ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, October 28, 2019

The meeting of the Economic Development and Finance Standing Committee was held on Monday, October 28, 2019, at 5:20 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner Burroughs, Chairman; Commissioners McKiernan, Murguia, Walters; and Jeff Bryant, BPU Board Member. Commissioner Townsend was absent. The following officials were also in attendance: Gordon Criswell and Melissa Sieben, Assistant County Administrators; Angie Lawson, Senior Attorney; Katherine Carttar, Director of Economic Development; Katherine VonAchen, Chief Financial Officer; Andrea Parra, Deputy County Treasurer; and Jay Doleshal, Sergeant-At-Arms.

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

Chairman Burroughs said there are no revisions to tonight's agenda.

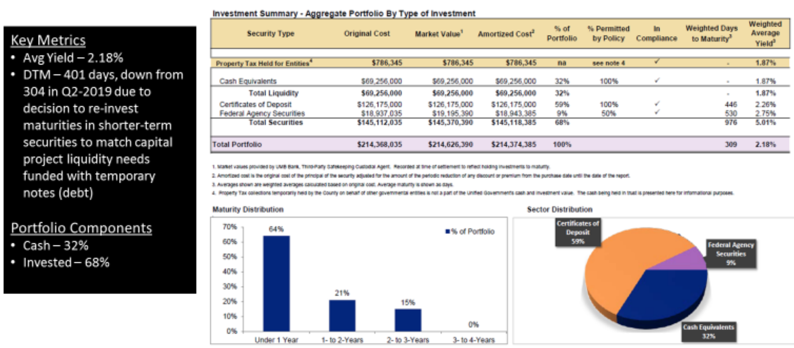
Approval of standing committee minutes from August 19 and September 9, 2019. **On motion of Commissioner McKiernan, seconded by Commissioner Murguia, minutes were approved.** Motion carried unanimously.

Committee Agenda:

Item No. 1 – 191013…REPORT: THIRD QUARTER INVESTMENTS

Synopsis: Third Quarter Investment Report, submitted by Andrea Parra, Deputy Director of Revenue, Treasury Department.

Andrea Parra, Deputy County Treasurer, said Rick, Treasurer, obviously not here so we're going to go through this for you.



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]	$786,345	$786,345	$786,345	na	see note 4	✓	-	1.87%
Cash Equivalents	$69,256,000	$69,256,000	$69,256,000	32%	100%	✓	-	1.87%
Total Liquidity	$69,256,000	$69,256,000	$69,256,000	32%			-	1.87%
Certificates of Deposit	$126,175,000	$126,175,000	$126,175,000	59%	100%	✓	446	2.26%
Federal Agency Securities	$18,937,035	$19,195,390	$18,943,385	9%	50%	✓	530	2.75%
Total Securities	$145,112,035	$145,370,390	$145,118,385	68%			976	5.01%
Total Portfolio	$214,368,035	$214,626,390	$214,374,385	100%			309	2.18%

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.

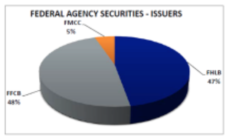
Going over the report on the Cash Report for Quarter Three. Few stats to go over. Our average yield 2.18. Weighted date, days maturity, has gone down a little bit, 309. I apologize, there's an oversight on the black box there. It says 401; that is incorrect. That was supposed to be 309 as listed in the middle there. It has gone down a little bit due to reinvesting that we've made. Some more short-term investment we've done in the last few quarters that have made that go down. A slight change as far as the portfolio component, 32% in cash and then we have about 60% invested.

Next slide, Key Metrics. Our average yield 2.1% is also down a little bit from Quarter Four last year and the First Quarter 2019. We will note that we still are above the benchmark, which is 1.76%. That's due to holding the investments for a little bit long-term.

Issuer Detail - Aggregate Portfolio by Issuer

Issuer	Original Cost	Market Value[1]	% of Portfolio[3]	% Permitted by Issuer	In Compliance[3]	Weighted Average Maturity Days[2]	Weighted Average Yield[2]
Property Tax Held for Entities[3]	786,345	786,345	na	See note 3	✓	0	1.87%
UMB, Wyandotte Operating	66,419,000	66,419,000	31%	25%	✓	0	1.79%
UMB, Wyandotte Health	2,837,000	2,837,000	1%	25%	✓	0	0.08%
Cash Equivalents	**69,256,000**	**69,256,000**	**32%**		✓	**0**	**1.87%**
Argentine Federal Savings	235,000	235,000	0.1%	25%	✓	0.4	0.01%
Bank of Labor	235,000	235,000	0%	25%	✓	0.4	0.004%
Capital Federal Bank	56,000,000	56,000,000	26%	25%	✓	154	0.82%
Commerce Bank	28,000,000	28,000,000	13%	25%	✓	100	0.47%
First State Bank & Trust	235,000	235,000	0%	25%	✓	0	0.004%
Liberty Bank	2,000,000	2,000,000	1%	25%	✓	3	0.02%
Security Bank of KC	39,235,000	39,235,000	18%	25%	✓	180	0.75%
UMB	235,000	235,000	0%	25%	✓	0	0.004%
Certificates of Deposit	**126,175,000**	**126,175,000**	**59%**		✓	**446**	**2.26%**
FFCB	8,951,940	9,139,410	4%	*50% of total portfolio*	✓	329	1.37%
FHLB	8,986,129	9,063,673	4%		✓	165	1.33%
FMCC	998,966	992,307	0.5%		✓	36	0.05%
Federal Agency Securities	**18,937,035**	**19,195,390**	**9%**		✓	**530**	**2.75%**
Grand Total	**214,368,035**	**214,626,390**	**100%**			**389**	**2.18%**

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



Types of securities in our investment portfolio?

Of the $214 M total, $126 M or 59% - CDs fully collateralized per investment policy and State Statute.

Of the $214 M total, $18 M or 9% - US Agencies Securities backed by the full faith and credit of the US Federal Government.

Federal agencies decreased from 22% of the total portfolio in Q2 to 9% in Q3 to improve the portfolio's securities diversification. Correspondingly, CDs percentage of total portfolio increased from 54% in Q2 to 59% in Q3.

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The Fed rate did decrease last few quarters. Our portfolio size increased slightly due to some property taxes that we're holding for distribution for next quarter.

What transactions occurred in Q1?

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q2	NA	UMB, Wyandotte Operating	1.865%	9/30/2019	5,080,694	5,080,694
Thru Q2	NA	UMB, Wyandotte Health Reserve	1.865%	9/30/2019	(1,432,000)	(1,432,000)
Cash Equivalents					**3,648,694**	**3,648,694**
7/26/2019	9065574853	Capitol Federal Bank	2.100%	10/26/2019	5,000,000	5,000,000
Purchases					**5,000,000**	**5,000,000**
2/25/2016	70141539	Capitol Federal Bank	1.510%	7/25/2019	(8,000,000)	(8,000,000)
9/13/2016	70146622	Capitol Federal Bank	1.120%	9/13/2019	(1,000,000)	(1,000,000)
9/16/2016	70147531	Capitol Federal Bank	1.120%	9/16/2019	(1,000,000)	(1,000,000)
9/21/2016	70148245	Capitol Federal Bank	1.120%	9/23/2019	(1,000,000)	(1,000,000)
9/23/2016	70148177	Capitol Federal Bank	1.120%	9/23/2019	(1,000,000)	(1,000,000)
9/28/2016	70148362	Capitol Federal Bank	1.090%	9/27/2019	(1,000,000)	(1,000,000)
7/31/2017	1565570771	Bank Midwest	1.360%	7/31/2019	(235,000)	(235,000)
8/18/2017	66000543	Commerce Bank	1.370%	8/19/2019	(1,000,000)	(1,000,000)
9/17/2018	9128282G4	US Treasury Note	2.569%	9/15/2019	(9,000,000)	(8,851,242)
5/30/2019	115003689	Security Bank of KC	2.360%	8/30/2019	(10,000,000)	(10,000,000)
5/30/2019	313384KZ1	FHLB	2.379%	8/28/2019	(30,000,000)	(29,825,025)
Calls/Maturities					**(63,235,000)**	**(62,911,267)**
Total					**(54,586,306)**	**(54,262,573)**

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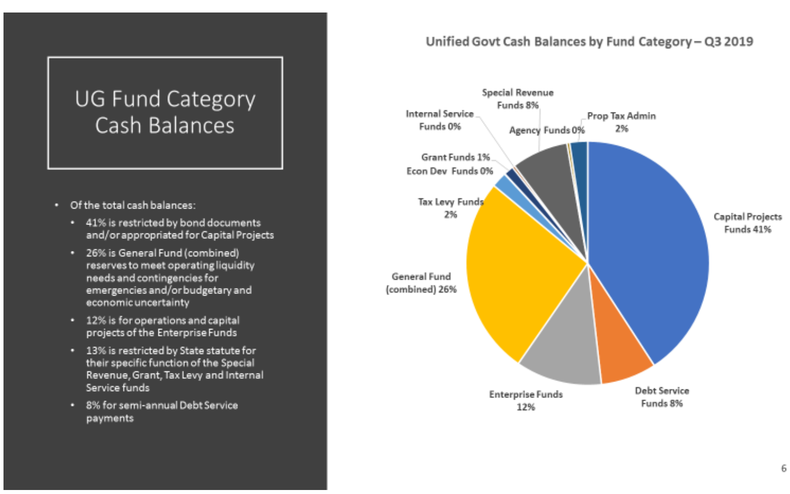
Unfortunately, something we have to report is that the limit within the single institution has dropped out of compliance again. One of our institutions did fall out of compliance by 1%. I think most of that is due to less property tax that we're holding that more current tax and the due date as opposed to what is usually the case during this time period that we have a lot more collections. I can tell you that one of their major CDs did mature this morning, so that will also knock them right back down in compliance for next quarter definitely.

Commissioner McKiernan said as I recall in our last Quarterly Report, that was in compliance. What you're saying is that this is just a short-term deviation? **Ms. Parra** said correct. **Commissioner McKiernan** said and then we'll be back where we want to be at our next report. **Ms. Parra** said yes, correct. **Commissioner McKiernan** said thank you. **Ms. Parra** said I'm talking 1%. It's at 26% as opposed to the 25% we would require.

A few other things to point out. Right now, our portfolio is at $214M; 59% of that is CDs. The other 9% is agencies. A few differences, the Fed agency did decrease 22% of our portfolio from Quarter One. Correspondingly, the CD percentage did increase from 59%. We've just been holding a lot more CDs and getting a lot more local interest than having to go out to the agency as a level.

Then just a few things that have happened. As I noted, there was a Capital Federal maturity that did happen. The date was the 26th. It did mature this morning. We did a lot of activity that also matured, showing on the list there. It's about $63M in maturities.

I'm going to have Kathleen go over this one for us.



Kathleen VonAchen, Chief Financial Officer, said this last one, we've added to the presentation just to give a little context. You realize that, as the previous slides point out, there's about over $200M in our cash and investment portfolio. Much of it is restricted. In fact, the largest category is with 41% of the total cash in capital projects. That includes bond proceeds that we issued for temp notes and other bond proceeds that are specifically designated for capital projects. For example, the Juvenile Center and then the other many projects that we issued in temp notes. That's 41%. 8% of the cash is sitting in the two city and county bonded interest funds. 12% of the cash is restricted for Enterprise Fund activity. That would be storm and mainly the Sewer Fund. The General Fund has 26% of the funds, which is the amount that's more available for our operations. Happy to answer any questions.

Chairman Burroughs asked are there any questions from the committee.

Commissioner Walters asked, this is 41% of the $214M. **Ms. VonAchen** said that's right. **Commissioner Walters** said right, so we borrowed all this money and we've invested it. What is the net cost to us of all of the $214M? **Ms. VonAchen** asked the net cost. **Commissioner Walters** asked what's the difference between the interest rates we're paying and the interest we're getting from our investments. **Ms. VonAchen** said the only amount that— I'm saying a portion of that 41% is borrowed from the temp notes and from bond proceeds. I'm not necessarily saying that the entire 41% is debt. I don't remember offhand how much, but I can tell you that our temp notes were sold somewhere in the neighborhood of $1.8M. I'm not remembering exactly.

Our investment yield is on the previous page. As of the State, it's averaging 2.1%. We're earning a little bit more on our investments, at least the amount that we borrowed for temp notes than what we're paying in temp note interest costs. They call that arbitrage. When there is an arbitrage, we're required to make a report to the Internal Revenue Service called, Arbitrage Rebate Calculation. We actually have to cut a check for the interest earnings difference.

Chairman Burroughs said great; thank you. **Ms. VonAchen** said in previous years, we've had to cut that check. I think last year it was around $140,000. **Chairman Burroughs** said that's a .03% interest difference. **Ms. VonAchen** said if my memory serves me right on the temp note, I don't remember offhand, I think it was something around that neighborhood. **Commissioner McKiernan** said $45K; something like that. **Ms. VonAchen** said and, of course, you know this interest rate fluctuates throughout the year so there's an average that's provided to the IRS when they do their calculations.

Chairman Burroughs asked any comments, questions. Please proceed. **Ms. Parra** said that actually was the end of our presentation. Any other questions. Thanks for having me.

Chairman Burroughs asked does anyone from the public wish to address this item. No one stepped forward.

Action: For information only.

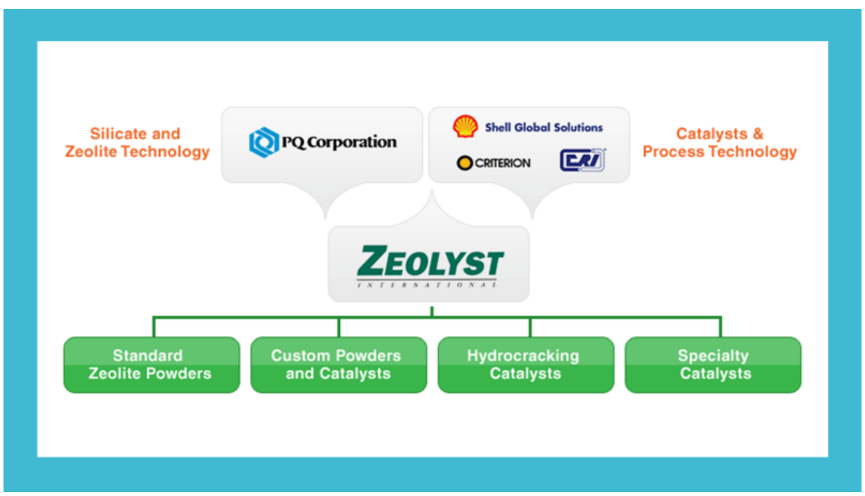
Item No. 2 – 191016…RESOLUTION: ISSUANCE OF IRB'S FOR PQ CORPORATION

Synopsis: Resolution of Intent to issue IRB's in the amount not to exceed $100,000,000 for the benefit of PQ Corporation. An IRB Application was submitted by PQ Corporation for sales tax exemption for acquisition, construction, improvements and equipment for the industrial facility expansions located at 1700 Kansas Avenue, submitted by Katherine Carttar, Director of Economic Development.

Katherine Carttar, Director of Economic Development, said I think we've probably all been a bit familiar with PQ. They've done a number of expansions. They've put a ton of investment into our community and they are looking to do another $100M expansion. We're excited to bring that to you today. For a quick overview, because I have attempted to explain what they do and it has never gone well, I have Tony Larson, who is the plant manager here to actually give you a real explanation of what PQ does.

Tony Larson, Site Manager, PQ, said I'm sure probably most of you have maybe driven by our site on Kansas Avenue and 18th Street Expressway. **Commissioner McKiernan** said every day. **Mr. Larson** said I know you have for sure.

Just to give you a quick little history. I don't want to steal your thunder if you're going to talk about it, but our plant was built in 1915. We've been there quite a while. We had a 100 year celebration a few years ago. Really, most of the expansion has happened say over the last 10 or 12 years. Our company's put in well over $200M approaching $300M of expansion. I've been a site manager there since 1999. When I started there, we had maybe 90 some employees, and now we have 100, and we're in the 160s. With this expansion, we'll be in the 170s.

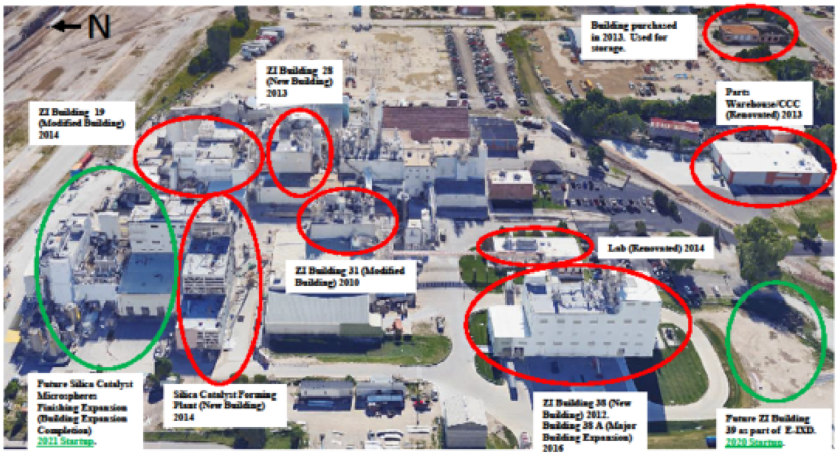


What we do is, we make catalyst. We're a chemical manufacturing plant. A lot of people hear that and they think of bad things. Our site actually makes stuff that is very environmentally friendly. We sell into environmental type applications where our catalysts actually trap a lot of the emissions so that they don't get into the atmosphere. Like we make—some of our big customers are catalytic converters, as an example. Or it will trap a lot of the gases that prevent it from going into the atmosphere. That's a lot of the stuff we do. We also sell into petrochemical plants where they use our catalysts in the process to eliminate knocks and socks and bad gases like that. If you ever come to our site, you might see some of our product, but, no one really knows who we are because we don't sell to the public.

The stuff we make helps the environment. That's why we've been expanding so much. Across the world, you can see all the different regulations coming in, and we sell—we're a global company. We sell all over the world.

Ms. Carttar said as you can see, that's where they're located at 1700 Kansas Avenue. Tony, if you would just talk a little bit more about some of the expansions and then what you're planning with this next one.

Kansas City Site Expansions

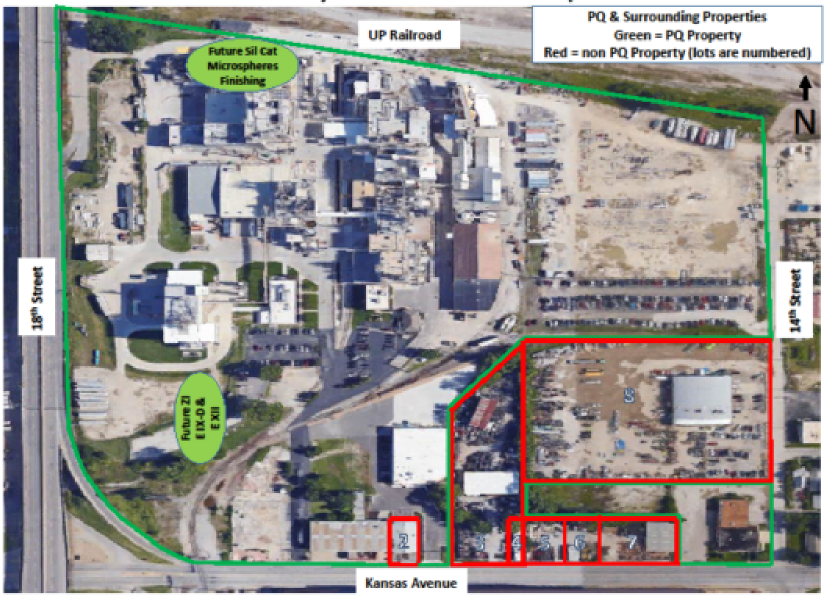


Mr. Larson said I sent a picture here. The red are ones that have been completed already. Like building 38, that was probably one we were here for maybe five years ago getting some tax credits. Specifically, the two that we're working on for this one, and right now, if you drove by—you said you drive by every day, you see a new building going up. That's on your right-hand side, that one circled that we have there, that's a new building that's being built.

On the very north end, that's another building that we had built already a few years ago because with some of the big expansions we did, we built the infrastructure, but now we're going to be expanding one of the main production lines within that building. Those are really the two big items that we're going to be doing.

All the red ones have been stuff—I told you about the $200M, or whatever. $200M to $300M have been all those other ones. One of the things I'm proud of too with all these expansions is the front of the site. We did a whole site renovation coming into our plant to make it one, it's anesthetically much more pleasing, but two, it really helps with all the trucks that we have coming in that has made the flow much, much easier and it's very nice looking. I think it's added quite a bit to the neighborhood, actually.

Kansas City Site Land Development



This is kind of an overhead. The green is what we already own. You can see in the lower left-hand corner, we just bought that piece of property that has been—we did all his beautification and we still had someone own that piece of property there that looked pretty poor, to be honest with you. We bought that. Right now, we're in the middle of remediating and cleaning that . We're going to turn that into parking and roadway. We'll have the whole front, for the most, in front of our plant. The stuff in the red, we do not own. We also own—we bought a few years ago, you can see in the lower right, that's 1400 Kansas Avenue. Our goal, ultimately, would be to own that whole section someday.

Ms. Carttar said this expansion would be $100M. $30M of that would be for construction, roughly $70M for equipment and machinery, and then a bit for some additional land acquisition.

As Tony was mentioning, the additional jobs that come with this are very well paying. They would bring the total plant employment to just over 170, which is pretty impressive, especially considering the average salary is $77,000. Just to put that into perspective, that's 146% higher than the average in the metro area, so not just even KCK or Wyandotte County, but for the metro. Those are jobs we like to see. Additionally, with the construction, that's 259 additional construction jobs that will also be coming with this project.

Tax Abatement Schedule

Provision	Abatement % and Term
Existing Company with Capital Investment Above $4M	10 Year Abatement Term
Standard Abatement Percent	45% Base
Capital Investment Bonus (over $50 million)	15% Bonus
Target Area Bonus	10% Bonus
L/M/WBE Bonus	5% Bonus
TOTAL	**75% Abatement for 10 Years**

To explain kind of what we're asking for today would be a resolution of intent to issue bonds for this project. We are in line with the policy completely. It's a 10-year abatement term for IRBs, Industrial Revenue Bonds, because it is over $4M in capital. The standard abatement is 45%. Because it is over $50M, and it is significantly over $50M, that receives a bonus as well as the target area, as well as their continued efforts. They have always met, in the past ,their LMW goals. That gets us to the maximum, which is 75% abatement for 10 years. We always have a cost benefit analysis done with all of these projects, which I think is really important. One of the things that really stood out on this project is the State requires a benefit to cost of 1.3. You're definitely getting more than your dollar back. For every dollar that gets spent, you're getting $1.30 back. For the City, they're actually getting over $3 back for every dollar. The State is getting almost $6 back for every dollar. I think they would like this. All the taxing jurisdictions do meet the 1.3 and are significantly over in many cases.

We think this is a pretty good project. It's allowing us not only to expand a company that's been around for over 100 years, but it is also—we are benefiting immediately from day one because currently they're paying about $250-$260K in taxes as a couple of the other abatements roll off. That will, in a couple years, get to about $700K. That will be before any of what we're talking about today, they'll be paying $700K, that's not changing.

Tax Impact of Expansion Project

Overview	Tax Impact
Average New Taxes Per Year During Years 1-10	$323,337
Projected Annual Tax after Abatement (Year 11)	$1,467,752

In addition to the $700K. Starting year one with this expansion or once the expansion is complete, the incremental property tax abatement or property tax value, they'll be paying over $300K during the course of the abatement. That's 25% of the total that they'll be paying. Then at year 11, that will increase to $1.5M. Again, that would be all in addition to the $700K that they will be paying throughout this.

For Consideration:

- Resolution of Intent to issue IRB's in the amount not to exceed $100,000,000 for the benefit of PQ Corporation.

I think this is a good deal for one of our oldest companies, and we'd like to see them continue to expand. If you have any questions.

Chairman Burroughs asked any questions from committee.

Commissioner McKiernan said just a couple of comments. Since I am very familiar with this site, I'd like to thank you and your company. I think that this is an example of a really—first of all, you have made amazing improvements. I'm thrilled to find out that you bought that property that has been so abandoned and overgrown all these years. For you to have that now and to fold it into your improvements, I think will be spectacular.

It is always amazing to me how Armourdale ships worldwide. A lot of people don't know that of all the businesses in Armourdale, we have a worldwide reach, and your company certainly is one of them. For me, this is one of those projects that is a win-win. Certainly, you get the incentive so that you have the capacity to expand, but we, from day one, will benefit not only from property taxes but from jobs available. I think this is a fantastic project.

Commissioner Walters asked, Mr. Larson, is this the home headquarters corporate office. **Mr. Larson** said no. Melbourne, Pennsylvania, is the home headquarters. We do have a mini head-quarters, you could say in Lenexa. **Commissioner Walters** said thank you.

Chairman Burroughs asked any other questions from committee; any comments.

Action: **Commissioner McKiernan** said I would move to approve as submitted.

Chairman Burroughs said I do need to ask if there's any comments from the public. Seeing none, I'll entertain the motion. Motion has been made.

Commissioner Walters seconded the motion to approve. Roll call was taken and there were five "Ayes," Bryant, Walters, Murguia, McKiernan, Burroughs.

Chairman Burroughs said thank you. **Mr. Larson** said we appreciate your support and we're very proud to be part of the community. **Chairman Burroughs** said absolutely.

Item No. 3 – 191017… UPDATE: LEGENDS PARKING GARAGE & APARTMENT PROJECT

Synopsis: Update on the progress being made by Legacy Development on the Legends parking garage and apartment project, submitted by Katherine Carttar, Director of Economic Development.

Katherine Carttar, Director of Economic Development, said this, again, is for information only. This is a project that we passed an intent to issue IRBs about three years ago. We are excited. There's been a lot of movement of late so, we're excited to have Mr. Dan Lowe come back and introduce us to the developer and hear about when we can start breaking ground.

Dan Lowe, Legacy Development, said we are the managing partner of the Legends and a lot of the peripheral development there. I'm happy to introduce John Murphy tonight. John has been able to figure out the complicated nature of the apartment project we've proposed for the Legends. I wanted to take this opportunity tonight to have John tell you a little bit more about himself and the project that he intends to do here with us at the Legends. I'll pass it along.

John Murphy, JA Murphy Group, Knoxville, Tennessee, said I do have, since you don't know me, I have a handout if you'd like to see and look through there. I'm not new to the area. I have built in Overland Park, a 270-unit community on 159th, 161st & Metcalf. Started that project in '15. Sold that project earlier this year. Also, we have one under construction in Olathe, 238-units. This is a four-story interior corridor, elevator type situation. This would be our third project here in the Kansas City area.

I started looking for other areas back in '13 and studied five cities. Kansas City stuck out head and shoulders above all the cities that we looked at. We're really excited about Kansas City and what we've done in the past and what we would like to do in the future. We'd like to think that this is a second home for us here. We'd like to always have a few developments here.

This will be our second community with structured parking. We have 158-units in Chattanooga, Tennessee, in the CBD there, that's about ready to come online; 196 parking spaces, 158-units on an acre and a half, five story, what they call a wrap. We were excited about that.

Dan then told us about this development about eight months ago, and we've tried to get our arms around it and we think we have. I do have, as you can see, experience in this work and we'd hope to start the first quarter of '20. Probably now it's basically November so, we'd probably have to push it back to the second quarter of 2020.

Mr. Lowe said if I could, I might just add, I noted earlier that John was able to figure out the complicated nature of this project. I know building apartments may seem simple, but when you have a parking structure as a podium for the apartments, it not only adds cost expense to the construction of the apartments, but it also adds another level of sophistication structurally and operationally.

We talked to no less than 25 developers about this opportunity trying to make sure that they understood those complications, were able to get their arms around those complications, and operate a successful project here.

We've got a lot invested in the Legends property, continue to reinvest in the Legends property, and we wanted to ensure that we experienced success here with this project. I can tell you of all the people that we interviewed and met, by far, John's qualifications, the quality of his developments, rose far and above everyone else that we spoke with. One of the reasons, too, that John mentioned not being able to start until the second quarter of 2020 is because the design of these projects is also quite complicated. There will be a design process for the parking structure and then a design process for the apartment structure. The parking structure will probably take, I'm guessing, around six months or eight months to design and then John, with our assistance, will start construction on the second parking structure. Then they'll go with the apartments on that podium once the structure is complete.

Chairman Burroughs asked any questions from the committee.

Commissioner McKiernan said yes, I want to confirm in my mind that I know where it is we're talking about again. We're on the southeast corner of Village West Parkway and Parallel, right? It's immediately west of the existing parking structure. As I remember from the earlier presentations, the new parking structure is about the same profile, but because the land is higher, it almost gets hidden. **Mr. Lowe** said correct. **Commissioner McKiernan** said and then the apartments rise above that, and they'll be what's really visible above street level. **Mr. Lowe** said that's correct, right. There will actually be a bridge between the two structures so you can traverse between one parking structure and the other.

Commissioner McKiernan said remind us, you probably just said it and I was looking at these papers, the number of units that we're anticipating here. **Mr. Murphy** said right now around the 230-250 units. **Commissioner McKiernan** said beautiful, thank you.

BPU Member Bryant asked how many additional parking spaces besides the residents' spaces will be added for the shopping center. **Mr. Lowe** said we have a promise to develop 350 stalls for the public, under any circumstance, it will be 350 new public stalls. Then John would have the ability to do up to another 300 for the apartments if he so chose. So, up to 650 stalls can be built. We may not build all, or John may not build all those, it depends on his final count, I'm sure, of units. **BPU Member Bryant** asked will the residents parking be gated or something so the shoppers don't block out the residents. **Mr. Murphy** said yes; it'll be separate.

Chairman Burroughs said, Mr. Murphy, you stated you would get started, most likely the second quarter of 2020. **Mr. Murphy** said yes, sir. **Chairman Burroughs** asked is there any chance that you may not get started in that particular timeframe. **Mr. Murphy** said well, we have the design team engaged. We’ve gotten everything ready to go. We're just, we just need to get the approval and know that we're actually the developers so that we can start spending money.

Mr. Lowe said with the development agreement associated with the parking structure, we’ll be back in front of you for an assignment of the development agreement so that John can actually take on that role. We’ll stay involved, just with our relationships and experience here. John will actually become the developer of record and that's the next step in this process. We don't anticipate—you know how the UG works. This is John's first experience out here. He doesn't know how efficient you guys are yet, but he's going to find that out soon. I don't anticipate that there should be any challenges in starting in the second quarter if things go as we've experienced historically.

Chairman Burroughs said we just like to keep the momentum going; keeping that place fresh. I mean it helps the overall business. It helps the community and those are going to be market rate apartments, I'm sure. I would have loved to have seen a design. I'm sure some of us would really like to have an opportunity to view what it is that’s proposed to go there. Mr. Murphy, I think you'll find that our community is well versed and being able to assist you in moving along. We have quite capable professionals that work for the Unified Government. Dan has a tremendous amount of experience working with the Unified Government. We stand ready to help. I do look forward to seeing you come back before the committee before long. **Mr. Lowe** said thank you so much.

Chairman Burroughs asked is there anyone from the audience who care to make a comment about this. This is for information purposes only. There will be no action. Seeing no comments, anything else you'd like to present, Mr. Murphy?

That is the final item on the agenda this evening. I want to thank the committee for coming out tonight. Be safe going home.

Action: For information only.

Chairman Burroughs adjourned the meeting at 5:55 p.m.

ade