (located generally in the north-central portion of the Redevelopment District, consisting of approximately the western two-thirds of Parcel No. 216208 and the adjacent street of Minnesota Ave. to the centerline) – One or more buildings to be utilized for some or all of the following uses, without limitation: commercial uses, mixed use commercial retail, restaurant uses, and any other commercial structure or use (including but not limited to, office, non-profit, governmental, or community use), residential uses including apartment uses, and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), land acquisition, and other associated and appurtenant structures and facilities, and any other items allowable under the Act.

- Project Area 3 (located generally in the western portion of the Redevelopment District, consisting of Parcel No. 206100, Parcel No. 206000 and the adjacent streets of Minnesota Ave. and 6th Street to the centerline) – One or more buildings to be utilized for some or all of the following uses, without limitation: commercial uses, mixed use commercial retail, restaurant uses, and any other commercial structure or use (including but not limited to, office, non-profit, governmental, or community use), residential uses including apartment uses, and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), land acquisition, and other associated and appurtenant structures and facilities, and any other items allowable under the Act.

- Project Area 4 (located generally in the south-central and southeast portion of the Redevelopment District, consisting of Parcel No. 216209 and Parcel No. 082620 and the adjacent streets of Armstrong Ave. and 5th Street to the centerline) – One or more buildings to be utilized for some or all of the following uses, without limitation: commercial uses, mixed use commercial retail, restaurant uses, and any other commercial structure or use (including but not limited to, office, non-profit, governmental, or community use), residential uses including apartment uses, and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), land acquisition, and other associated and appurtenant structures and facilities, and any other items allowable under the Act.

PUBLIC HEARING AGENDA ITEM NO. 1

Staff Request for Commission Action

Tracking No. 18450

Full Commission Meeting Date: October 11, 2018

Committee: Full Commission

Date of Standing Committee Action: August 20, 2018
(If none, please explain):

Publication Required: Yes 10/18/2018

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
10/05/2018	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:
Conduct a public hearing and consider an ordinance creating the Downtown Grocery Redevelopment District.

Action Requested:
Conduct a public hearing and adopt an ordinance creating the Downtown Grocery Redevelopment District.

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Downtown Grocery - TIF District Ordinance - final copy, Exhibit A - Legal Description, Exhibit B - Depiction of Project Areas, Exhibit C - Resolution 37415, Exhibit D - District Plan

Staff Request for Commission Action

Tracking No. 19650

Full Commission Meeting Date: 4/11/19
Committee: Economic Development & Finance

Date of Standing Committee Action: 4/1/19 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
3/20/2019	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:
A Resolution authorizing the creation of two Kansas nonprofit corporations and application to the IRS for status as exempt organizations under 501(c)(3).

Action Requested:
Approve and advance to April 11 full Comission

Budget Impact: (if applicable)
Amount:
Source:
Included In Budget:
Other (explain):

Attachments List:
Resolution Authorizing Nonprofit Corporations, KCK 501 Minnesota - KS, KCK 501 Minnesota ALL - KS

RESOLUTION NO. R__________

A RESOLUTION AUTHORIZING THE CREATION OF TWO KANSAS NONPROFIT CORPORATIONS AND APPLICATION TO THE INTERNAL REVENUE SERVCIE FOR STATUS AS EXEMPT ORGANIZATIONS UNDER SECTION 501(c)(3) OF THE INTERNAL REVENUE CODE

WHEREAS, the Board of Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government") has determined that it is in the best interest of the development of the Unified Government that the Unified Government (a) create a Kansas nonprofit corporation (the "Borrower Corporation") in accordance with the Kansas Charitable Organizations and Solicitations Act for the purpose of acquiring, developing, and operating certain real property located at 501 Minnesota Avenue, Kansas City, Kansas 66101 in order to facilitate New Markets Tax Credit financing pursuant to Section 45D of the Internal Revenue Code of 1986, as amended from time to time, and (b) make application to the Internal Revenue Service for a determination that the Borrower Corporation is a qualified 501(c)(3) organization; and

WHEREAS, the Unified Government has determined that it is in the best interest of of the development of the Unified Government that the Unified Government (a) create a second Kansas nonprofit corporation (the "ALL Corporation," and together with the Borrower Corporation, the "Corporations") in accordance with the Kansas Charitable Organizations and Solicitations Act for the purpose of providing a loan to an affiliate of the ALL Corporation in connection with the New Markets Tax Credit financing, and (b) make application to the Internal Revenue Service for a determination that the ALL Corporation is a qualified 501(c)(3) organization; and

WHEREAS, the Boards of Directors of the Corporations may be comprised of members, from time to time, of the Unified Government and other persons;

NOW THEREFORE, BE IT RESOLVED by the Members of the Commission as follows:

1. That the County Administrator is authorized and directed to approve, execute, and cause to be filed such documents as are necessary to create the Corporations, including but not limited to the Articles of Incorporation for the Corporations in substantially the same form as attached hereto.

2. That the County Administrator is authorized and directed to approve and submit applications to the Internal Revenue Service for 501(c)(3) status for the Corporations.

3. That the Mayor/CEO, County Administrator, and other officers, agents, and employees of the Unified Government are hereby further authorized and directed to take such further action as may be appropriate or desirable to accomplish the purpose of this Resolution.

4. This Resolution shall take effect and be in full force immediately after its adoption by the Government Body of the Unified Government.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS 11TH DAY OF APRIL, 2019.

____
Unified Government Clerk

ARTICLES OF INCORPORATION OF THE CORPORATIONS

(attached)

CN
51-02

KANSAS SECRETARY OF STATE
Not-For-Profit Corporation
Articles of Incorporation

GENERAL FILING INSTRUCTIONS

All information on the articles of incorporation **must be complete** and accompanied by **the correct filing fee** or the document will **not** be accepted for filing.

Save time and money by filing your articles of incorporation online at **www.sos.ks.gov**. There, you can also stay up-to-date on your organization's status, annual report due date, and contact addresses.

☐ **Filing fee**	The filing fee for this document is **$20**.
☐ **Payment**	Please submit payment by check, money order, or credit card. Checks and money orders need to be made payable to the Secretary of State. Forms received without the appropriate fee will not be accepted for filing. **Please do not send cash.** **NOTICE: There is a $25 service fee for all checks returned by your financial institution.** Visa, MasterCard, Discover, and American Express are accepted. To use a credit card, please provide the following information: **Credit card number** ______________________________ **Billing zip code** ________________ **Expiration date** ________________
☐ **Daytime phone**	______________________________
☐ **Fax filing available**	Documents may be fax filed for a processing fee of **$20 in addition** to the normal filing fee. Include contact name, daytime phone number, credit card number, credit card expiration date and billing zip code. Fax documents and payment information to **Business Services, 785-296-4570**. Faxed documents will receive that day's file date if they are without errors and received prior to 4 PM CST. Processed documents will be returned by mail. You may request a file-stamped copy be faxed for an additional $1 per page. Fax filing does not guarantee same day activation or return faxing.
☐ **Corporation name**	A word of incorporation must be included in the name per K.S.A. 17-6002. Kansas statutes can be reviewed at **www.ksrevisor.org**.
☐ **Resident agent**	The resident agent is a person or entity that is authorized to accept service of process (lawsuits) on behalf of the business entity. This does not necessarily mean that the agent himself/herself is being sued, but that he/she has the authority and responsibility to accept service of process on behalf of the business.
☐ **Registered office**	The registered office is the address where the resident agent is located.
☐ **Incorporators**	An incorporator can be either an individual or a business. This person or entity is responsible for the formation of the business created by this filing. The incorporator is not necessarily the owner and his/her role in the business may cease as soon as the filing is made.
☐ **501(c)(3) status**	If the entity intends to seek 501(c)(3) status with the IRS, include the IRS-compliant 501(c)(3) articles addendum page.
☐ **No duplicate copies**	Please do not send duplicate copies of your document. The original is processed, and returned to you by mail.
☐ **Public Information**	All information filed with our office is available to the public, and much of it may be viewed online without cost. Please consider this when providing information on our forms.

Please proceed to form.

CN 51-02

KANSAS SECRETARY OF STATE

Not-For-Profit Corporation Articles of Incorporation

Memorial Hall, 1st Floor
120 S.W. 10th Avenue
Topeka, KS 66612-1594

(785) 296-4564
kssos@ks.gov
www.sos.ks.gov

Print | Reset

Please complete the form, print, sign and mail to the Kansas Secretary of State with the filing fee. Selecting 'Print' will print the form and 'Reset' will clear the entire form.

Instructions: All information must be completed or this document will not be accepted for filing.

1. Name of corporation

KCK 501 Minnesota, Inc.

2. Name of resident agent and address of registered office in Kansas

Must be a Kansas street address. A P.O. Box is unacceptable.

Name: The Corporation Company, Inc.
Street Address: 112 South West Seventh Street, Suite 3C
City: Topeka | State: KS | Zip: 66603

3. Mailing address

Address will be used to send official mail from the Secretary of State's Office.

Attention Name: Unified Government Clerk
Address: 701 North 7th Street, 3rd Floor
City: Kansas City | State: KS | Zip: 66101 | Country: USA

4. Tax closing month

December

5. Nature of corporation's business of purpose

to engage in any lawful business for which a not-for-profit corporation may be organized under the laws of the State of Kansas.

6. Will this corporation have the authority to issue capital stock?

☐ Yes ☒ No

If **yes**, the total number of shares authorized:

Shares	Stock	Class	Par Value
			/ea.
			/ea.
			Without Nominal or Par Value
			Without Nominal or Par Value

If applicable, state any designations, powers, rights, limitations, or restrictions applicable to any class or any special grant of authority to be given to the board of directors.

7. Are the conditions of membership fixed by bylaws

☒ Yes ☐ No

If **no**, state the conditions of membership:

 K.S.A. 17-6002
Rev. 6/13/17 tc

Please continue to next page.

8. Name and mailing address of each incorporator

Do not leave blank. If additional space is needed, please provide attachment.

Name 1			
Douglas G. Bach			
Address			
701 North 7th Street, Suite 945			
City	**State**	**Zip**	**Country**
Kansas City	KS	66101	USA
Name 2			
Address			
City	**State**	**Zip**	**Country**

9. Name and mailing address of each member of board of directors

This must be completed if incorporator's power terminates once document is filed. If additional space is needed, please provide attachment.

Name 1			
Douglas G. Bach			
Address			
c/o Unified Government Clerk, 701 North 7th Street, 3rd Floor			
City	**State**	**Zip**	**Country**
Kansas City	KS	66101	USA
Name 2			
Kathleen VonAchen			
Address			
c/o Unified Government Clerk, 701 North 7th Street, 3rd Floor			
City	**State**	**Zip**	**Country**
Kansas City	KS	66101	USA

10. Duration of corporation

- ☒ Perpetual
- ☐ Date corporation will cease: Month ____ Day ____ Year ____

11. Effective date

Must be within 90 days of filing.

- ☒ Upon filing
- ☐ Future effective date: Month ____ Day ____ Year ____

12. I/We declare under penalty of perjury pursuant to the laws of the state of Kansas that the foregoing is true and correct.

Signatures must correspond exactly to names of incorporators listed in Question 8.

Signature of Incorporator	Month	Day	Year
Signature of Incorporator	Month	Day	Year

Please review to ensure completion.

CN
Add.

KANSAS SECRETARY OF STATE

IRS Compliant 501c3 Article Provisions

Addendum

This corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Upon the dissolution of the corporation, after paying or making provisions for the payment of all the legal liabilities of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Third hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

<u>KCK 501 MINNESOTA, INC.</u>

Articles of Incorporation

Addendum

Board of Directors – Additional Members

<u>Name 3</u>:

Katherine Carttar
c/o Unified Government Clerk
701 North 7^{th} Street, 3^{rd} Floor
Kansas City, KS 66101 USA

<u>Name 4</u>:

Jeff Fisher
c/o Unified Government Clerk
701 North 7^{th} Street, 3^{rd} Floor
Kansas City, KS 66101 USA

<u>Name 5</u>:

Jason Norbury
c/o Unified Government Clerk
701 North 7^{th} Street, 3^{rd} Floor
Kansas City, KS 66101 USA

CN 51-02	KANSAS SECRETARY OF STATE **Not-For-Profit Corporation Articles of Incorporation**

GENERAL FILING INSTRUCTIONS

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Save time and money by filing your articles of incorporation online at **www.sos.ks.gov**. There, you can also stay up-to-date on your organization's status, annual report due date, and contact addresses.

☐ **Filing fee**	The filing fee for this document is **$20**.
☐ **Payment**	Please submit payment by check, money order, or credit card. Checks and money orders need to be made payable to the Secretary of State. Forms received without the appropriate fee will not be accepted for filing. **Please do not send cash.** **NOTICE: There is a $25 service fee for all checks returned by your financial institution.** Visa, MasterCard, Discover, and American Express are accepted. To use a credit card, please provide the following information: **Credit card number** ______________________________ **Billing zip code** ______________ **Expiration date** ______________
☐ **Daytime phone**	______________________________
☐ **Fax filing available**	Documents may be fax filed for a processing fee of **$20 in addition** to the normal filing fee. Include contact name, daytime phone number, credit card number, credit card expiration date and billing zip code. Fax documents and payment information to **Business Services, 785-296-4570**. Faxed documents will receive that day's file date if they are without errors and received prior to 4 PM CST. Processed documents will be returned by mail. You may request a file-stamped copy be faxed for an additional $1 per page. Fax filing does not guarantee same day activation or return faxing.
☐ **Corporation name**	A word of incorporation must be included in the name per K.S.A. 17-6002. Kansas statutes can be reviewed at **www.ksrevisor.org**.
☐ **Resident agent**	The resident agent is a person or entity that is authorized to accept service of process (lawsuits) on behalf of the business entity. This does not necessarily mean that the agent himself/herself is being sued, but that he/she has the authority and responsibility to accept service of process on behalf of the business.
☐ **Registered office**	The registered office is the address where the resident agent is located.
☐ **Incorporators**	An incorporator can be either an individual or a business. This person or entity is responsible for the formation of the business created by this filing. The incorporator is not necessarily the owner and his/her role in the business may cease as soon as the filing is made.
☐ **501(c)(3) status**	If the entity intends to seek 501(c)(3) status with the IRS, include the IRS-compliant 501(c)(3) articles addendum page.
☐ **No duplicate copies**	Please do not send duplicate copies of your document. The original is processed, and returned to you by mail.
☐ **Public Information**	All information filed with our office is available to the public, and much of it may be viewed online without cost. Please consider this when providing information on our forms.

Please proceed to form.

CN 51-02	KANSAS SECRETARY OF STATE **Not-For-Profit Corporation Articles of Incorporation**

Memorial Hall, 1st Floor
120 S.W. 10th Avenue
Topeka, KS 66612-1594

(785) 296-4564
kssos@ks.gov
www.sos.ks.gov

Print **Reset**

Please complete the form, print, sign and mail to the Kansas Secretary of State with the filing fee. Selecting 'Print' will print the form and 'Reset' will clear the entire form.

Instructions: All information must be completed or this document will not be accepted for filing.

1. Name of corporation

KCK 501 Minnesota ALL, Inc.

2. Name of resident agent and address of registered office in Kansas

Must be a Kansas street address. A P.O. Box is unacceptable.

Name		
The Corporation Company, Inc.		
Street Address: 112 South West Seventh Street, Suite 3C		
City: Topeka	State: KS	Zip: 66603

3. Mailing address

Address will be used to send official mail from the Secretary of State's Office.

Attention Name			
Unified Government Clerk			
Address: 701 North 7th Street, 3rd Floor			
City: Kansas City	State: KS	Zip: 66101	Country: USA

4. Tax closing month

December

5. Nature of corporation's business of purpose

to engage in any lawful business for which a not-for-profit corporation may be organized under the laws of the State of Kansas.

6. Will this corporation have the authority to issue capital stock?

☐ Yes ☒ No

If **yes**, the total number of shares authorized:

Shares	Stock	Class	Par Value
			/ea.
			/ea.
			Without Nominal or Par Value
			Without Nominal or Par Value

If applicable, state any designations, powers, rights, limitations, or restrictions applicable to any class or any special grant of authority to be given to the board of directors.

7. Are the conditions of membership fixed by bylaws

☒ Yes ☐ No

If **no**, state the conditions of membership:

Please continue to next page.

8. Name and mailing address of each incorporator

Do not leave blank. If additional space is needed, please provide attachment.

Name 1	Douglas G. Bach
Address	701 North 7th Street, Suite 945
City	Kansas City
State	KS
Zip	66101
Country	USA
Name 2	
Address	
City	
State	
Zip	
Country	

9. Name and mailing address of each member of board of directors

This must be completed if incorporator's power terminates once document is filed. If additional space is needed, please provide attachment.

Name 1	Douglas G. Bach
Address	c/o Unified Government Clerk, 701 North 7th Street, 3rd Floor
City	Kansas City
State	KS
Zip	66101
Country	USA
Name 2	Kathleen VonAchen
Address	c/o Unified Government Clerk, 701 North 7th Street, 3rd Floor
City	Kansas City
State	KS
Zip	66101
Country	USA

10. Duration of corporation

☒ Perpetual

☐ Date corporation will cease: Month ___ Day ___ Year ___

11. Effective date

Must be within 90 days of filing.

☒ Upon filing

☐ Future effective date: Month ___ Day ___ Year ___

12. I/We declare under penalty of perjury pursuant to the laws of the state of Kansas that the foregoing is true and correct.

Signatures must correspond exactly to names of incorporators listed in Question 8.

Signature of Incorporator	Month	Day	Year

Signature of Incorporator	Month	Day	Year

Please review to ensure completion.

CN
Add.

KANSAS SECRETARY OF STATE

IRS Compliant 501c3 Article Provisions

Addendum

This corporation is organized exclusively for charitable, religious, educational, and scientific purposes, including, for such purposes, the making of distributions to organizations that qualify as exempt organizations under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

Upon the dissolution of the corporation, after paying or making provisions for the payment of all the legal liabilities of the corporation, assets shall be distributed for one or more exempt purposes within the meaning of section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or shall be distributed to the federal government, or to a state or local government, for a public purpose. Any such assets not so disposed of shall be disposed of by a Court of Competent Jurisdiction of the county in which the principal office of the corporation is then located, exclusively for such purposes or to such organization or organizations, as said Court shall determine, which are organized and operated exclusively for such purposes

No part of the net earnings of the corporation shall inure to the benefit of, or be distributable to its members, trustees, officers, or other private persons, except that the corporation shall be authorized and empowered to pay reasonable compensation for services rendered and to make payments and distributions in furtherance of the purposes set forth in Article Third hereof. No substantial part of the activities of the corporation shall be the carrying on of propaganda, or otherwise attempting to influence legislation, and the corporation shall not participate in, or intervene in (including the publishing or distribution of statements) any political campaign on behalf of or in opposition to any candidate for public office. Notwithstanding any other provision of these articles, the corporation shall not carry on any other activities not permitted to be carried on (a) by a corporation exempt from federal income tax under section 501(c)(3) of the Internal Revenue Code, or the corresponding section of any future federal tax code, or (b) by a corporation, contributions to which are deductible under section 170(c)(2) of the Internal Revenue Code, or the corresponding section of any future federal tax code.

<u>KCK 501 MINNESOTA ALL, INC.</u>

Articles of Incorporation

Addendum

Board of Directors – Additional Members

<u>Name 3</u>:

Katherine Carttar
c/o Unified Government Clerk
701 North 7th Street, 3rd Floor
Kansas City, KS 66101 USA

<u>Name 4</u>:

Jeff Fisher
c/o Unified Government Clerk
701 North 7th Street, 3rd Floor
Kansas City, KS 66101 USA

<u>Name 5</u>:

Greg Kindle
c/o Unified Government Clerk
701 North 7th Street, 3rd Floor
Kansas City, KS 66101 USA