



Economic Development and Finance
Committee
Standing Committee Meeting Agenda
Monday, February 1, 2016
5:30 PM

Location:

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

Name

Absent

Commissioner Brian McKiernan, Chair

☐

Commissioner Hal Walker

☐

Commissioner Gayle Townsend

☐

Commissioner Ann Brandau-Murguia

☐

Commissioner James Walters

☐

David Alvey, BPU Member

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I. **Call to Order/Roll Call**

II. **Revisions to February 1, 2016 Agenda**

III. **Approval of standing committee minutes from December 7, 2015.**

IV. **Measurable Goals**

**Item No. 1 - MEASURABLE GOALS: PURCHASING AND COMPLIANCE
DIVISION**

Synopsis:

Presentation and discussion of 2016 measurable goals for the Purchasing and Compliance Division, submitted by Dennis Laughlin, General Services Director.

Tracking #: 16362

V. Committee Agenda

Item No. 1 - REPORT: QUARTERLY INVESTMENT AND BUDGET REVISIONS

Synopsis:

Quarterly Investment and Budget Revisions report, December 2015, submitted by Lew Levin, Chief Financial Officer.

For information only.

Tracking #: 16356

Item No. 2 - ORDINANCE: 39TH AND RAINBOW REFUNDING BONDS

Synopsis:

An ordinance authorizing the issuance of special obligation tax increment revenue refunding bonds (39Rainbow South TIF Project), Series 2016 in the maximum principal amount of \$4.3M to refund a 2013 bond issue, submitted by Lew Levin, Chief Financial Officer.

Tracking #: 16354

Item No. 3 - RESOLUTION: SALE OF GO REFUNDING BONDS SERIES 2016-B AND TAXABLE GO REFUNDING BONDS SERIES 2016-C

Synopsis:

A resolution authorizing the offering for sale of General Obligation Refunding Bonds Series 2016-B and Taxable General Obligation Refunding Bonds Series 2016-C, submitted by Debbie Jonscher, Deputy Finance Director. This action will result in future debt savings of approximately \$2.7M.

It is requested that this item be fast tracked to the February 4, 2016 full commission meeting.

Tracking #: 16355

Item No. 4 - RESOLUTION: PAYMENT TO BONNER SPRINGS, KS

Synopsis:

A resolution authorizing payment to Bonner Springs, KS, for sales tax associated with the relocation of Bonner Springs Ford from Bonner Springs to the Vacation Village STAR Bond District, Project Area 2 (auto mall), submitted by George Brajkovic, Economic Development Director. Based on sales figures, for FY2016 (if needed) and an additional 5-year term, Bonner Springs will receive an annual payment of \$81,250.

Tracking #: 16360

Item No. 5 - RESOLUTION: HEALTH CARE FOUNDATION GRANT

Synopsis:

A resolution authorizing the Unified Government to enter into a contract with the Health Care

Foundation of Greater Kansas City to accept a \$150,000 grant in support of the Healthy Campus Project, submitted by Jason Banks, Assistant to the Mayor/Manager. No Unified Government match is required.

Tracking #: 16363

VI. Public Agenda

VII. Adjourn

**ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, December 7, 2015**

The meeting of the Economic Development and Finance Standing Committee was held on Monday, December 7, 2015, at 5:56 p.m., in the 5th Floor Conference Room of the Municipal Office Building. The following members were present: Commissioner McKiernan, Chairman; Commissioners Walker, Townsend, Murguia and Walters, and BPU Board Member David Alvey (arrived at 7:00). The following officials were also in attendance: Joe Connor, Assistant County Administrator; Melissa Mundt, Assistant County Administrator; Gordon Criswell, Assistant County Administrator; Ken Moore, Chief Counsel; Brett Deichler, Director Delinquent Revenue/311 Center; Charles Brockman; Economic Development; George Brajkovic, Director of Economic Development; Lew Levin; Chief Financial Officer; Deborah Jonscher, Assistant Finance Director; Bill Heatherman, County Engineer; and Mike Tobin, Interim Director of Public Works.

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

Chairman McKiernan said there was a blue sheet which contained updated material Items No. 3 and then has new Items 4, 5, & 6.

Measurable Goals:

Item No. 1 – 15272...MEASURABLE GOALS: ADDRESS TAX DELINQUENT PROPERTIES

Synopsis: Measurable goals for addressing tax delinquent properties, submitted by Brett Deichler, Director of Delinquent Revenue. For information only.

Melissa Mundt, Assistant County Administrator, said we're back here again this time in December to talk to you guys about another set of strategic goals for our Delinquent Tax Division. Tonight, I did hand out a copy to you of what we're considering our strategic goals. There's two of them. Brett Deichler is here to help me walk through these with the standing

committee. The object here is to look at the two strategic goals that we have provided for you to consider and give us some feedback on if we're hitting the mark as the kind of the aspirational statements you're looking to see for the Commission and if not, what we might do to revise or enhance them. Going forward you will receive these in your packet as a strategic goal with the objective. We just went through last month to try and get an idea of what kind of information we should be repackaging and bringing to you. Now we know what we're looking to do. Actually, last Monday the standing committee met under Administration and Human Services and reviewed the Community Development goals, primarily CDBG related, and we took this format and they seemed to really appreciate how we laid it out. What we've done is shown you what the objectives are or the to do list underneath those strategic goals which in theory should carry from one year to the next with less than massive tweaks unless something major changes involve the law.

The first one before you if you want to look at your sheet, is to provide an effective and transparent delinquent real estate process that reduces countywide delinquency ratio and supports overall improvement in the community evaluations and targeted revitalization. That's kind of the higher level work. It's not what the objectives are below which are the kind of tasks to help us get there.

The second one I want to show you because that may get at more of what I heard Commissioner McKiernan talking about is participate in an integral part of the UGs target revitalization across the community by providing critical, technical information and employ all measures allowed under Kansas statutes given to Delinquent Real Estate Division to ensure progress towards a balance and healthy Wyandotte County and city of Kansas City, Kansas. The specific statements are underneath. I'm going to open it now back up to the Commission unless Brett Deichler from Delinquent Real Estate has anything he'd like to add.

Brett Deichler, Director of Delinquent Revenue, said I would just like to say we appreciate the opportunity to come back in front of the Commission to identify some of these tasks that we're trying to accomplish and there's a lot of good information here in the bullets themselves. I think if you take the time to look at those you may have some questions about that and we can certainly answer anything that you would want to ask at this time.

Commissioner Walters asked the delinquency ratio that you mentioned in your goal number one. How's that calculated? **Mr. Deichler** said it's simple math. It's basically a divider utilized with what's being paid and what's not being paid. The tax administration system goes out and basically takes a calculation—**Commissioner Walters** said it's not number of households or number of properties. It's strictly on the dollar value. **Mr. Deichler** said it's a percentage of value based on budgeting and the valuation model. It's based on the cumulative totals for the houses themselves. **Commissioner Walters** said so if we wanted to lower that ratio, we would target in our tax sale the most expensive properties to get those back on the tax rolls as opposed to the least expensive, would that be right. **Mr. Deichler** said in two manners, yes. If you're looking at getting the most expensive properties back on, yes that makes sense. We've done that. When I was charged with taking over delinquent real estate that was my initial charge was to go out to try to find the people that were fending heavily and had been on the tax rolls for years but had also owed a lot of money in back taxes and it makes sense to that. I will leave them numbers here for obvious reasons, it helps to get these larger fish out of the pond and get things back to normalcy and I call it equalization is what I refer it to now. Once we got control basically under the statutory authority and looked to get the business processes at hand in check with what we we're trying to do, that was one of the primary goals, Commissioner, was to look at the biggest ones that were out and say look—an example is if you have a house that's worth \$30,000 and it has \$20,000 in delinquent taxes, it's probably less likely to be redeemed by the owner for whatever reason then someone that owes you whatever money for a property that's worth ten times that. You'll see those redemption rates go up and that was one of the strategies that I'd try to employ was how can we get the redemption rate high because we do not want to own the property, we need the tax money, and we'd like to keep the rightful owners in their property but we do need them to pay their delinquent taxes. Typically, if there's a ten to one ratio, a house that's worth \$100,000 or \$200,000, either \$10,000 or \$20,000 respectfully was owed, they'd walk in and right that check and keep their property, which is a good thing because that turns the redemption rate into a skyrocket which takes all the tougher conversations that you have and some of the sell issues that you get to once you get down to the court hearings and things like that right off the table so it makes it cleaner at the frontend. Does that make sense? **Commissioner Walters** said yes. So has that ratio been going down? **Mr. Deichler** it has

actually. Lew Levin can probably tell you a little bit more about what the actual number might be. From my tax levy days I noticed that thing can hover between 5%, 6%, 7%, and 8%. I think we impacted that pretty heavily because we had a lot of properties out there that needed to be tackled early on. You can see that in some of the increases in tax sale numbers as far as what the actual as cumulative totals were once the auction was complete. Once I took over the business it basically reduced it significantly and that helps everybody, on the budget side and everything else. The whole goal here and I go back to reflecting what Commissioner McKiernan has talked about forever. We're not just after the money, we're after a viable community. That's where the second goal and the strategy behind that is to go and look to see what is balancing of scale. We did have to get some bigger offenders out of the water to make sure that they were paying rightfully like all of us do, but at the end of the day we start to look at the equalization and say how do we manage a healthy community with still garnering and tackling these tasks accordingly and getting the taxes back in so we as a government can operate utilizing those funds. We can also maintain the viability of the community and surrounding neighborhoods too in the valuation model as well so just the delinquency ratio itself is a good indicator of that, but there's a lot of other tangible and other intangible objects and modifiers that you have to kind of look at in the business profile.

Chairman McKiernan said it's going to be the last time I bring this up and then I'm going to be quite. No, I'm not. I still don't think and I love these and this is good work here, but I think what we've got is rather than objectives we've got some strategies here. **Ms. Mundt** said are you talking about the actual strategic goals that we've stated because I need to be very clear on where we're working, the objectives or strategic goal. **Chairman McKiernan** said I think the strategic goal is—I still don't think we're looking at our highest purpose. Why does Mr. Deichler do what he does? We need revenue to fund the operation, the services provided by the Unified Government. At least some of, and since property tax ends up being what 27% of the total revenue that we take in toward the provisions of services, then anything that is billed but not paid, impairs our ability to provide city services to the level that we want to provide them. I think that's the ultimate. The ultimate overarching is having enough fiscal resources to carry out our mission of providing service, public safety, public works, and the public good to our citizens. Let's say for the sake of argument that real estate taxes that are not paid in a timely manner

impair our ability to have enough revenue to do that. Well then it would seem to me that with this overarching goal of having enough budget money to provide city services, now we have an objective which is to—let's say that that three years after they are billed 10% of billed, property taxes are as yet uncollected, unpaid, that hampers our ability to provide city services. Our goal is enough money, why don't we have an objective of decreasing that unpaid from 10% after three years to 8% after three years, whatever it might be. Now all of these that are listed as objectives in mind move in as perfect strategies. Here's what we're going to do to decrease that number to 8% uncollected on our way to funding city services.

Commissioner Walters said I think that's kind of what he was presenting. **Chairman McKiernan** said it is, but it's not how it's laid out. **Commissioner Walters** said it's not number of parcels but it's a ratio of uncollected taxes that we want to go down, right now it's 5% or 7% or whatever. That was really the reason for my question. If we want the ratio to go down strictly on a dollar value would really concentrate on the more expensive parcels that are unpaid as opposed to the less valued. The downside to that is that the one's that never really rise to the point where you want to get them on the list, they might just go year after year after year and then suddenly their ten years delinquent but they've never been the right kind to get on the list and then at that point the delinquent value is so high compared to the property value that it's really tough to sell. If we accept that we can't sell everything in every six months, which you know that would be another thing to think about, is how many delinquent properties can we sell to the point where at some point every six months we sell all of the delinquent properties that are available to sell or that meet that criteria so we don't have this constant backlog that we can now seem to get through. **Mr. Deichler** said you just don't have enough staff for that. It's a capacity issue. **Commissioner Walters** said so that's a question. If we don't have enough staff to collect money, then maybe we need more staff. **Ms. Mundt** said that might be the one thing to spend money on. **Commissioner Walters** said I always thought that when we talked prior you thought there was only so much the market could absorb and there was only so much we could physically get to within a six-month period. Certainly, that could be based on market conditions, but if market conditions are such that the market can absorb more property then we should be smart enough to figure out how to get those properties to market. **Mr. Deichler** said I would definitely agree with that. I'd say there is a couple of strategies in there too that when you get down to the

more granular level where you can take and try bring things from the top down to the highest level, but you're also looking at like the last thing here we're talking about is a Mailer Program where we take properties that typically, which you're referring to, Commissioner, would never make it on the list because they're not quite as high enough and they just don't fit the model if you're looking at from top down on it. When we mail things out to people they say, it's a basic letter that I've written that says if you don't comply in a certain time, you're subject to be put into a tax sale etc. and we've had a pretty good response to that. I think it's almost 10%. When you're looking at \$2,500 and less it doesn't sound like a lot but you start adding 100 properties in here and there and you start bringing that bottom end up a little bit. You're going to find yourself in the middle of some of that to where it teeters one way or the other. That's where you probably go out and you look to bring in maybe a contractor or special staff, somebody you don't have to commit to for long-term to get everything else in the middle. When I say you need more staff, you don't want to commit to the long-term because sooner or later, I mean in business there is equalization and it does matter and you will reach that normalcy somewhere. Once you reach that you have to as an organization look and say which properties are left on the list, how many can we get to, what would the market absorb or yield as far as buying power goes, and how can we maximize this and get it all out there. When you do something like that you're going to have to write a series of reports which take a little time, which is fine, that's what we do; but at the end of the day you need to make sure you take in all the factors from both scalable and non-scalable economics to say how's the best way to do that and how do you not impact both your short and long-term budget say for Doug Bach and staff by hiring staff that after you get to a point when things start to flatline a little bit, well with the retirement rate, it's probably a good thing you have people to fill in some of those jobs but that's not always the case. There's business perspectives there that we, as an organization, can look at from an innovation perspective and say let's build this model, let's look at this, let's try to find a sweet spot in there, but it has to be scalable as far as economics both a marco and a micro scale and we have to observe those on how do they benefit us both in cash flow now and investment as far as our staff and time in the future. Then you have to look across the agency and across all the jurisdictions and say what are we looking at from a master developer's perspective and how do we want to get down to the individual neighborhoods themselves and at least uphold that value. I go back to like I say, my tax levy days, I know the valuation model very well and how do you stabilize that.

There's a lot of things you need to do and you cannot let those properties that you are referring to sit there and go into a state of decay because they're obviously going to bring everything down around them and sometimes they're not salvageable at that point and then they sit forever. Then you got demo's and all that stuff, then there's a vacant lot nobody wants to cut and there's a lot of bad news with that. We need to get involved in that prior too, but we all need to get probably you know get a consortium and everybody get in the war room and talk about.

Commissioner Murguia said specifically since you brought it up on strategic goal No. 1, if I was in charge of the goals I don't really care how you do it, no offense. If I'm in this position, by this time, commissioners should know the benefit of not having a large number of tax delinquent properties in their county so I don't think why really matters. If I was in charge, I would the goal to reduce the countywide delinquency ratio. I don't want to hear, you know, a year from now or two years from now, what the department's strategies. I don't really care how you get there. What I'm concerned about is seeing the number of tax delinquent properties decrease and meaning the percentage of tax delinquent property decrease. We all know that because of how long and how many delinquent properties we have in Wyandotte County that your department removes five but may potentially have caused three additional ones to come on. What I care about is that our department figures out how to stay ahead of that game and the overall percentage of delinquent property tax, delinquent property decreases every year until were finally winning that game. It's up to staff to bring to us what the community standard is. I would look at, Johnson County seems to be a pretty nice county. They seem to have a lot of things and they seem to also have a variety of neighborhoods where all income levels can live. I would look at what their property tax delinquency percentage is. I would bet ours is a lot higher and I would begin by striving maybe setting that as a goal. If that's 2% of all properties in Johnson County are tax delinquent and if ours is, what did you say it was? **Chairman McKiernan** said we have about 7% uncollected on an annual basis. I would base just on analysis in my district I would guess that's it's pretty good, pretty high. Don't know. **Commissioner Murguia** said I don't know how you're getting 7%, but I would guess it's more like 15%, but what do I know. I would like to know the percentage of delinquent properties in Wyandotte County and have a goal that we set to get us there and every year we monitor that. This year maybe it's 15%, next year it's 14%, the next year it's 13%, the next year it's 12%. It's

real clean. It's real easy. It's very transparent for the public. People need to understand to get their snow shoveled, to get their toilet to flush, to get the sewer draining, to get your road repaired, it cost money. How we get that money is through property taxes. We can't do those things if we don't collect them. **Ms. Mundt** said just to clarify what you're looking at is for us bring back, when we bring a final document on this to you, some comparable metrics as part of the goal statement. Staff's not going to want to tell you what percentage it should be. We can provide you the information on where we're at. Do you want us to come up with the number? I don't how you'd feel about that. **Commissioner Murguia** said I think you need to look at what the nation views as a healthy community. Are they economically stable, what makes them a healthy community, are they able to keep they're roads paved, are they able to keep they're sewer systems up to date, are they meeting their EPA mandate. All those things that make a community healthy. Then you need to look at their property tax delinquency rate. It could be anywhere. It doesn't have to be one place. I just made up an example. If it's at 15%, you as staff, based on your capacity need to be able to tell us, hey, in five years we can get that to 10%, in five years we can get that to 12%. I don't know what you're capable of because if Jim and I, Brian and Gayle expect you to be at 10% and you're at 15% and we expect that next year, you're going to tell me I can't get there. You have to make a recommendation to us to say yes or no, whether you can do that. Yes, I do want you to tell me, at least me, whether they agree, fellow commissioners or not, is up to them, but based on your current capacity I think you need to tell us what you're capable of doing. We clearly, for the commissioners that haven't seen it, if you haven't seen the map that I carried around for a long time, I just don't seem to have it tonight; with all the red dots on it in Wyandotte County we are saturated with delinquent property all over Wyandotte County, saturated. We've got to turn that around. We can't expect a few to pay the bills for many.

Chairman McKiernan said, Commissioner, what you're suggesting is a compliment to mine. You're saying let's go back and clean up all that has been delinquent all these years and I'm suggesting we could set another goal that we will decrease the percent uncollected on an annual basis. We could set, we could also set numerical, achievable, measurable goals relative to tax delinquent properties that would be creating blight in neighborhoods and we could do all sorts of things. I totally agree with you that that's where we should go. We've got a bunch of great

strategies to get us there, but we want to decrease the total burden, the back pressure, of all those unpaid taxes. We want to decrease on an annual basis the back pressure and the burden of taxes that we bill but don't collect because they all impact our ability—**Commissioner Murguia** said I will just add you need to tell us what we can't do. If you've evaluated as the department head that if we're saying you need to be to 10% from 15% in a year and you know, already know because that's what you do for a living, hey there's no way we can get there unless we hire additional staff or we outsource our contract labor. You have to tell us that. Then, I believe, that burden falls on us and I'll be the first to defend your professional recommendation. You need to set what we can do under our current capacity so we know where the benchmark starts.

Commissioner Murguia asked is that helpful. **Ms. Mundt** said very helpful. I felt like these were not, at least as far as part of the objective, probably not what you were looking for, but I was hoping that on the strategic goal—that was why I was kind of saying is the strategy what we're looking for.

Chairman McKiernan said well I think, again, as I said earlier I think what's listed as objective or strategies and we can insert some measurable objectives related to total uncollected, annual billed, not collected, whatever it might be. These are excellent strategies to get us to that end. These are things we can do which will get us there. **Ms. Mundt** said it's probably just more of a word on how you classify versus how I classify it. Ideally is goal number one are we wanting to take that down to what Commissioner Murguia suggested of reducing countywide delinquency ratio or do we want to leave it at something else such as collecting fiscal resources to provide services at a certain level. **Commissioner McKiernan** said we could have hers or we could have any number of others actually. I'm fine with that. We could have any number of them. **Ms. Mundt** said that's what we're trying to help you guys right.

Commissioner Murguia said I think giving people too many options might belabor the conversation. I think we just want to see the number of tax delinquent properties go down in Wyandotte County period. That's it. It's pretty easy the percentage of tax delinquent, not necessarily the number. **Ms. Mundt** said the parcel, the percentage, the value ratio. **Commissioner Murguia** said right. The overall percentage of the county continue to go down

period. I don't really have any idea what goal number two is really trying to do. I don't understand it. **Ms. Mundt** said it's really out getting out bullet number two, under the objectives which is to basically work toward the better alignment between the Landbank, NRC, and our Delinquent Tax Division to attack it all to bring value up overtime. **Commissioner Murguia** said I'll just echo what Commissioner McKiernan said. That seems like a clear strategy to me for what I know about delinquent taxes, that's a good strategy. In my opinion your whole department could have one goal and it would be to reduce the percentage of tax delinquent properties in Wyandotte County. You wouldn't even need another one in my opinion, but I only speak for myself. **Ms. Mundt** said that's great I'd just like if the other commissioners could chime in on that as well because we will be bringing back revisions. **Chairman McKiernan** said I would say two other things. Not just the percentage of parcels but also the percentage of the total value of currently unpaid. It's not just the percent of parcels, it's the percent of dollars as well I want to see. We have back pressure of dollars and this goes back to what Commissioner Walters as said earlier. A parcel's not a parcel, there's one parcel that has \$1,000 of back taxes and there's one that has \$100,000 of back taxes. It counts as a parcel in that ratio. I'd like to see the percent or whatever it be of uncollected dollars also go down. **Commissioner Murguia** said I don't understand that. Can you elaborate on that a little better? **Mr. Deichler** asked do you want me to clarify that one a little better. **Chairman McKiernan** said absolutely. **Mr. Deichler** said there's three things to consider. You've got value, you've got the finance side which is actual money in, and then you've got a parcel of property. Commissioner, you're saying you want properties and parcels to go down, that's fine, but there's different types of parcels as well. You've got commercial, residential, you've got improvements, vacant, there's a lot of red dots out there that are vacant and they're tougher to sell, but that doesn't mean that we can't reduce those as well but you have to take and look at all three of those and how do they impact the whole plan. Meaning that if you just reduced properties and county parcels but you're not getting the bigger ones out, you're just staying on the bottom end that's fine, but you're not going to see a big growth ratio in improved dollars coming in for those. You're not going to see an improvement in valuation go up on the valuation side of what's actually on the tax roll versus what's delinquent. I think that's where this act comes back in, you have to go back and say how does that feel across the board. If we can take in 500 parcels for tax sale, what is that going to do as far as income so the Unified Government can take and provide the service

because we're paying that. What is that going to do as far as overall reduction of it on a property or parcel basis and what is that going to do to the valuation model both as a whole for the Unified Government and the community as a whole and that area, the particular model for that neighborhood or for that jurisdiction. I think we need to probably get down to that level to be able to objectify the impacts on what we're trying to do because you can get real spotty in some of this stuff and if you're not in the right areas, or doing it eliftically then you're going to see a change in some of that. **Commissioner Murguia** said are the two of you saying in sort of a nutshell you want us to also focus on those parcels that would give us the greatest return on our investment. **Chairman McKiernan** said just the total dollar value. Some specified reduction in the total dollar value of delinquency.

Commissioner Walters said I think that's kind of where we started this conversation which was this ratio which really sort of leads us to go after the bigger more expensive parcels and not spend a lot of time on the low end parcels, but what that's done is gets us to a point since we can't sell all the tax sale eligible parcels at one time, we always have a back log, there are parcels that just fall through the cracks forever which is not a good thing. As Brett said it has a negative influence on our neighborhoods and it might not be worth our while compared to some more expensive properties to spend a lot of time on, but it has some social implications that are equally as important so there's a lot of metrics floating around. One is number of tax sale eligible parcels in our county, one is just tax delinquent parcels, one is just the sheer number of parcels, one is the value of those parcels, but it does seem in our overall strategy somewhere we've got to tackle the number of parcels that are multi-year in arrears. It might be good to have a goal with no parcel is never more than five years in arrears.

Chairman McKiernan said my average is eight in my district. My longest is 56. **Ms. Mundt** asked do you want us to give a definitive number on one that we can put down. Do you want under five. It would get in our goals. It doesn't mean we're going to hit them but we're going to be able to track for you where we're at and if we're making progress. **Chairman McKiernan** said I don't want to set those numbers here tonight because we don't have all the data. I have the data for my district and it's right here.

Commissioner Murguia said I get what you both are saying, I get it and it's not that I don't agree, I'm just not nearly as hopeful, let me just be upfront. I think that's very thoughtful and it's good goals, it's good solid detail goals but I think given the staff and the capacity that we have here at the Unified Government and just what I've seen historically over the last eight years as a commissioner. if we can just get that department to focus on one laser focus and on reducing the percentage of delinquent property across the board, and maybe it's better like this because like you said, Commissioner Walters, I don't know that this is what's happening but maybe higher end properties are getting more attention than lower end or whatever. So maybe if you want to drill down to that level to make sure that it's even across the county maybe we look at the percentage of delinquent properties by district, by commission district, and they have to reduce that by a percentage every so often by district. That way you're ensuring that the economics of my district is very different then the economics of your district. Then you're ensuring that that is being evenly distributed throughout the county and not just being focused in one particular area.

Chairman McKiernan said I see this second strategic goal here as roughly getting at what Commissioner Walters said a moment ago, that the ratio model leads us toward the most expensive or the biggest tax bill and it doesn't lead us to, and again I'll give you an example, Mr. Deichler knows this example all too well because we've talked quite a bit about this. It's that property that is creating blight by virtue of both its abandonment and its tax delinquency. Here's a property that's 10 years tax delinquent, 10 years not occupied, currently valued at \$36,000 with a \$12,000 back tax bill. Now that back tax bill of \$12,000 isn't a lot when you look at some of the bills that are out there in terms of being unpaid, but in terms of the blight that that abandoned house creates in that neighborhood it's almost immeasurable. I think Mr. Deichler's department is a critical player as he says here in this goal number two, along with Land Bank, along with Economic Development in addressing not just the dollar value but in addressing the blight that's being caused by some of these abandoned and tax delinquent properties.

Commissioner Murguia said I'm sorry, I may have misspoken. I'm not talking about the dollar value. Frankly, let me just be selfish and talk about my district, just my 3rd District. I don't care personally if it's got \$100,000 in back taxes or \$10,000 in back taxes. I just want him to

consistently work at getting rid of back taxes and getting away of property taxes across the board. I get what you're saying. The number of parcels, the percentage of tax delinquent parcels in my district is what I want—**Chairman McKiernan** said that doesn't work with the ratio though. **Commissioner Murguia** said I guess I misinterpreted what the ratio was. If my district was all of the whole county I would just tell you I don't care where you start. I just want you to look at all of those red dots on my map that are tax delinquent and at this point, Brian, because we're both urban commissioners a lot of our properties are 10 and 12 and 15 years tax delinquent because we're the older part of the city. As long as he addresses reducing that percentage of delinquent parcels in our districts by percentage across the board he will be addressing those ones that are 10, he won't have a choice because that's all that's available. **Chairman McKiernan** said that's all I have. **Commissioner Murguia** said yes, exactly and that's what I have. So if that's helpful I think this running, just getting this going, do you see what I'm saying now. That's all I care about.

Commissioner Townsend said I have just a couple of questions. It sounds like we need a couple of the goals to address what I guess is the countywide delinquency ratio which may be tied to what I think what Commissioner Walters was making me understand is the dollar value. The more that we can address those delinquencies with the higher valued properties that's going to bring that ratio down, but also as Commissioner Murguia was saying the number of maybe lower valued property that have been unaddressed or delinquent for x number of years, that's just goal number two or whatever it is so that we're having as a goal both of these two things. How one is going to, I don't know if it's going to become a matter of how many people, the resources Mr. Deichler will have available to him that one takes precedence over another, but I don't think it would be out of line to have both.

Ms. Mundt said it's interesting that you mention that Commissioner Townsend because if a property is indeed vacant and has been vacant for a certain amount of time we have different rights under state law with delinquency than we do if it's occupied. It does play to a strategy for looking at that and then it's how much can we work with our other departments that are listed here to be able to move those in a different way.

Commissioner Murguia said that's why and it seems like we get caught up in the menewsha a lot of times in the end, I'm going to agree for this; I don't know why; it doesn't matter, just decrease the number of parcels that are tax delinquent period. I can think of a million strategies to generate more revenue and be strategic about it but that's your department to run, that's not ours, that's for you to figure out. What I care about is a very simple, clean, streamline goal that says decrease the number of tax delinquent parcels in Wyandotte County now. If you want to go a little further, I think we can go by district because what Commissioner Townsend and everyone has said tonight the fear is that if we focus just on those high valued taxed delinquent properties that's property not going to hit Commissioner Townsend, Commissioner McKiernan and my district because our evaluations aren't as high. Our delinquency dollar amount isn't as high yet they have a great impact on the neighborhood.

Commissioner Townsend said if were looking at getting more revenue in then we have to look at how we can get more bang for the buck. If you're going after the higher valued properties, I think you're going to see that more quickly, that impact. If we're sitting her talking about taxes and getting revenue but I agree I think it just has to be a two prong, that's what I would like to see a two prong attack. **Ms. Mundt** said I think that's what I'm hearing from the other commissioners and so we will propose some strategies to go under these that are two prong approach, provide some measurable information for you guys to look at on the fairly regular basis as we come back, that way you know if we're making progress and it's not as hard to figure that out. **Commissioner Townsend** said one other thing, I would like to know when we come back what our starting point is. What is the ratio currently so we can see where we want to go or what might be reasonable otherwise we're kind of doing that in the blind. **Commissioner Murguia** said not just the ratio, but I want the percentage. I want the percentage of tax delinquent parcels and in Wyandotte County and if it's not a lot of work and doesn't cause a lot of stress, I would like it by district. **Mr. Deichler** said oh no, it's not tough. **Commissioner Murguia** said I figured you would probably have it so that would be a great, great staring point.

Action: For information only.

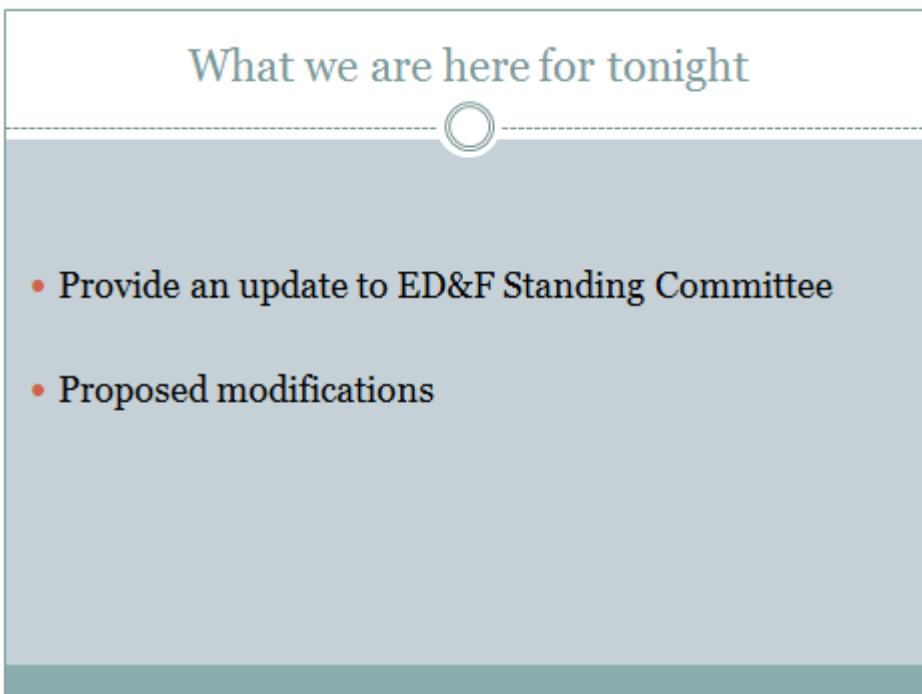
Committee Agenda:

Item No. 1 – 15268...UPDATE: UG SMALL BUSINESS INCENTIVE PILOT PROGRAM

Synopsis: Update on the Unified Government Small Business Incentive Pilot Program, presented by Charles Brockman, Economic Development. The ED&F Standing Committee required that staff return at the end of 2015 to report on the progress of the program. For information only.



George Brajkovic, Director of Economic Development, said Charles Brockman on our staff has been really the point person for this program. I know Marlon Goff from our staff's here. He's also been involved. I think Greg Kindle is here with WYDEC who has been really our biggest marketing partner to date with this program.



What we are here for tonight

- Provide an update to ED&F Standing Committee
- Proposed modifications

Just real quickly, again, we were here in October. Everybody seemed to be in agreement that this was a great idea and we said let's go launch and see what happens. We knew we had pretty limited funds. We had \$25,000 allocated for this year and so the goal was to come back at the end of the year and give you kind of an activity report. Imbedded in that and after listening to Charles with some of the reactions to the volume of applications we're getting and kind of the reach back we have to do in terms of hey, we need a little bit more information; we've imbedded a few staff recommendations of how we think maybe moving forward with this program would be beneficial especially next year we're anticipated to take the funding from \$25,000 to \$50,000. Really the format of the presentation tonight kind of follows a little bit of activity rapport, what's going on, what have we seen and flows into staff recommendations. With that let me turn it over to Charles for the bulk of this.

Charles Brockman, Economic Development, said we've been pretty busy in Economic Development with this which is really a good thing. A lot of need. I'm just going to do a little history real quick.

Pilot Program Funding Source

The program is established as a revolving grant fund and subsidized annually by a portion of the issuance fees collected for industrial revenue bond projects (IRB)

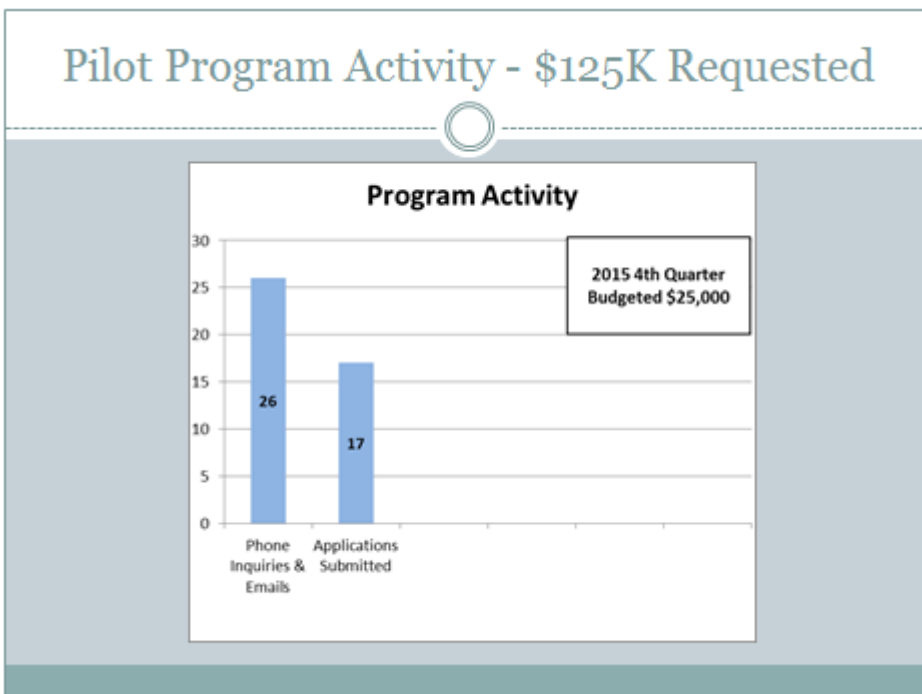
The program itself was established by a revolving loan grant fund that uses a pro-rata share of the IRB issuance fees. **Chairman McKiernan** asked it's a grant not a loan, correct. **Mr. Brajkovic** said right. **Mr. Brockman** a pro-rata share of the IRB issuance fees that set over to another fund so through the larger projects we can fund the smaller projects and give grants out.



Pilot Program Goals

- Help stimulate growth and new investment
- Small business / neighborhood vitality
- Economic gardening
- Urban Innovation
- Coordination with other public and private groups

Our program goals that we established with EDF committee here and through the department staff that's what this is representing what we wanted to accomplish through economic gardening, neighborhood vitality, try to really coordinate with other public and private groups in the area as we launch and help a new business or an existing business go to the next step in the road.



Since October 1, 2015 the program activity is we had 26 phone inquiries or emails and then 17 applications submitted. Out of those 17 applications there's \$125,000 requested for grants. We only had the \$25,000 for this year. There's a big need out there for this program.

Pilot Program Grants

- **Landworks Studio, a landscape architect company**
 719 Minnesota Avenue 
- **KC Cupcake Company, a cupcake bakery and café**
 719 N. 6th Street 
- **Bennett Tool and Die, a metal fabrication company**
 3150 Chrysler Road 

Out of that we funded two and one is up on the County Administrator's desk for approval. This is Landworks Studio. They come from Olathe. They are a landscape architect company and they're going in a new building, they are buying at 719 Minnesota. This is a \$350,000 investment in acquisition and renovation. They requested a \$10,000 grant for façade repair help. The county administration approved that grant. With that they are bringing five with them and within two years up to three. New job growth.

KC Cupcake Company you may have been seeing the repairs east of City Hall here. It's a cupcake bakery and café. This is their second business. The other one is on 5013 Lamar and they're opening this up at 719 N. 6th St. There is a \$76,000 investment in acquisition and renovation and they are bringing two new jobs. Once they open, they're shooting for the end of February. They will have their employees hired and trained. That grant actually they applied for \$10,000 and it was approved for \$5,000 on that grant.

Then we have Bennett Tool and Die, a metal fabrication company at 3150 Chrysler Road. There was \$110,000 expansion project going on there. They had bought some new innovative equipment that took old equipment out, made room, and hired up to three people doing this and we helped be part of the purchase of equipment. That grant they asked for \$10,000, but we gave \$2,500.

Internal Review Criteria

- Meets UG Goals and the intent of the program
- Existing business or a start-up
- Job creation
- Business growth/expansion

When we do this internal review of the applications we want to make sure that it meets all of the UG goals that we set before you and everybody's agreed upon. The intent of the program which is a one-time grant for a small business that is getting ready to expand. Existing businesses or a start-up business we want to make sure that's set. We want to make sure there's job creation and business growth in the expansion.

Suggested Prohibited Uses

- Home-based businesses - Existing
- Venture capital
- New start-ups with less than one (1) year of continuous operations
- Existing businesses looking for funding
- Any business that sells or serves any alcohol beverage as it's primary business function
- Grants are the primary source of financing (cannot subsidize this grant for a line item)
- Emergency assistance to prevent a business from closing
- Other

Some of this slide here represents what Mr. Brajkovic was speaking about earlier about some modifications. Right now we only have one set existing and that's home-based businesses are not allowed to apply for a grant. Staff has worked this and we were looking at some of the other things that have come up that I've looked through and we need input back from Commission here tonight as we feel that some of the prohibited uses should be venture capital, Capital. Small businesses should already be established and then moving to the next step so we wouldn't fund an idea.

New start-ups with less than one-year continuous operation. If a new business is leaving the home business and moving into a storefront or something that's one thing. If we give them a \$5,000 grant, we want to make sure their proof of concept is working. One of our suggestions is a one-year continuous operation.

Businesses looking for funding. I get calls, hey, I need tools, I need some chairs, I need supplies. We don't think that that is viable. That's not the intent of the program.

Any business that sells or serves alcohol beverage as its primary business function right off the bat no bars, no clubs, things like that sells any alcohol beverages as primary.

Grants for the primary source cannot be subsidized. This is basically talking about I have reviewed grants that have come in and most of their income is from other grants that aren't really

approved yet. It's going to be hard to give a grant for and this is just our thoughts and we would like some feedback on it. If it's a primary source it would be hard to fund, in my opinion, that program, that business.

Emergency assistance is to prevent a business from folding. If somebody calls me and says hey, without this loan I can't move forward. That's a red flag right there. I would not consider or recommend sending that out.

Anything other you may want to add to.

Mr. Brajkovic said just to add one thought on the grant. Businesses with grants. One of the fears we had is if we get an application that has a business that has multiple grants funding it, how do we guarantee that our grant isn't subsidizing that those other grant dollars should have already paid for. That's just not part of our review process now. It seemed unreasonable on our part if we were asking if someone had made an application for a nominal amount of \$2,500 or \$5,000 okay, but now submit all of your other documentation for grant funding so we can sift through that to ensure that you're not subsidizing. What we try to do with all of these is not throw up any really general statements although I think we've got a typo on existing businesses looking for funding since that what this program really is. Talk a little bit more about some of the specific issues that we are seeing with the applications that were received and since we had it so open ended it could present an opportunity to maybe shore up the policy a little bit.

Additional Program Recommendations

- Along with a Business Summary a Business Plan must be submitted
- First come / First served is for review only
- A 30 day evaluation

Mr. Brockman said so we have additional program recommendations too with this. We know it's a \$5,000, \$10,000 grant which is substantial in some cases. That along with the business summary that we've asked them to submit, as George said, we're needing to get more information so we're requesting a business plan to be submitted. It doesn't have to be an outrageous one, just something that shows some projections, hiring, you know things like that that we can review. Because what this program is it has to have a gap in order to fund it. It has to show that there is a strategic plan and they're leveraging our grant with their strategic plan to get into the next phase.

The other thing is a first come, first serve. We wanted to make clear that is for the review process only. It's not first come, first serve for grants. Currently, we have a two-week evaluation period. We would like to extend that to a 30-day evaluation.

Commissioner Townsend asked would you please go back to the prohibited uses. You mentioned a typo, existing businesses looking for funding. I thought that's what this was so that should not be there right. **Mr. Brockman** said correct. As I explained it's more like their calling in for funding because I need some supplies or—it's the way I did it. I apologize. It was a typo. It is basically I have calls from businesses that just want \$2,500 because they need to fill

up their supply cabinet basically. **Mr. Brajkovic** said I think what we were looking to do was probably make a distinction between equipment purchases for a business and then things that could be classified as office supplies or kind of day-to-day supplies that could be part of any normal business function. **Commissioner Townsend** said my thought is whatever they need though I thought was what this program was supposed to be about. In the three that were awarded these grants, did I hear you say that they got tools. Tell me again the distinction of those three that got grants from things not on this list or on this list. **Mr. Brockman** said Landworks Studio was façade repair, window repair. KC Cupcake Company was kitchen equipment. The bakery, a coffee machine, tables, things like that for the bakery. Bennett Tool and Die was an innovative piece of equipment that cost, well the renovation was an expansion was \$110,000. We put \$2,500 in as a partner with them because they met the goals and the intent of the program.

Commissioner Townsend said I guess I'm still having some concern. It sounds like, well in each case you have a business and they're going to have different requirements or need space on what they do. The request of the cupcake company that seemed reasonable for what they do. I could see that maybe there is someone who has a different type of office business or maybe they are a temporary agency and maybe they would need office supplies. That's why I'm still a bit hesitant about this one of the prohibitive uses that we talked about before. I mean it just depends on what your tools are of the trade. If the overall goal is to help businesses, then I guess I'm still not—I'm uncomfortable with that. **Mr. Brajkovic** said if I might just add one other comment then. As we reviewed this with the County Administrator's Office, you know staff, we all we're kind of reminded it should be kind of this gap financing component to it. As we kind of dove into some of the details of these applications it just seems like Purchasing, and I know you were talking about a very specific kind of business, but some of the requests we were seeing is basic office supplies. We weren't sure how to really make any correlation between why is there a gap in financing your business if you need to buy paper, or pens, or a desk, or chair, something of that nature; and really how does it relate back again to these overall goals in terms of job creation and expansion or growth of a business. If it's an item that you guys want to keep and consideration we're all ears and ready to listen for that kind of direction. It just seemed in this early stage and really with the emphasis to come back before you because we didn't want to feel

at a staff level we are making too many discretionary decisions without having some firm guides in place both for us on the review process side, but I think it's only fair to have a better guide system as people make application because the last thing we want to do is offer any source of false sense of hope that we're going, we've got grant dollars available for whatever your need is, if our intent isn't really whatever your need is.

Commissioner Townsend said of the three businesses that received the funds, were they startups or they have been in business. Can we go back to that other list again, the prohibitive uses, new startups with less than one-year continuous operation. We're saying we would not or is it your proposal that we would not fund entities like that? **Mr. Brockman** said with showing a continuous operation because a lot of times like, as I'm looking at these applications, they are coming from a home-based business. One, we don't allow home-based business but they want to like lease a place and that's great and that's the next phase, next step in their growth, but to give them a \$5,000 loan and their business may or may not work, I don't know. **Commissioner Townsend** said is it that they're in the home-based or that they've been in the home. Maybe they have been in the home and have been successful for two years so are we saying they wouldn't qualify? **Mr. Brajkovic** said I think that's kind of the gray area we're in. We're open to any interpretation you want to give us. If we're looking at some risk mitigation factors for these grant dollars, it was easy to let's say disqualify a business that didn't have a proven track record of any kind. I think if I'm hearing where you're coming from is well, if they were a home based business, that they have a proven track record, should they be considered? I would argue yes, they probably should. I think what Charles was looking for in terms, again, a guide in analyzing the submittal, do we want to see some performance history or is that a weighted factor we could consider. **Commissioner Townsend** said so what I'm getting at then is or what I'm hearing you saying is if it's a startup with less than a year of continuous operation, the criteria of where they were home-based or storefront shouldn't make any difference if you're looking for history, right? There's something about that existing businesses looking for funding though, that still troubles me because all of these are going to be existing businesses looking for funding. **Mr. Brockman** said that was a typo I shouldn't have typed that.

Commissioner Murguia asked is this the first year of this program? **Mr. Brockman** said first two months. **Commissioner Murguia** said first two months and you've already funded those three in this. **Mr. Brockman** said two and one is still up in County Administrator's Office. **Commissioner Murguia** asked are you telling me that our County Administrator gets to decide how this grant money is distributed all by himself. **Mr. Brockman** said he signs off for the approval of the grant. **Commissioner Murguia** said we decide internally here, Community Development decides how we're going to distribute grant money and our Administrator signs off on that? When he signs off on that does it come to this full commission for final approval or does he just sign off on it and the grant money is gone. **Mr. Brockman** said he signs off on it and that allows the CFO to allow us to drawdown the funding. **Commissioner Murguia** said the CFO. **Mr. Brockman** said Chief Financial Officer, Lew Levin. **Commissioner Murguia** said okay. How do you advertise for this grant money? **Mr. Brockman** said right now we have the website up under small business, under departments, Economic Development. We have Greg Kindle out there, Jay Matlock talking about it to businesses as well. We've had two referrals from them on this. I get calls all the time on it. **Mr. Brajkovic** said we also did a couple of ENews blasts when we launched it. We also work with Downtown Shareholders. They're actually a funding partner on KC Cupcake. Again, we've been at it for two months so we're open for suggestions. **Commissioner Murguia** asked how did this program get started. Was this an idea that came from Community and Economic Development? **Mr. Brockman** said it was the staff basically to view how we can create a new incentive.

Ms. Mundt said, Commissioner, this was part of the budget conversation this summer and Commission authorized it. I'm not sure if it was separate action, but it was during that conversation this summer that this was brought forward by Economic Development and Mr. Bach to provide this kind of concept and I believe you were here a couple of months ago laying out the start of it. That's when it was discussed.

Mr. Brajkovic said I mean the premises we have these larger scale projects that use Industrial Revenue Bonds and we have issuance fees that go with those bonds. Typically, those issuance fees just flowed into the General Fund and so we wanted an opportunity to use some of these larger projects that typically occur in other parts of our community to maybe help fund up a grant

program to really help some of the small business activity that we were seeing in other parts of the community. Originally, the early discussions kind of had maybe more defined corridors but as we came back through this committee the intent of the committee seemed to be to offer as a community-wide incentive.

Commissioner Murguia said this is truly not directed at the two of you. I think you do a great job. I think you know that I think you do a great job in your department. I think you work very hard for economic development and Wyandotte County, but candidly given our history and the Commission, some of the commissioners concerns about transparency and optics on how giving away grant money looks; I mean candidly this is \$25,000 that our County Administrator has carte blanche to just give away to whoever he thinks fit this sort of random broad criteria. It doesn't look good to me at all. Frankly, I think you've worked very hard on it. I think you've done as you've been directed to try to do. I think it's well intended but I can't imagine any business, the businesses will not be lined up outside your door for money that we only have \$25,000 to give away and at some point people are going to turn on one another over that money and they are going to start saying why did Cupcake Company get money, free money from the Unified Government and why didn't Sally Sweets down the street not get money? I think this looks not good at all and given the criticism that this Commission has taken and committee members have taken over how grant money is distributed, I think if we're going to distribute grant money there needs to be a process in place and it needs to be very transparent and it needs to be very fair with a very specific criteria. I think we may look at maybe turning this over to our community committee. Then it truly would be representative of that if we're going to be in the business. Not that you've made bad picks and not that anything has been done wrong, but I think we need to have a consistent and fair way in dealing with grant money and how we distribute it in the community.

Commissioner Walters said thanks for being here tonight. I think it's great that we're having this discussion. It seems like a lot of times we set up programs and then we go our merry way and we never quite check back to see how their working out. I have some observations similar to Commissioner Townsend. I kind of thought this was to help startups as much as anything. The requirement that you have, an existing business surprised me. Are these like the landscape

architect they're setting up a second office, they're in operation now and they're moving here. **Mr. Brockman** said they're moving from Olathe to here. **Commissioner Walters** said from Olathe to here. We gave them \$300,000? **Mr. Brockman** said for a \$350,000 investment for acquisition and renovation, we gave them a \$10,000. **Commissioner Walters** said and the cupcake, they're in existence somewhere else and they're opening a second place? **Mr. Brockman** said correct. **Commissioner Walters** said and the tool and die I understand they're buying some equipment. I guess the question I have is did we really make a difference in any of these? Did our money really help them or make these things happen? I guess I'm sort of thinking that maybe these would've happened anyway and maybe we just sort of gave them a little bit of a reward for coming here which may be fine, but I kind of thought we would be taking more of a risk than we seem to be. This is your business, not mine, and evidently you have plenty of applicants for very limited resources so we can be somewhat selective, but we do want to take a risk also. I think we're probably going to have some failures with this program over time, but just my observation is if we're just so cautious that we only fund projects that probably would have happened anyway or have very great abilities to attract capital from other places then maybe we're missing an opportunity. That's my observation.

Mr. Brajkovic said I think those are very fair comments and I share some of your sentiment about startups and that is the risk. A startup is obviously not going to have a proven track record. If the recommendation is to keep them in the mix and keep them under consideration, I think we could definitely live with that. What you're seeing is kind of a staff level reaction to the volume of applications we got again for a smaller pool than what's available on an annual basis and kind of what's happened in the last two months. Again, I guess we could apologize because this is presented in a pretty raw fashion but it is what it is. I think it's the most fair way to represent what the activity has been in the last few months.

Chairman McKiernan said I think one of the things, a couple of things, that we've heard here is that first of all you're asking for some feedback on these criteria and some of these you've gotten so far tonight, but if you could forward that to us then we could continue to provide feedback if it strikes us with that in front of us rather than thinking back to this. I think we've heard some concerns about criteria for selection and if we could be reminded again the framework that was

set up at the beginning then we might be able to react to that framework with additional suggestions above and beyond this in terms of process and criteria because we've had some concerns about both process and criteria. We might be able to provide additional guidance on that.

Commissioner Townsend said I'm willing to say that I do appreciate the work that's gone into this and I do realize that we are at the very fledgling, starting position for this so there's going to be some you know this is going to work, that's not going to work. I guess my overall concern is that we not be so restrictive at this point that we don't make a difference in trying to get aid to some businesses who were primarily when this started out going to be in distressed areas, economically challenged areas. I appreciate that you showed the location of these properties so it seems like the money is going to businesses in the older part of the city so that is something definitely that I would continue to watch because that was one of the main targets, and purposes of the program.

With regard to the Administrator signing off, I'm not uncomfortable with that, but my question is does it come to him with a recommendation from your office. **Mr. Brockman** said yes ma'am, it does.

Chairman McKiernan said any other discussion or comments or questions. If you would forward those materials then we can continue to provide some follow-up and feedback for you. Thank you very much for your presentation

Commissioner Murguia said real quickly can you tell me again how many applicants did you have? **Mr. Brockman** said 17 applications.

Chairman McKiernan said Mr. Alvey has joined us now. We must apologize to Mr. Alvey for not correcting the misdirection. He faithfully followed the time as-printed on his agenda which said we should have started it three minutes ago. We will do our best to try to make sure that we accurately portray agenda times on the agenda.

Chairman McKiernan said as of yet, Mr. Alvey, we have not taken a vote so you are just in time.

Action: For information only.

Item No. 2 – 15271...RESOLUTION: SALE OF MUNICIPAL TEMPORARY NOTES AND GENERAL OBLIGATION BONDS

Synopsis: Resolution authorizing the offering for sale of Municipal Temporary Notes and General Obligation Bonds of the Unified Government of Wyandotte County/Kansas City, Kansas.

Temporary Notes:

2016-I (Tax-Exempt)	\$61,048,573.29
2016-II (Taxable)	\$7,167,702.08

General Obligation Improvement Bonds:

2016-I (Tax-Exempt)	\$28,076,930.89
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Debbie Jonscher, Deputy Chief Finance Officer, said the resolution is for the offering for the sale of Municipal Temporary Notes and General Obligation Bonds for the 2016 financing. I will note that the sale resolution notes the amount of note or bonds we are going to issue, not necessarily what was authorized. You could have a project that was authorized for \$10M and in the first year we might only assume that we were going to spend \$5M so the sale resolution would indicated that \$5M.

We have two series of temporary notes, one taxable and tax-exempt issue and one tax-exempt General Obligation Bond Series. I thought maybe I would just note the difference between the two issues. Usually, temporary notes are issued for one-year and they are usually used for ongoing projects to finance them during the design and construction period. Then General Obligation Bonds are used once the project is completed and we go to permanent financing so that's the difference between the two issues. All of the projects that are included on the sale resolutions are consistent with the CMIP and have been approved by the Commission either in 2015 or in a prior year.

I will note there is one project on the sale resolution, it's the Riverview Avenue Bridge Project, that item is on the agenda later on but I did just want to note that project was originally

approved in November for \$7M. We are asking to issue \$5M of that in this year. If there is any change in the project authorization later in the agenda that does not affect the sale resolution.

Action: **Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve.** Roll call was taken and there were five “Ayes,” Alvey, Walters, Murguia, Townsend, McKiernan.

Item No. 3 – 15273...AMENDMENT: WYANDOTTE PLAZA REDEVELOPMENT AGREEMENT

Synopsis: Second amendment to the Wyandotte Plaza Redevelopment Agreement to allow for the sale of the Wyandotte Plaza by the developer and removes the pledge of the original CID to the lender, submitted by Lew Levin, Chief Financial Officer. This amendment pledges the original CID to the initial bond refinancing, which will occur in February of 2016. Amendment forthcoming.

Lew Levin, Chief Finance Officer, said Todd LaSalla, our counsel with Stinson is with me. I’m going to give a little background on the project and then I’ll ask Todd to discuss specifically the amendment.

In July 2012, the Unified Government financed \$8.1M in initial financings to support land acquisition for the Wyandotte Plaza project. The redevelopment project was a \$28M approximately project. Our goal or objective with that project was initially we provided our annual appropriation backing to the debt but our thought was after we wanted to proceed with refinancing of that debt after three years once the project was complete. The project’s been completed. There may be an additional pad site that will have construction and there is some final leasing of tenants but essentially the project is complete at this time. Therefore, we’re ready to move forward with financing that’s strictly based on project revenues and the project revenues include incremental sales tax revenues. We’ve established the project in a NRA area so it’s eligible for property tax rebate associated with the NRA and there’s been an assessment of a CID, a 1% CID. With those three revenue sources in place we’re able to move forward with the refinancing, remove our annual appropriation backing and then the future financing which our expectation is we’ll bring that back to you in January. We’ll proceed with backing strictly by

project revenues. The first step to accomplish that is to change the current pledged CID revenues. I'll let Mr. LaSalla speak to that.

Todd LaSalla, Stinson, said the original development agreement as a 1% CID sales tax on it. Those are increased taxes collected within the district. When the developer went to finance this project we allowed the developer to pledge that 1% CID to it's lender so the lender as a collateral assignment, an interest in that 1% CID pledge right now today. However, when we go out for this refinancing of the UG bonds the plan is that we really need that 1% back to pledge to the refinancing. The interesting thing is that works for the developer because the developer he is under contract to sell most of this center and some of the blue sheet items that you'll be considering also this evening involve that sale. This agreement really contemplates that at the time this property sells, most of this property sells to a developer, that lender will be taken out of the equation and paid in full and at that point the 1% CID could be pledged to the bonds that we'll use to do the UG refinancing.

That's really what's contemplated in this fairly short and simple document. I should also point out that there are a couple of different things that the developer asked for just today that do not show up in the document in front of you. They are conditions that the developer is looking for, but again they were requested today. One of the conditions is that they would really like this refinancing to take place by a date certain and to happen quickly. We're talking about maybe a condition that all of this occurs on or before April 1, the refinancing occurs on or before April 1, 2016. That is also in the UG's interest. We'd like to have it happen probably in February, but we would perhaps agree to an outside date.

The second condition that they requested today that there's not an agreement on yet, is they are interested if there are excess revenues from the refinancing they would like access to a portion of those access revenues. We haven't really discussed that yet. We haven't agreed to that, but it is a condition that's been requested. I think if this committee is willing to proceed with this amendment, I think we'd like you to allow us to negotiate with the developer about the conditions that they requested today and come to full commission with those conditions fully vetted and agreed to with an amended document.

BPU Board Member Alvey asked what are the conditions on which they're asking for access to those excess revenues? **Mr. LaSalla** said closing. **BPU Board Member Alvey** said okay. **Mr. LaSalla** said the bonds would be publicly sold all that money would be available at closing and frankly the projections today, Lew can speak to, do contemplate there will be some excess revenues available.

Mr. Levin said I might add the original development agreement—we we're looking at funding that total project costs, the public funding constituted approximately 50% of total funding. The developer has the ability to capture, I believe the numbers slightly under \$13M in total revenues if that's available. Today we have funded the developer \$7M and they're looking to capture based on the refinancing up to that project cap. Our current projections with working our underwriters on this issue is that the developer will be able to receive approximately \$5M of that remaining amount, but that was always contemplated since the inception of the development agreement.

Commissioner Walker said so to clarify that for me, if it was contemplated why do they have to ask for it now? **Mr. Levin** said they don't have to—I think what they're asking is that they're not only asking they're saying it's an absolute condition to remove that pledge and we're saying what we're going to provide them what the underwriter is able to achieve and it appears it will be that \$5M number, but a month from now it may turn out to be \$4.8M. What the developer proposed today is they'll pledge that 1% CID but they want some guarantee that they're going to get that \$5M and I think we're not quite in the position to say today with absolute certainty that they're going to be able to receive that \$5M. **Commissioner Walters** said thank you.

Commissioner Murguia said so this is a lot stuff and we just got this, the blue sheet. Are all of these attached to the same development agreement? **Mr. Levin** said yes. **Commissioner Murguia** said all these things on the blue sheet. **Mr. LaSalla** said I don't recall a blue sheet. **Commissioner Murguia** said the transfer and sale of Wyandotte Plaza Retail Center. **Mr. LaSalle** said yes, that one is. **Commissioner Murguia** said we can't keep doing this. You're asking Commissioner's that are part-time to review the intricate details of a development agreement and then we just got this today. I have no idea what's going on. I feel even, it's just irresponsible for me to even vote, but that's how we've done business for years and it doesn't seem like it's ever going to change no matter how much I complain about it. I mean I don't even

know why this has come in front of us. It seems like when you bring them to us the day of the vote that you really just want us to do whatever staff says. I guess if Lew is okay with it and Doug is okay with and George and those guys from Economic Development are okay with it, I mean okay. I don't know what else to say. I could dig into it and ask 100 questions but it's a quarter after seven and I really haven't had any time to prepare. What do you want us to do?

Mr. LaSalla said I believe in the blue sheets there are two different assignment documents that pertain to this development agreement. If you'd like I'd be happy to quickly give you an overview about what those two things do. **Commissioner Murguia** said no, honestly no. I mean don't waste your time. Believe me I understand a development deal and truly the devil is in the details of these deals and in order to really review them thoroughly and know what's going on you need to really pay attention to the details. You don't have enough time and I don't have enough time to go over it. My complaint is more with process. Was there a reason it was blue sheeted through so quickly? **Mr. Levin** said we've been working with the developer probably for I want to say six months on this on getting the assignment of this CID and there were other options that were being considered and probably I'm thinking it was about two weeks ago we finally got agreement from both our team and the development team how we were going to move forward with the financing and then Mr. LaSalla, once we had reached that then he was able to draft this second amendment. I think the developer has a strong interest in moving forward with the sale of the property prior to year-end. Commissioner, you're correct, we're bringing forth each action to you with limited time to review. What I might suggest is maybe a motion where you move it forward to the meeting on the 17th. You'll have another at least ten days to further review in more detail. These items do not need to be on the Consent Agenda and you can ask for another staff presentation on these items and you have the ability to fully vent and review the documents as well as the other commissioners at prior to and have that discussion at the meeting on the 17th.

Commissioner Murguia said I don't like blue sheets on development agreements. I'll just say this. There's been a big issue about transparency and things like that with our government. Todd, I know you, I trust you, I think you're a quality developer and you've done good work. I trust Lew Levin. I think he's done a good job. Apparently, the problem though is with the bigger political body who has concerns about those relationships and them not being very public

or open in public. I don't know how we're doing anything differently by just nodding our heads and voting when big development agreements like that are put through. Really at the end of the day what it requires is us to trust the people doing the proposing. My frustration is more with our internal operations and the way we vote on things then with your presentation. If we're going to level the playing field and it's going to be open and transparent across the board with this government, then we need to get this to us before the day of the vote. There's no way just for public record that we could know what this development agreement is about and the day it was given to us. Nothing personal, thank you both, you do a great job but I want the public to know I couldn't have reviewed these blue sheets.

Commissioner Townsend said I just have one questions I need to ask. It goes back to both of these the comments that we have, the UG has committed to back \$9.5M of the bonds. How does that, how does this amendment—I know that we are selling or that there is a sale of these entities because we've talked about that several months ago. How does that sell relate to our obligation? That's just a simple question that I have about it. **Mr. LaSalla** said the sell particular the Phillips Edison sell, which is really the purchase of all of the inline space and is covered by one of these two blue sheeted items, it really separates the financing portion of the project versus the ownership and the operation of the center. In this document, a five or six page document, Phillips Edison, the buyer of most of the inline space of the center, they are going to take on all of the development agreement obligations about owning the center, operating the center, maintaining it, insuring it, so forth; but the financing commitments, the bonds, the repayment of money that's been advanced and the financial deal that Lew spoke to, that's going to remain with Legacy. It does not transfer the new buyer, the financing piece remains with the current developer. **Commissioner Townsend** said what does that have to do with the \$9.5M that the UG is backing? Anything or nothing? **Mr. LaSalla** said the UG portion that's been backed would be refinanced by this bond sale that Lew is talking about and the UG backing will go away in the spring so that's a good thing. **Mr. Levin** said that's correct.

Chairman McKiernan said it seems that original Item 3 and new Items 4 and 5 are all related to the same original development agreement. Modifying first a portion of it and then—break it down for us. Summarize for us and tell me as an employee and as a consultant is there economic or financial danger to us in doing this? What is our risk in proceeding along this pathway? **Mr.**

Levin said I think our objective is as I tried when I started my comments was to really remove ourselves from our annual appropriation backing on this stat. That was our intention all along and we finally are at—the projects been successful. We're at a position that we can move forward with the refinancing that's backed strictly by project revenues. So really our risk is if we don't proceed, we're responsible for that debt. We do not have access to the CID revenues and we'll have to back the project by other revenue sources other than the incremental property tax and sales tax revenues. Really, that's our risk is our inability to move forward with the financing. Now, when the Commission approved the first amendment to the development agreement there were terms that allowed us to have another special assessment. We could have an add on CID as well as the special assessment upon the property. We retain that ability to really minimize our future risk, but the developers position was their preference was not to have those add on assessments but to pledge that original CID revenue stream back to the government. **Chairman McKiernan** said these three taken together remove our annual appropriation obligation as a backstop to the bonds that have been issued, correct? **Mr. LaSalla** said number three does. **Chairman McKiernan** said so number three removes our annual appropriation and instead directs the CID revenue there which then absolves us of that responsibility. **Mr. LaSalla** said correct. **Chairman McKiernan** said okay, give me something that simple for four and five.

Mr. LaSalla said four and five are about you being in contract with new parties for portions of the center. All of the inline space there would be a new buyer named Phillip Edison who is a big grocery store, shopping center owner, they have about 270 centers in the country and have a lot of money. You would substitute them in for Legacy. It's a new buyer. It's a new developer entity that you would have a relationship by virtue of that document. **Chairman McKiernan** asked what danger to us exists in changing from the old to the new contracted agency company? **Mr. LaSalla** said well, in theory, if the new buyer was not—if the new developer was not as good as the one you had—it's a new party, it's the devil you don't know. They are a publicly held company. There's a lot of information available about their experience with shopping centers just like this and their net worth which is substantial. **Chairman McKiernan** said let's flip it over, give me that compelling reason why I should say heck yes. **Mr. LaSalla** said in addition to their 270 centers just like this that they own, let me read to you from something that's on their website that's publicly available. The company portfolio at year-end, this is half of the company, one of the two funds, consists of 138 properties totaling 14.7M sq. ft. of space within

27 states of the United States and represent an aggregate purchase price of \$2.1B. In their portfolio they are about 95% leased. All of those are factors that tell you this is a very big, very well operated company that you've got that's coming in to buy this part of the center.

Chairman McKiernan said when we do blue sheet stuff like this I think what would be really great is if we could, if we want to go quickly on it, try to get as much clarity as we can. Some sort of a presentation where we boil down and get those points that Mr. LaSalla just articulated, get those up here, even email those out to us, even if it's immediately prior to the meeting so we have some documentation to refer to that helps to clarify and crystalize what it is we're being asked to do I think would be great.

BPU Board Member Alvey asked I guess I just want to clarify. What I understand is the original agreement, the original objective in the agreement was the Unified Government would back bonds in order to allow this development to go forward to redevelop Wyandotte Plaza and that part of the agreement allowed the developer to come back and claim any excess revenues at this point. So we would simply be living up to our side of the agreement to try and move this project forward. We are now at the point where we can refinance these, back the UG out of it, and really not put ourselves at risk. **Mr. LaSalla** said that's correct. I think that you refinance these bonds the UG has less risk than it had before.

Commissioner Townsend said the only other comment I wanted to make goes back to discussion we had when this came up, the sale of it. If there's no financial risk to us and we improve that aspect of it, that's one thing. I guess the issue maybe for future that we'd like to see aside from the new buyer coming in, is there any way that we could get information about what their properties look like because that was really part of the concern expressed a couple of months ago when we had somebody new. We know RED Legacy, so why are we turning these properties over to people that may not be as well known in this community. That's the other part of this that in the future would be good to have some information about. **Mr. LaSalla** said that's a really good point. On this one, the Phillips Edison piece of this, the inline space in particular, I'm going to get George the website for this company. It's a really good website. You will be able to go through and click and see all of their holdings, really nationwide. You can even do it state by state and find that there are three properties in the state of Kansas and you can see what they are and what those centers look like. On the Phillips Edison piece that's easy to do.

The other blue sheet item that you have is the sale of the Krispy Kreme pad site, that's a different buy, kind of a smaller family investor type buyer. There's not as much information about their other holdings or their financials. There you have a lease where Krispy Kreme corporate is the tenant on that lease and takes on most of the ownership responsibilities by virtue of that lease.

Mr. Brajkovic said I was just going to offer, to make a quick introduction maybe invite him up here, Dave Claflin with Legacy Development is here. As we were going to get to the blue sheet items we did have just a brief presentation tonight but we were after the other items and so maybe in retrospect we should have done it quick display first. Maybe Dave can offer a few comments about what Legacy's relationship is with Phillip Edison and why they're interested in selling the center to them.

Dave Claflin, Legacy, said Mr. LaSalla has kind of covered the great reputation and the background of Phillips Edison. Like he said 270 properties across the country. They're in 32 different states. They're all primarily grocery anchored neighborhood centers just like Wyandotte Plaza. They've been in business for 24 years. They have two projects in Missouri both on the St. Louis side, they have three here in Kansas and two of them are here in the Kansas City area. One I'm very familiar with. It's called Quivira Crossing, it's at 135th St. & Quivira in Overland Park, a very nice, you can pull it up on their website or find other pictures of it or drive by it and see the caliber of it.

The other one is called Falcon Valley at 101st St. in Lenexa. They're both very nice, nicer quality centers. In fact, the way we became familiar with this whole project was through PhillipS Edison. They originally had the project under contract in 2011. As part of their DUE diligence began talking to Price Chopper they learned that Price Chopper really wanted not just some renovations, they wanted a new store, they wanted TO upgrade this whole facility and that's really not the business that PhillipS Edison is in. There are that kind of maintains projects but that happens to be RED Legacy business in adding value, figuring out new leases, the construction, the design and the way it all works. They assigned the contract to us in 2011 and we pulled it across the finish line and we feel like it is a successful project today.

Chairman McKiernan said so you did have what I asked for if I just would have waited for it. **Mr. Claflin** said just read my mind. **Chairman McKiernan** said I'm working on that. Anyother comments or questions or discussion here? I guess my question would be for Mr. Moore. These items do they need to be taken separately or because they are interrelated can they all be accomplished with one vote. **Mr. Moore** said I think it really would be best to have separate votes on them because you're talking about different parties in Items 4 and 5 and then Item No. 3 it involves financing.

Action: **Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve.** Roll call was taken and there were five "Ayes," Alvey, Walters, Murguia, Townsend, McKiernan.

Item No. 4 – 15279...RESOLUTION: TRANSFER/SALE OF WYANDOTTE COUNTY PLAZA RETAIL CENTER

Synopsis: A resolution authorizing the transfer/sale of Wyandotte Plaza Retail Center (the grocery store and all in-line shops), located at the northeast corner of 78th Street and State Avenue, to Phillips Edison, submitted by George Brajkovic, Economic Development Director.

Action: **Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve.** Roll call was taken and there were five "Ayes", Alvey, Walters, Murguia, Townsend, McKiernan.

Item No. 5 – 15284...RESOLUTION: TRANSFER/SALE OF KRISPY KREME IN THE WYANDOTTE PLAZA RETAIL CENTER

Synopsis: A resolution authorizing the transfer/sale of Krispy Kreme in the Wyandotte Plaza Retail Center, located at the northeast corner of 78th Street and State Avenue, to LAG Investments Kansas City, LLC, submitted by George Brajkovic, Economic Development Director.

Action: Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve. Roll call was taken and there were five “Ayes,” Alvey, Walters, Murguia, Townsend, McKiernan.

Item No. 6 – 15247...OPTIONS: RIVERVIEW AVENUE BRIDGE REPLACEMENT

Synopsis: Options for the replacement of the existing Riverview Avenue Bridge over the Turner Diagonal, submitted by Bill Heatherman, County Engineer. The Engineering staff’s opinion is that the bridge replacement should be budgeted at \$8.8M or the at-grade intersection option should be budgeted at \$7M to \$7.2M. The current CMIP showed \$7M in financing through the Economic Development category. This item was first presented to the Economic Development and Finance Standing Committee on November 9, 2015, to request an increase in funding for a bridge for Riverview Avenue instead of the at-grade intersection that was previously presented. The item was approved as originally presented with no change. The Commission wanted additional information on the changes proposed. On November 30, 2015, the Public Works and Safety Standing Committee, chaired by Commissioner Bynum, voted unanimously to forward this item to the Economic Development and Finance Standing Committee with the recommendation for the bridge replacement and an increase in the cost of the project from \$7M to \$8.8M.

Bill Heatherman, County Engineer, said at last month’s meeting as you recall we had the first discussion of the bonded projects including a discussion of the Riverview Avenue Bridge. A number of commissioners had questions for us that evening. We have spent some time in the last month being able to answer questions and brief individual commissioners on some additional dimensions to that project which we can stand tonight and answer any additional questions you may have.

Just a recap is associated with the Turner Commerce Center Project comes the opportunity in funding to replace the bridge at Riverview Avenue with another intersection configuration. That existing bridge had emergency repairs done. It is functionally safe, but it is absolute and does need to have a planned program to replace. The Turner Commerce Center

Project does generate a revenue stream and as a need as well due to it's own traffic to see that bridge improved.

The two options that had been under discussion was either a replacement with another bridge or a replacement with an at-grade intersection with traffic signal. Staff has provided information about some of the pros and cons on various dimensions both costs , operations, safety, etc. Last Monday at the Public Works Standing Committee we discussed the project and presented it in somewhat more detail with the idea that the Public Works Standing Committee as the committee with jurisdiction over types of infrastructure and would want to weigh in. They did hear about the project and there was a unanimous recommendation from Public Works Standing Committee to endorse the project subject to financing which brings us to tonight and this committee which as the jurisdiction of making approvals for any financing that would go with and had been discussed. At last month's meeting your committee did go ahead and approve the project at the original \$7M level which corresponded to the at-grade intersection and that's how the resolution was written that night. In order to change it to a bridge project, if that is the Commissions desire, it would require an action to approve an amended resolution which Debbie has and Debbie can talk a little bit more about the financing aspects of this project.

Ms. Jonscher said as Bill said last month we approved the project at \$7M for the at-grade intersection. If the option is to move forward with the bridge project, we would have an amending resolution that would authorize the project moving forward with the bridge at \$8.8M. I did include a copy of a resolution in the packet that you received in the blue sheet packet, however; that resolution was not an amending resolution so I do have copies of the correct resolution to pass out if that's the option that you choose.

Chairman McKiernan said of which, let's be specific about this because Public Works Standing Committee, if I remember correctly, endorsed the bridge project and so I want to clarify is the motion for approval to approve the amending resolution to fund the bridge project. **Commissioner Murguia** said yes. **Chairman McKiernan** said because our request for action just says pick one. I want to make sure we specify which one we pick.

Action: Commissioner Murguia made a motion, seconded by Commissioner Walters, to approve the amending resolution that would fund the bridge project at **\$8.8M estimated**. Roll call was taken and there were five “Ayes, Alvey, Walters, Murguia, Townsend, McKiernan.

Adjourn

Chairman McKiernan adjourned the meeting at 7:55 p.m.

tk



Staff Request for Commission Action

Tracking No. 16362

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 2/1/16

(If none, please explain):

Publication Required: No

<u>Date:</u> 01/21/2016	<u>Contact Name:</u> Dennis Laughlin, Manager	<u>Contact Phone:</u> x5851	<u>Contact Email:</u> dlaughlin@wycokck.org	<u>Department/Division:</u> Purchasing/Compliance
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Item Description:

- **Enhance customer service by soliciting input from customers.**
- Conduct an internal survey of customers about purchasing services, including courtesy, professionalism, problem solving, knowledge of products/vendors, and knowledge of staff understanding of purchasing policies and procedures. Use to develop goals and objectives for 2016.
- **Actively promote Minority and Women Owned Business program with the Unified Government through a variety of means and methods.**
- Monitor the number of New Approved Registered Suppliers and MWBE suppliers, on a weekly basis in our eProcurement website. Staff will chart progress monthly for a year-end report and be able to use the information to determine effectiveness of recruitment and retention efforts with MWBE suppliers.
- **Develop data driven processes to enhance the outcomes of the Purchasing and Procurement Division of the Unified Government.**
- Track the number of Purchase Orders processed and distributed weekly to the departments, Tuesday mornings at 10:00 am. Staff will chart weekly for a year-end report to determine meeting a service objective for turnaround of these requests in a timely manner.

Action Requested:

Approve the 2016 measurable goals from the Purchasing and Compliance Division.

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:



Unified Government Finance Office

Lew Levin
Chief Financial Officer

701 North 7th Street, Suite 330
Kansas City, Kansas 66101-3065

Phone: (913) 573-5186
Fax: (913) 573-5003

TO: Economic Development and Finance Standing Committee

FROM: Lew Levin, Chief Financial Officer

SUBJECT: Quarterly Investment and Budget Revision Report, December 2015

DATE: January 19, 2016

Attached you will find three schedules entitled "Investments By Type, Interest Revenue Earned, and Cash By Fund Type".

A fourth table lists budget revisions approved by Administration in excess of \$10,000. Four of the budget revisions occurred prior to the adoption of the amended budget and the amended budget was adjusted to reflect those revisions.

The first schedule contains details of the Unified Government cash currently invested indicating investment type, date invested, maturity date, as well as interest rate.

The second schedule is a chart comparing the total interest earned, and the average invested for years 2012, 2013, 2014 and 2015 through December 31, 2015.

The third schedule indicates the total cash held by fund type.

The final table provides a brief description of the budget revisions referred to above.

These reports are presented for inclusion in the information packet to the Standing Committee members and no action is required.

cc: Cash Management Committee

**INVESTMENT BY TYPE
UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY /
KANSAS CITY, KANSAS
December 31, 2015**

	Amount	Rate	Invest. Date	Mat. Date	Days to Mat.
UMB, NBA, Wyandotte - Oper.	\$104,063,000	0.250%	12/31/15	01/04/16	4
UMB, NBA, Wyandotte - Health	855,000	0.250%	12/31/15	01/04/16	4
TOTAL REPURCHASE AGREEMENTS	\$104,918,000	0.250%	Average Rate of Interest		
Capital Federal	10,000,000	0.480%	05/13/14	05/23/16	144
Commerce	3,000,000	0.451%	05/23/14	05/23/16	144
Capital Federal	5,000,000	0.470%	05/22/13	07/24/16	206
Bank of Labor	95,000	0.450%	09/21/15	09/21/16	265
Liberty Bank	95,000	0.400%	09/21/15	09/21/16	
Capital Federal	5,000,000	0.640%	12/11/14	10/24/16	298
Liberty Bank	1,000,000	0.620%	12/14/12	12/13/16	348
Capital Federal	5,000,000	0.690%	05/22/13	04/28/17	484
Capital Federal	5,000,000	0.690%	05/22/13	05/22/17	508
Capital Federal	3,000,000	0.990%	12/11/14	10/23/17	662
Commerce	4,000,000	1.100%	05/09/14	11/01/17	671
Commerce	8,000,000	1.300%	05/09/14	05/04/18	855
Capital Federal	3,000,000	1.340%	12/11/14	10/25/18	1,029
Commerce	7,000,000	0.950%	01/08/15	08/11/17	589
Commerce	7,000,000	1.000%	02/05/15	03/09/18	799
Commerce	7,000,000	1.250%	01/08/15	08/13/18	956
Liberty Bank	1,000,000	1.300%	01/08/15	08/13/18	956
Capital Federal	4,000,000	1.240%	03/26/15	12/03/18	1,068
Capital Federal	4,000,000	1.510%	03/26/15	03/15/19	1,170
Commerce	8,000,000	1.285%	06/10/15	06/11/18	893
Commerce	8,000,000	1.585%	06/10/15	06/10/19	1,257
TOTAL CERTIFICATES OF DEPOSIT	\$98,190,000	1.006%	Average Rate of Interest		
UMB/ FHLMC	\$854,326	0.500%	05/09/13	05/13/16	134
UMB/ FHCB	5,000,166	0.600%	12/14/12	12/12/16	347
UMB/FNMA	4,995,774	0.670%	06/06/13	03/06/17	431
UMB/FNMA	1,031,813	0.606%	09/25/14	09/15/16	259
UMB/FFCB	1,000,858	1.100%	09/25/14	09/22/17	631
UMB/ FHLB	5,086,631	1.564%	09/25/14	09/14/18	988
TOTAL U.S. TREASURY	\$17,969,568	0.916%	Average Rate of Interest		
TEMP NOTE 2014IV	75,125	0.700%	2/27/2014	8/1/2016	214
TEMP NOTE 2014IV	82,125	1.100%	2/27/2014	8/1/2017	579
TOTAL TEMPORARY NOTES	\$157,250	0.909%	Average Rate of Interest		

STATISTICS

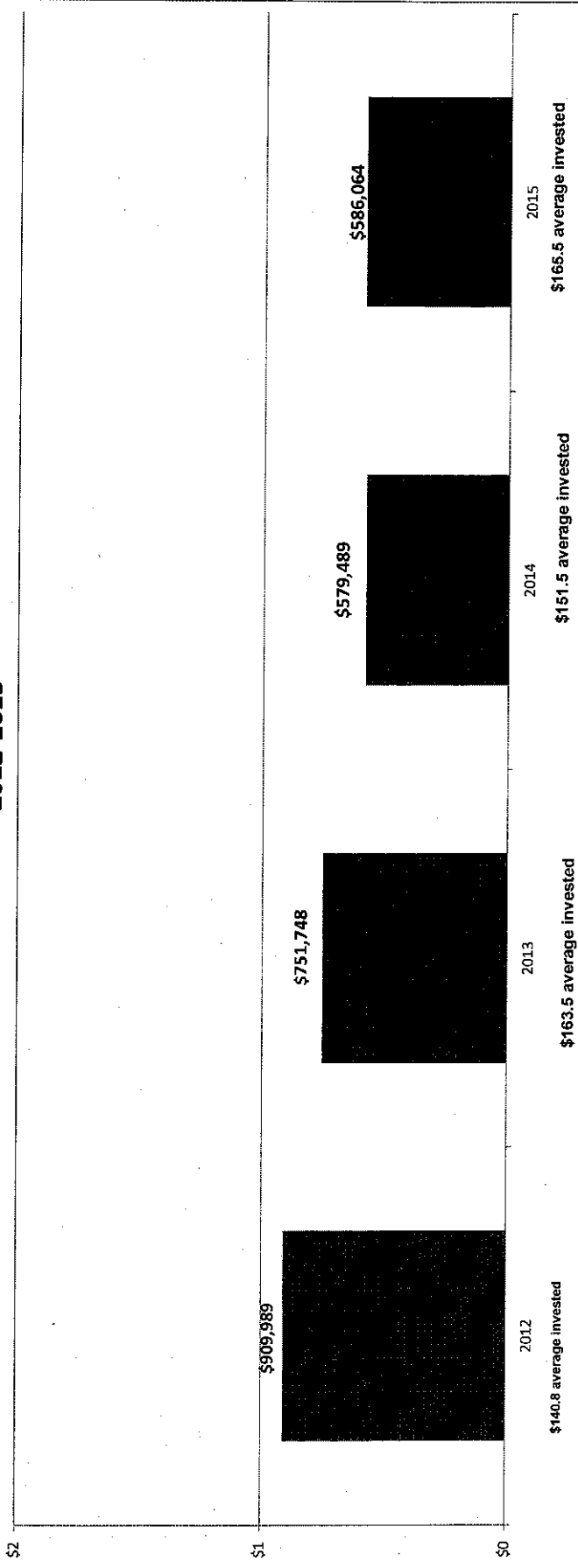
Total Investments	\$221,234,818	Avg. Days	563
Overall Average Rate of Interest	0.64%		
Average Investment -YTD	\$165,498,215		
Weighted Average Yield	0.86%		
91-day T-Bill Rate (Benchmark)	0.01%		
Average Weighted Maturity	353.69		
Interest Posted Through SEPTEMBER 30, 2015	\$586,064 *		

**ALL ABOVE INVESTMENTS ARE FULLY COLLATERALIZED IN COMPLIANCE WITH THE UNIFIED GOVERNMENT'S INVESTMENT POLICIES AND K.S.A. 9-1402

* INTEREST POSTED IS CALCULATED ON A GAAP BASIS.

Interest Revenue Earned 2012-2015

Millions



CASH BY FUND TYPE
December 31, 2015

GENERAL FUND TYPE	25,233,617
SPECIAL REVENUE FUND TYPE	12,807,929
DEBT SERVICE FUND TYPE	4,773,411
CAPITAL PROJECT FUND TYPE	44,123,810
ENTERPRISE FUND TYPE	21,815,832
INTERNAL SERVICE FUND TYPE	(4,368,996)
TRUST AND AGENCY FUND TYPE	115,338,683
TOTAL CASH	<u>219,724,286</u>

The difference between the Cash by Fund Type and the Investment by Type report is the investment of reconciling items, such as outstanding warrants.

BUDGET REVISIONS \$10,000 OR GREATER - FOURTH QUARTER 2015(For information only)

ENTRY	FUND	DEPARTMENT	CMIP/OPERATING	DESCRIPTION	AMOUNT	DATE APPROVED
1	County General Fund	Community Programs	Operating	Setup Land Bank Strategic Demolition Program	\$11,103	October 12, 2015
2	County General Fund Emergency Medical Services	Finance	Capital	Cricket Wireless Amphitheater Renovations	\$80,000	October 6, 2015
3		Fire	Operating	October Medical Supplies	\$43,500	October 12, 2015
4	County General Fund	Sheriff Department	Operating/Capital	Cover cost for vehicle repairs and CAD system expenses	\$26,536	October 23, 2015
5	County General Fund	Sheriff Department	Operating/Capital	Pest Control/Security System Upgrades	\$98,100	November 6, 2015
6	City General/Emergency Medical Services	Fire	Capital	Repairs for Fire Station #4	\$100,000	November 16, 2015
7	County General	Public Works/Buildings & Logistics	Capital	Court House Fire Alarm Panel Upgrade	\$60,000	November 16, 2015
8	City General	Public Works	Capital	Replace Damaged Street Sweeper	\$40,000	November 16, 2015
9	City General	Legal	Operating	Labor Negotiation Fees	\$15,000	November 17, 2015
10	Emergency Medical Services	Fire	Operating	November Medical Supplies	\$30,697	November 17, 2015
11	County General	Coroner	Operating	Autopsies	\$13,500	December 8, 2015
12	Sewer System Enterprise	Public Works	Operating	Oxygen-Sludge Process	\$123,000	December 8, 2015
13	City General	Finance	Operating	Theater Closing Fees	\$148,685	December 14, 2015
14	County General	WYCO Radio	Operating	Replace Headsets	\$21,700	December 11, 2015
15	Emergency Medical Services	Fire	Operating	Shift to pay year end expenses November & December Postage Expense	\$32,741	December 21, 2015
16	City/County General	Clerk's Office	Operating		\$43,447	December 22, 2015
17	County General	District Courts	Operating	Purchase Document Scanners	\$32,000	December 16, 2015
18	Sewer System Enterprise	Public Works	Operating	Maintenance & Construction Materials	\$78,242	December 18, 2015
19	Sewer System Enterprise	Public Works	Operating	Municipal Waste Charges	\$200,000	December 18, 2015
20	City General/Emergency Medical Services/Dedicated Sales Tax	Fire	Capital	CAD System Equipment	\$200,717	January 13, 2016
21	Dedicated Sales Tax	Fire	Operating	Shift funds to pay year end expenses	\$48,967	January 13, 2016
GRAND TOTAL					\$1,447,935	



Staff Request for Commission Action

Tracking No. 16354

Full Commission Meeting Date: 2/25/16

Committee: Economic Development & Finance

Date of Standing Committee Action: 2/1/16

(If none, please explain):

Publication Required: Yes 03/03/2016

<u>Date:</u>	<u>Contact Name:</u>	<u>Contact Phone:</u>	<u>Contact Email:</u>	<u>Department/Division:</u>
01/19/2016	Lew Levin, Chief Financial Officer	x5186	llevin@wycokck.org	Finance

Item Description:

Ordinance authorizing the issuance of special obligation tax increment revenue refunding bonds (39Rainbow South) Series 2016 in the maximum principal amount of \$4,300,000 of the Unified Government of Wyandotte County/Kansas City, Kansas for the purpose of refunding certain outstanding special obligation tax increment revenue bonds, 39Rainbow South series 2013 and paying costs of issuance and making certain covenants thereto.

Specific parameters:

- (a) principal not to exceed \$4,300,000 and minimum denominations of \$100,000;
- (b) fixed interest rate not to exceed 4.25% (currently at 5%); and variable rate not to exceed 3.75%;
- (c) final maturity no later than 2033;
- (d) weighted average maturity of not less than 7 years nor more than 10 years;
- (e) purchase price not less than 100%; and
- (f) privately placed by UMB with a maximum placement agent fee of 1.5%.

Action Requested:

Approve ordinance subject to the parameters indicated above.

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

39th and Rainbow Refunding Ordinance

[Published in *The Wyandotte Echo* on March __, 2016]

ORDINANCE NO. O-__-16

AN ORDINANCE AUTHORIZING THE ISSUANCE OF SPECIAL OBLIGATION TAX INCREMENT REVENUE REFUNDING BONDS (39RAINBOW SOUTH TIF PROJECT), SERIES 2016 IN THE MAXIMUM PRINCIPAL AMOUNT OF \$4,300,000 OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, FOR THE PURPOSE OF REFUNDING CERTAIN OUTSTANDING TAXABLE SPECIAL OBLIGATION TAX INCREMENT REVENUE BONDS (39RAINBOW SOUTH PROJECT) SERIES 2013 AND PAYING COSTS OF ISSUANCE; AND MAKING CERTAIN COVENANTS WITH RESPECT THERETO.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the “Unified Government”), is a municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Kansas as a consolidated city-county having all the powers, functions and duties of a county and a city of the first class; and

WHEREAS, the Unified Government has the authority to adopt tax increment financing pursuant to the Kansas Tax Increment Redevelopment Act, constituting sections K.S.A. 12-1770 *et seq.*, as amended (the “Act”); and

WHEREAS, the Unified Government created the 39th and Rainbow Tax Increment Redevelopment District by the adoption of Ordinance No. 0-79-09 on October 29, 2009, which consists of the four redevelopment project areas; and

WHEREAS, the Unified Government adopted the redevelopment project plan for Project Areas 1 and 2 (the “Redevelopment Plan”) by the adoption of Ordinance No. 0-10-11, adopting the Redevelopment Plan, dated December 17, 2010; and

WHEREAS, the Unified Government issued its Taxable Special Obligation Tax Increment Revenue Bonds (39Rainbow South Project), Series 2013 in the original principal amount of \$4,365,000 (the “Refunded Bonds”) to pay or refinance a portion of the Redevelopment Project Costs, fund capitalized interest and pay the costs of issuing the Refunded Bonds; and

WHEREAS, the Unified Government has determined that it is necessary and desirable to issue its Special Obligation Tax Increment Revenue Refunding Bonds (39Rainblow South TIF Project), Series 2016 in one or more series (the “Bonds”), in the maximum aggregate principal amount of \$4,300,000 to refund the Refunded Bonds, fund a debt service reserve fund, and pay the costs of issuing the Bonds;

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

Section 1. Definitions of Words and Terms. In addition to words and terms defined elsewhere in this Ordinance, the following capitalized words and terms as used in this Ordinance shall have the following meanings:

“**Tax Increment Fund**” means the Tax Increment Fund of the Unified Government created for the Incremental Tax Revenues (as defined in the Indenture) of the 39th & Rainbow Project Area 2.

Section 2. Authorization of the Bonds. The Unified Government is hereby authorized to issue and sell the Bonds in the original aggregate principal amount of not to exceed \$4,300,000, the proceeds of which will be used to refund the Refunded Bonds, fund a debt service reserve fund, and pay certain issuance costs related to the Bonds. The Bonds shall be (i) issued and secured pursuant to the herein authorized Indenture (ii) shall be issued in a principal amount of not to exceed \$4,300,000 and in minimum denominations of not less than \$100,000, (iii) issued with a portion bearing interest at fixed interest rate not to exceed 4.25% and a portion bearing interest at a variable rate with an initial interest rate of not to exceed 3.75%, (iv) shall have a final maturity no later than 2033, (v) shall have a scheduled weighted average maturity of not less than 7 nor more than 10 years, (v) purchase price not less than 100% and (vi) shall be privately placed by UMB Bank, N.A., Kansas City, Missouri (the “Placement Agent”) with a maximum placement agent fee of 1.50%.

The final terms of the Bonds shall have such other terms and provisions, shall be issued, executed, authenticated and delivered in such manner and shall be subject to such provisions, covenants and agreements, as are set forth in the Indenture upon the execution thereof. The signatures of the Mayor when executing such Indenture shall constitute conclusive evidence of the Mayor’s approval and the Unified Government’s approval thereof.

The Bonds, together with interest and premium, if any, thereon are not general obligations of the Unified Government but are limited obligations payable solely from the trust estate pledged to the payment thereof under the Indenture and shall be a valid claim of the respective holders thereof only against the trust estate and other moneys held by the Trustee and the revenues so pledged as aforesaid. In no event shall the Bonds be payable out of any funds or properties other than those pledged or acquired under the Indenture, and the Bonds shall not be deemed to constitute a debt or liability of the State of Kansas, the Unified Government or of any political subdivision thereof and the issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Unified Government, the State of Kansas or any political subdivision thereof to levy any form of taxation therefor or to budget or make any appropriation for their payment. Nothing in the Bonds, the Indenture, the proceedings of the Unified Government authorizing the Bonds or the Act shall be construed to be a debt or loan of credit of the Unified Government, the State or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Section 3. Security for the Bonds. The Unified Government shall deposit the Incremental Tax Revenues into the Tax Increment Fund. The moneys and securities now or hereafter held in, and moneys and securities to be deposited in the Tax Increment Fund and all interest and earnings thereon and proceeds thereof are hereby pledged to secure the payment of the Bonds. The moneys in the Tax Increment Fund shall be administered and applied solely for the purposes and in the manner provided in this Ordinance. The Incremental Tax Revenues shall be determined and collected in the manner provided by law and as provided in the Indenture.

Section 4. Authorization and Approval of Documents. The following documents are hereby approved in substantially the forms presented to and reviewed by the Unified Government at this

meeting (copies of which documents shall be filed in the records of the Unified Government), and the Unified Government is hereby authorized to execute and deliver each of such documents to which the Unified Government is a party (the “Unified Government Documents”) with such changes therein as shall be approved by the officer or officers of the Unified Government executing such documents, such officers' signatures thereon being conclusive evidence of their approval and the Unified Government's approval thereof:

(a) Bond Trust Indenture dated as of the date stated therein (the “Indenture”), between the Unified Government and UMB Bank, N.A., Kansas City, Missouri, as trustee (the “Trustee”); and

(b) Tax Compliance Agreement dated as of the date stated therein (the “Tax Compliance Agreement”) between the Unified Government and the Trustee.

Section 5. Execution of Bonds and Documents. The Mayor of the Unified Government is hereby authorized and directed to execute the Bonds and to deliver the Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the Unified Government in the manner provided in the Indenture. The Mayor of the Unified Government is hereby authorized and directed to execute the Unified Government Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, for and on behalf of and as the act and deed of the Unified Government. The Clerk of the Unified Government is hereby authorized and directed to attest to and affix the seal of the Unified Government to the Bonds, the Unified Government Documents and such other documents, certificates and instruments as may be necessary.

Section 6. Tax Covenants. The Unified Government covenants and agrees that (a) it will comply with all applicable provisions of the Code, including *Sections 103* and *141* through *150*, necessary to maintain the exclusion from federal gross income of the interest on the Bonds; and (b) it will not use or permit the use of any proceeds of Bonds or any other funds of the Unified Government, nor take or permit any other action, or fail to take any action, which would adversely affect the exclusion from federal gross income of the interest on the Bonds. The Unified Government will also adopt such other ordinances or resolutions and take such other actions as may be necessary to comply with the Code and with other applicable future law, in order to ensure that the interest on the Bonds will remain excluded from federal gross income, to the extent any such actions can be taken by the Unified Government.

Section 7. Further Authority. The Issuer shall, and the officers, employees and agents of the Unified Government are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, and to carry out, comply with and perform the duties of the Unified Government with respect to the Bonds and the Unified Government Documents, including, but not limited to, agreements with respect to the investment of funds held under the Indenture.

Section 8. Governing Law. This Ordinance and the Bonds shall be governed by and construed in accordance with the applicable laws of the State.

Section 9. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the governing body of the Unified Government and publication in the official Unified Government newspaper.

PASSED by the Board of Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas on February 25, 2016.

APPROVED by the Mayor/CEO.

(SEAL)

ATTEST:

Mayor/CEO

Unified Government Clerk

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS
HELD ON FEBRUARY 4, 2016**

Present: _____.

Absent: _____.

The Mayor/CEO declared that a quorum was present and called the meeting to order.

* * * * *

(Other Proceedings)

Thereupon, there was presented a Resolution entitled:

**RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL
OBLIGATION REFUNDING BONDS, SERIES 2016-B, AND TAXABLE GENERAL
OBLIGATION REFUNDING BONDS, SERIES 2016-C OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS.**

Thereupon, Commissioner _____ moved that said Resolution be adopted. The motion was seconded by Commissioner _____. Said Resolution was duly read and considered, and upon being put, the motion for the adoption of said Resolution was carried by the vote of the governing body, the vote being as follows:

Yea: _____.

Nay: _____.

Thereupon, the Mayor/CEO declared said Resolution duly adopted and the Resolution was then duly numbered Resolution No. R-____-16 and was signed by the Mayor/CEO and attested by the Clerk.

* * * * *

(Other Proceedings)

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I hereby certify that the foregoing Excerpt of Minutes is a true and correct excerpt of the proceedings of the governing body of the Unified Government of Wyandotte County/Kansas City, Kansas, held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

Clerk

RESOLUTION NO. _____

RESOLUTION AUTHORIZING THE OFFERING FOR SALE OF GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016-B, AND TAXABLE GENERAL OBLIGATION REFUNDING BONDS, SERIES 2016-C OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS.

WHEREAS, the, Unified Government of Wyandotte County/Kansas City, Kansas (the “Issuer”) has previously issued and has outstanding general obligation bonds; and

WHEREAS, due to the current interest rate environment, the Issuer has the opportunity to issue its general obligation refunding bonds in order to achieve an interest cost savings on all or a portion of the debt represented by such general obligation bonds described as follows (collectively, the “Refunded Bonds”):

<u>Description</u>	<u>Series</u>	<u>Dated Date</u>	<u>Years</u>	<u>Amount</u>
General Obligation Improvement Bonds	2008A	March 27, 2008	2018 to 2027	\$17,565,000
Taxable General Obligation Improvement Bonds	2008B	March 27, 2008	2018 to 2027	1,455,000
General Obligation Improvement Bonds	2008C	October 15, 2008	2019 to 2028	3,750,000
Taxable General Obligation Improvement Bonds	2008D	October 15, 2008	2019 to 2028	1,295,000

; and

WHEREAS, the Issuer has selected the firm of Springsted Incorporated, Saint Paul, Minnesota, (“Municipal Advisor”), as Municipal Advisor for one or more series of general obligation refunding bonds of the Issuer to be issued in order to provide funds to refund all or a portion of the Refunded Bonds; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor to proceed with the offering for sale of said general obligation refunding bonds and related activities; and

WHEREAS, one of the duties and responsibilities of the Issuer is to prepare and distribute a preliminary official statement relating to said general obligation refunding bonds; and

WHEREAS, the Issuer desires to authorize the Municipal Advisor and Gilmore & Bell, P.C., Kansas City, Missouri (“Bond Counsel”), in conjunction with the Clerk, Chief Financial Officer, and other officers and representatives of the Issuer to proceed with the preparation and distribution of a preliminary official statement and notice of bond sale and to authorize the distribution thereof and all other preliminary action necessary to sell said general obligation refunding bonds.

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

Section 1. The Issuer is hereby authorized to offer for sale the Issuer’s General Obligation Refunding Bonds, Series 2016-B and Taxable General Obligation Refunding Bonds, Series 2016-C (collectively, the “Bonds”) described in the Notice of Sale to be prepared by Bond Counsel, in

conjunction with the Municipal Advisor and Issuer staff. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in such Notice of Bond Sale.

Section 2. The Mayor/Chief Executive and Clerk are hereby authorized to cause to be prepared a Preliminary Official Statement, and such officials and other representatives of the Issuer are hereby authorized to use such document in connection with the public sale of the Bonds.

Section 3. The Clerk, in conjunction with the Municipal Advisor and Bond Counsel, is hereby authorized and directed to give notice of said bond sale by distributing copies of the Notice of Bond Sale and Preliminary Official Statement to prospective purchasers of the Bonds. Proposals for the purchase of the Bonds shall be submitted upon the terms and conditions set forth in said Notice of Bond Sale, and shall be delivered to the governing body at its meeting to be held on the sale date referenced in the Notice of Bond Sale, at which meeting the governing body shall review such bids and shall award the sale of the Bonds or reject all proposals.

Section 4. For the purpose of enabling the purchaser(s) of the Bonds (the “Purchaser(s)”) to comply with the requirements of Rule 15c2-12 of the Securities and Exchange Commission (the “Rule”), the Mayor/Chief Executive and Clerk or other appropriate officers of the Issuer are hereby authorized: (a) to approve the form of said Preliminary Official Statement; (b) covenant to provide continuous secondary market disclosure by annually transmitting certain financial information and operating data and other information necessary to comply with the Rule to the Municipal Securities Rulemaking Board; and (c) take such other actions or execute such other documents as such officers in their reasonable judgment deem necessary to enable the Purchaser(s) to comply with the requirement of the Rule.

Section 5. The Issuer agrees to provide to the Purchaser(s) within seven business days of the date of the sale of Bonds or within sufficient time to accompany any confirmation that requests payment from any customer of the Purchaser(s), whichever is earlier, sufficient copies of the final Official Statement to enable the Purchaser(s) to comply with the requirements of the Rule and with the requirements of Rule G-32 of the Municipal Securities Rulemaking Board.

Section 6. The Mayor/Chief Executive, Clerk and the other officers and representatives of the Issuer, Bond Counsel and the Municipal Advisor are hereby authorized and directed to take such other action as may be necessary to carry out the public sale of the Bonds.

Section 7. The officers and representatives of the Issuer are hereby authorized and directed to take such action as may be necessary, after consultation with the Municipal Advisor and Bond Counsel, to subscribe for the United States Treasury Securities to be purchased and deposited in the escrow for the Refunded Bonds and to provide for notice of redemption of the Refunded Bonds.

Section 8. This Resolution shall be in full force and effect from and after its adoption.

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ADOPTED by the governing body on February 4, 2016.

(SEAL)

ATTEST:

Mayor/Chief Executive

Clerk

Refunding Feasibility Analysis

For the

Unified Government, Kansas

From: David MacGillivray, Chairman

Dated: December 31, 2015

Introduction

As part of Springsted's ongoing services, we routinely identify opportunities and subsequent updates for public entities to refund outstanding bonds for interest cost savings. While other reasons exist to refund outstanding issues, our initial focus is on interest cost savings. We recently reviewed the following debt issues on your behalf and have summarized these issues potential for interest cost savings in the current market. For any debt issue that offers a potential opportunity for at minimum modest interest cost savings, we have provided more detailed financial summaries. All savings estimates are after consideration of all costs of issuance and underwriter's compensation. We look forward to discussing this information with you, and possibly refining our analysis to ensure that any refunding is structured in your best long-term interest.

Summary of Outstanding Issues Reviewed (Shaded Issues Indicate Potential Refunding Candidates)

Issue	Refunding Type	Est. Net Future Value	Present Value Benefit	PV Savings/PV of Refunded Debt Service
2008A GO Improve Bonds	Advanced Crossover	\$2,077,889.34	\$1,807,589.34	9.266%
2008B Tax GO Improve Bonds	Advanced Crossover	\$108,997.30	\$91,905.16	5.772%
2008C GO Improve Bonds	Advanced Crossover	\$413,782.67	\$349,669.83	8.535%
2008D Tax GO Improve Bonds	Advanced Crossover	\$170,582.83	\$138,517.34	12.007%

Summary Information on Potential Candidate Issues

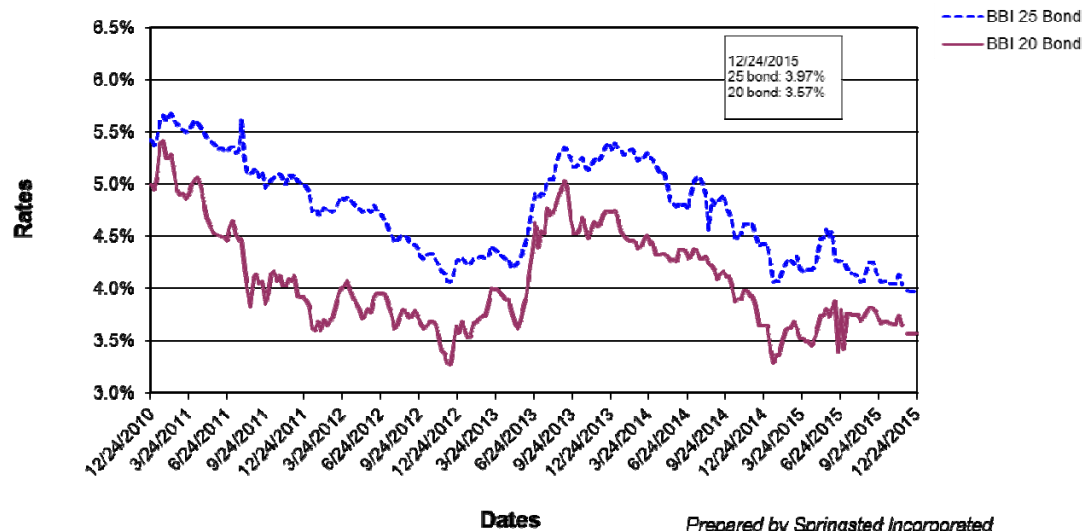
The table above indicates four issues with potential savings that merits further review. For these candidates, we have prepared a profile of significant financial statistics and estimates from the refunding feasibility analysis. This information should be viewed as preliminary and as a general indicator of the individual issue's refunding feasibility. We recommend an additional discussion take place as to the decision to proceed with the refunding. In the concluding section to this analysis, "Next Steps", we have listed several topics which would facilitate the decision on the appropriateness of moving ahead at this time.

	Issue 1	Issue 2	Issue 3	Issue 4
Original Issue Size	\$23,875,000	\$2,270,000	\$6,415,000	\$2,100,000
Refunding Issue Size	\$16,550,000	\$1,555,000	\$3,945,000	\$1,090,000
Type	GO Improve Bonds	Tax GO Improve Bonds	GO Improve Bonds	Tax GO Improve Bonds
Refunded Issue	2008A	2008B	2008C	2008D
Refunding Issue	2016	2016	2016	2016
Type of Refunding	Advanced Crossover	Advanced Crossover	Advanced Crossover	Advanced Crossover
Refunded Issue Call Date and Terms	August 1, 2017 @ 100%	August 1, 2017 @ 100%	August 1, 2018 @ 100%	August 1, 2018 @ 100%
Actual Positive and (Negative) Arbitrage	(\$323,385.43)	(\$35,410.89)	(\$100,859.37)	(\$40,437.98)
Net Future Value of Savings	\$2,077,889.34	\$108,997.30	\$413,782.67	\$170,582.83
Net Present Value of Savings	\$1,807,589.34	\$91,905.16	\$349,669.83	\$138,517.34
Net PV Savings to PV of Refunded Debt Service	9.266%	5.772%	8.535%	12.007%
Average Rate on Refunded Bonds	4.729%	5.234%	5.152%	7.000%
Average Rate on Refunding Bonds	3.986%	2.701%	2.308%	2.920%

More detailed financial summaries are attached for each issue.

Current Municipal Market

BBI 25-bond (Revenue) and 20-bond (G.O.) Rates for 5 Years Ending 12/24/2015



Next Steps

Before a final decision is made on whether to proceed, we recommend you consider the unique characteristics of this financing and your additional borrowing plans this year. We would like to discuss in the near future the following considerations and determine the true viability of the refunding for interest cost savings or any other related potential objectives from debt restructuring.

Among the financing's particular characteristics, we recommend you consider the following:

- Review the current cash balance in the debt service fund and apply any build-up of excess funds to the refunding. This will help to establish both the compliance with arbitrage/rebate regulations and a more accurate overall financial profile of the refunding.
- Examine the current revenue stream(s) in order to better match the debt service of the new refunding issue to future revenue expectations. This may result in a refunding structure that complements your overall revenue repayment source objectives.
- Determine if the original issue or its debt service fund has any arbitrage liability.
- Discuss your desired minimum threshold for savings.

We appreciate your consideration of these initial estimates and the potential for the Unified Government.

\$16,550,000**Unified Government, Kansas**

General Obligation Improvement Refunding Bonds, Series 2016

Crossover Refunding of Series 2008A

Preliminary Feasibility Summary**Dated 02/25/2016 | Delivered 02/25/2016****Sources Of Funds**

Par Amount of Bonds.....	\$16,550,000.00
Reoffering Premium.....	1,988,492.20
Total Sources.....	\$18,538,492.20

Uses Of Funds

Deposit to Crossover Escrow Fund.....	18,293,287.86
Total Underwriter's Discount (0.800%).....	132,400.00
Costs of Issuance.....	108,000.00
Rounding Amount.....	4,804.34
Total Uses.....	\$18,538,492.20

ISSUES REFUNDED AND CALL INFORMATION

Prior Issue Call Price.....	100.000%
Prior Issue Call Date.....	8/01/2017

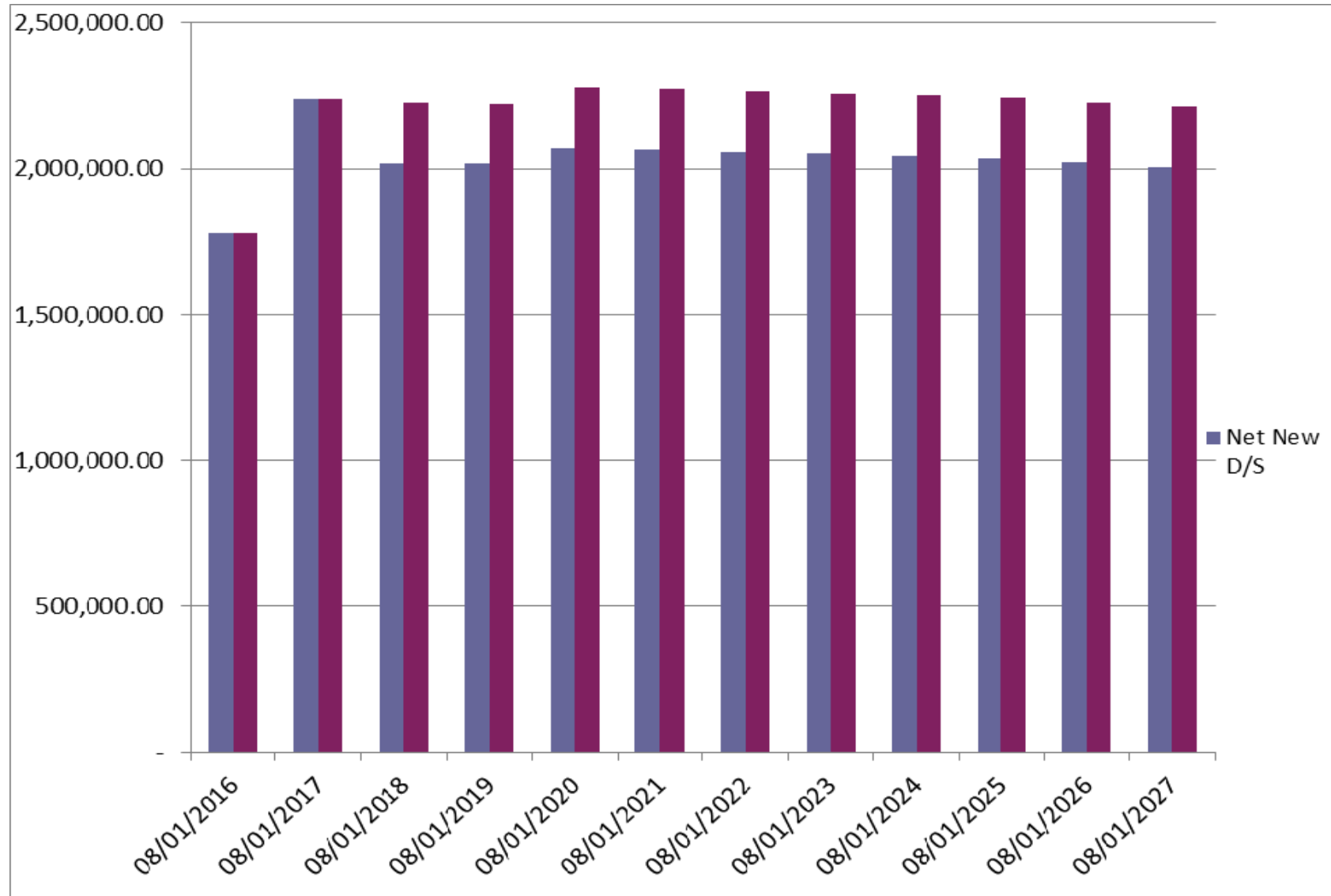
SAVINGS INFORMATION

Net Future Value Benefit.....	\$2,077,889.34
Net Present Value Benefit.....	\$1,807,589.34
Net PV Benefit / \$19,508,603.39 PV Refunded Debt Service.....	9.266%

BOND STATISTICS

Average Life.....	7.246 Years
Average Coupon.....	3.9861508%
Net Interest Cost (NIC).....	2.4383324%
True Interest Cost (TIC).....	2.2775748%





\$16,550,000

Unified Government, Kansas
General Obligation Improvement Refunding Bonds, Series 2016
Crossover Refunding of Series 2008A

Debt Service Comparison

Date	Total P+I	Escrow	Existing D/S	Net New D/S	Old Net D/S	Savings
08/01/2016	283,909.17	(283,909.17)	1,779,796.25	1,779,796.25	1,779,796.25	-
08/01/2017	655,175.00	(18,220,175.00)	19,804,092.50	2,239,092.50	2,239,092.50	-
08/01/2018	2,020,175.00	-	-	2,020,175.00	2,225,842.50	205,667.50
08/01/2019	2,017,400.00	-	-	2,017,400.00	2,224,042.50	206,642.50
08/01/2020	2,071,000.00	-	-	2,071,000.00	2,280,042.50	209,042.50
08/01/2021	2,065,200.00	-	-	2,065,200.00	2,272,467.50	207,267.50
08/01/2022	2,057,200.00	-	-	2,057,200.00	2,265,280.00	208,080.00
08/01/2023	2,052,000.00	-	-	2,052,000.00	2,258,105.00	206,105.00
08/01/2024	2,044,400.00	-	-	2,044,400.00	2,252,780.00	208,380.00
08/01/2025	2,034,400.00	-	-	2,034,400.00	2,243,500.00	209,100.00
08/01/2026	2,022,000.00	-	-	2,022,000.00	2,226,500.00	204,500.00
08/01/2027	2,007,200.00	-	-	2,007,200.00	2,215,500.00	208,300.00
Total	\$21,330,059.17	(18,504,084.17)	\$21,583,888.75	\$24,409,863.75	\$26,482,948.75	\$2,073,085.00

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings.....	2,073,085.00
Gross PV Debt Service Savings.....	1,802,785.00
Net PV Cashflow Savings @ 2.090%(Bond Yield).....	1,802,785.00
Contingency or Rounding Amount.....	4,804.34
Net Future Value Benefit.....	\$2,077,889.34
Net Present Value Benefit.....	\$1,807,589.34
Net PV Benefit / \$4,386,802.08 PV Refunded Interest.....	41.205%
Net PV Benefit / \$19,508,603.39 PV Refunded Debt Service.....	9.266%
Net PV Benefit / \$17,565,000 Refunded Principal.....	10.291%
Net PV Benefit / \$16,550,000 Refunding Principal.....	10.922%

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$23,875,000**Unified Government of Wyandotte County/Kansas City, Kansas**

General Obligation Improvement Bonds

2008-A GO Imp Bonds

Debt Service To Call And To Maturity

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/01/2016	-	402,921.25	402,921.25	-	5.000%	402,921.25	402,921.25
02/01/2017	-	402,921.25	402,921.25	-	-	402,921.25	402,921.25
08/01/2017	17,565,000.00	402,921.25	17,967,921.25	-	5.000%	402,921.25	402,921.25
02/01/2018	-	-	-	-	-	402,921.25	402,921.25
08/01/2018	-	-	-	1,420,000.00	4.000%	402,921.25	1,822,921.25
02/01/2019	-	-	-	-	-	374,521.25	374,521.25
08/01/2019	-	-	-	1,475,000.00	4.000%	374,521.25	1,849,521.25
02/01/2020	-	-	-	-	-	345,021.25	345,021.25
08/01/2020	-	-	-	1,590,000.00	4.250%	345,021.25	1,935,021.25
02/01/2021	-	-	-	-	-	311,233.75	311,233.75
08/01/2021	-	-	-	1,650,000.00	4.375%	311,233.75	1,961,233.75
02/01/2022	-	-	-	-	-	275,140.00	275,140.00
08/01/2022	-	-	-	1,715,000.00	4.500%	275,140.00	1,990,140.00
02/01/2023	-	-	-	-	-	236,552.50	236,552.50
08/01/2023	-	-	-	1,785,000.00	4.500%	236,552.50	2,021,552.50
02/01/2024	-	-	-	-	-	196,390.00	196,390.00
08/01/2024	-	-	-	1,860,000.00	4.800%	196,390.00	2,056,390.00
02/01/2025	-	-	-	-	-	151,750.00	151,750.00
08/01/2025	-	-	-	1,940,000.00	5.000%	151,750.00	2,091,750.00
02/01/2026	-	-	-	-	-	103,250.00	103,250.00
08/01/2026	-	-	-	2,020,000.00	5.000%	103,250.00	2,123,250.00
02/01/2027	-	-	-	-	-	52,750.00	52,750.00
08/01/2027	-	-	-	2,110,000.00	5.000%	52,750.00	2,162,750.00
Total	\$17,565,000.00	\$1,208,763.75	\$18,773,763.75	\$17,565,000.00	-	\$6,107,823.75	\$23,672,823.75

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation.....	2/25/2016
Average Life.....	7.288 Years
Average Coupon.....	4.7289720%
Weighted Average Maturity (Par Basis).....	7.288 Years

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$16,550,000**Unified Government, Kansas**

General Obligation Improvement Refunding Bonds, Series 2016

Crossover Refunding of Series 2008A

Crossover Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
02/25/2016	-	-	-	0.86	-	0.86
07/29/2016	283,357.00	0.460%	552.00	283,909.00	-	283,909.86
07/31/2016	-	-	63,024.33	63,024.33	-	346,934.19
08/01/2016	-	-	-	-	283,909.17	63,025.02
01/31/2017	190,403.00	0.620%	74,159.92	264,562.92	-	327,587.94
02/01/2017	-	-	-	-	327,587.50	0.44
07/31/2017	17,819,527.00	0.820%	73,060.06	17,892,587.06	-	17,892,587.50
08/01/2017	-	-	-	-	17,892,587.50	-
Total	\$18,293,287.00	-	\$210,796.31	\$18,504,084.17	\$18,504,084.17	-

Investment Parameters

Investment Model [PV, GIC, or Securities].....	Securities
Default investment yield target.....	Bond Yield
Cash Deposit.....	0.86
Cost of Investments Purchased with Bond Proceeds.....	18,293,287.00
Total Cost of Investments.....	\$18,293,287.86
Target Cost of Investments at bond yield.....	\$17,969,902.43
Actual positive or (negative) arbitrage.....	(323,385.43)
Yield to Receipt.....	0.8158127%
Yield for Arbitrage Purposes.....	2.0899423%
State and Local Government Series (SLGS) rates for.....	12/28/2015

\$1,555,000**Unified Government, Kansas****TAXABLE General Obligation Improvement Refunding Bonds, Series 2016****Crossover Refunding of Series 2008B****Preliminary Feasibility Summary****Dated 02/25/2016 | Delivered 02/25/2016****Sources Of Funds**

Par Amount of Bonds.....	\$1,555,000.00
Total Sources.....	\$1,555,000.00

Uses Of Funds

Deposit to Crossover Escrow Fund.....	1,490,315.20
Costs of Issuance.....	52,000.00
Total Underwriter's Discount (0.800%).....	12,440.00
Rounding Amount.....	244.80
Total Uses.....	\$1,555,000.00

ISSUES REFUNDED AND CALL INFORMATION

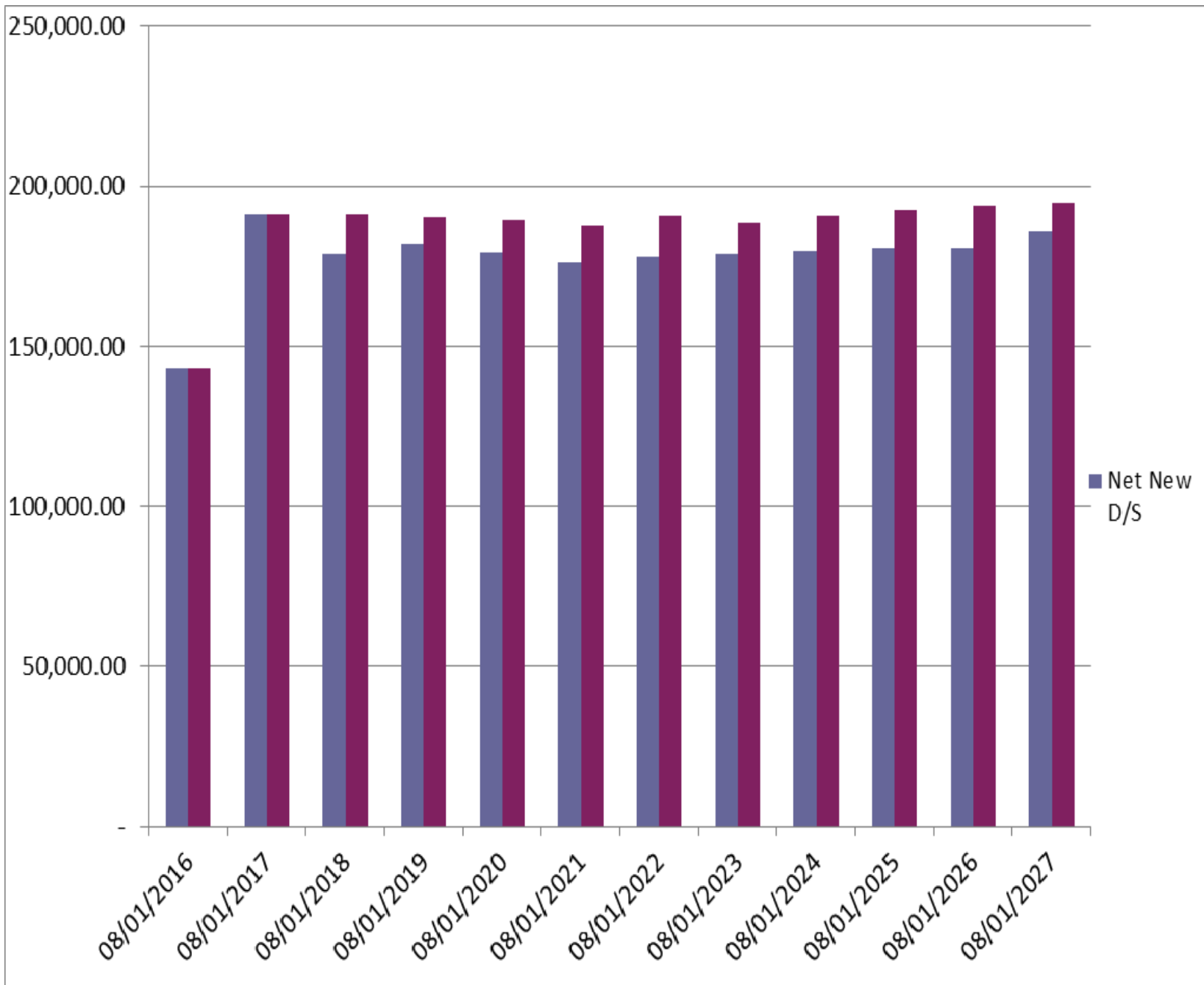
Prior Issue Call Price.....	100.000%
Prior Issue Call Date.....	8/01/2017

SAVINGS INFORMATION

Net Future Value Benefit.....	\$108,997.30
Net Present Value Benefit.....	\$91,905.16
Net PV Benefit / \$1,592,128.36 PV Refunded Debt Service.....	5.772%

BOND STATISTICS

Average Life.....	7.154 Years
Average Coupon.....	2.7007274%
Net Interest Cost (NIC).....	2.8125594%
True Interest Cost (TIC).....	2.8132615%



\$1,555,000**Unified Government, Kansas**

TAXABLE General Obligation Improvement Refunding Bonds, Series 2016
Crossover Refunding of Series 2008B

Debt Service Comparison

Date	Total P+I	Escrow	Existing D/S	Net New D/S	Old Net D/S	Savings
08/01/2016	16,911.92	(16,911.92)	143,150.00	143,150.00	143,150.00	-
08/01/2017	39,027.50	(1,494,027.50)	1,646,300.00	191,300.00	191,300.00	-
08/01/2018	179,027.50	-	-	179,027.50	190,800.00	11,772.50
08/01/2019	181,787.50	-	-	181,787.50	190,050.00	8,262.50
08/01/2020	179,177.50	-	-	179,177.50	189,050.00	9,872.50
08/01/2021	176,132.50	-	-	176,132.50	187,487.50	11,355.00
08/01/2022	177,797.50	-	-	177,797.50	190,662.50	12,865.00
08/01/2023	178,972.50	-	-	178,972.50	188,312.50	9,340.00
08/01/2024	179,865.00	-	-	179,865.00	190,700.00	10,835.00
08/01/2025	180,465.00	-	-	180,465.00	192,562.50	12,097.50
08/01/2026	180,680.00	-	-	180,680.00	193,900.00	13,220.00
08/01/2027	185,580.00	-	-	185,580.00	194,712.50	9,132.50
Total	\$1,855,424.42	(1,510,939.42)	\$1,789,450.00	\$2,133,935.00	\$2,242,687.50	\$108,752.50

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings.....	108,752.50
Gross PV Debt Service Savings.....	91,660.36
Net PV Cashflow Savings @ 2.688%(Bond Yield).....	91,660.36
Contingency or Rounding Amount.....	244.80
Net Future Value Benefit.....	\$108,997.30
Net Present Value Benefit.....	\$91,905.16
Net PV Benefit / \$393,773.94 PV Refunded Interest.....	23.340%
Net PV Benefit / \$1,592,128.36 PV Refunded Debt Service.....	5.772%
Net PV Benefit / \$1,455,000 Refunded Principal.....	6.317%
Net PV Benefit / \$1,555,000 Refunding Principal.....	5.910%

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$2,270,000**Unified Government of Wyandotte County/Kansas City, Kansas**

Taxable General Obligation Improvement Bonds

2008-B Tax GO Imp Bonds

Debt Service To Call And To Maturity

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/01/2016	-	37,900.00	37,900.00	-	5.000%	37,900.00	37,900.00
02/01/2017	-	37,900.00	37,900.00	-	-	37,900.00	37,900.00
08/01/2017	1,455,000.00	37,900.00	1,492,900.00	-	5.000%	37,900.00	37,900.00
02/01/2018	-	-	-	-	-	37,900.00	37,900.00
08/01/2018	-	-	-	115,000.00	5.000%	37,900.00	152,900.00
02/01/2019	-	-	-	-	-	35,025.00	35,025.00
08/01/2019	-	-	-	120,000.00	5.000%	35,025.00	155,025.00
02/01/2020	-	-	-	-	-	32,025.00	32,025.00
08/01/2020	-	-	-	125,000.00	5.250%	32,025.00	157,025.00
02/01/2021	-	-	-	-	-	28,743.75	28,743.75
08/01/2021	-	-	-	130,000.00	5.250%	28,743.75	158,743.75
02/01/2022	-	-	-	-	-	25,331.25	25,331.25
08/01/2022	-	-	-	140,000.00	5.250%	25,331.25	165,331.25
02/01/2023	-	-	-	-	-	21,656.25	21,656.25
08/01/2023	-	-	-	145,000.00	5.250%	21,656.25	166,656.25
02/01/2024	-	-	-	-	-	17,850.00	17,850.00
08/01/2024	-	-	-	155,000.00	5.250%	17,850.00	172,850.00
02/01/2025	-	-	-	-	-	13,781.25	13,781.25
08/01/2025	-	-	-	165,000.00	5.250%	13,781.25	178,781.25
02/01/2026	-	-	-	-	-	9,450.00	9,450.00
08/01/2026	-	-	-	175,000.00	5.250%	9,450.00	184,450.00
02/01/2027	-	-	-	-	-	4,856.25	4,856.25
08/01/2027	-	-	-	185,000.00	5.250%	4,856.25	189,856.25
Total	\$1,455,000.00	\$113,700.00	\$1,568,700.00	\$1,455,000.00	-	\$566,937.50	\$2,021,937.50

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation.....	2/25/2016
Average Life.....	7.378 Years
Average Coupon.....	5.2338892%
Weighted Average Maturity (Par Basis).....	7.378 Years

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$1,555,000**Unified Government, Kansas****TAXABLE General Obligation Improvement Refunding Bonds, Series 2016****Crossover Refunding of Series 2008B****Crossover Escrow Fund Cashflow**

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
02/25/2016	-	-	-	1,002.52	-	1,002.52
07/31/2016	-	-	17,317.51	17,317.51	-	18,320.03
08/01/2016	-	-	-	-	16,911.92	1,408.11
01/31/2017	1,000.00	3.125%	17,317.51	18,317.51	-	19,725.62
02/01/2017	-	-	-	-	19,513.75	211.87
07/31/2017	1,457,000.00	2.375%	17,301.88	1,474,301.88	-	1,474,513.75
08/01/2017	-	-	-	-	1,474,513.75	-
Total	\$1,458,000.00	-	\$51,936.90	\$1,510,939.42	\$1,510,939.42	-

Investment Parameters

Investment Model [PV, GIC, or Securities]..... Securities
 Default investment yield target..... Bond Yield

Cash Deposit..... 1,002.52
 Cost of Investments Purchased with Bond Proceeds..... 1,489,312.68
 Total Cost of Investments..... \$1,490,315.20

Target Cost of Investments at bond yield..... \$1,454,904.31
 Actual positive or (negative) arbitrage..... (35,410.89)

Yield to Receipt..... 0.9738154%
 Yield for Arbitrage Purposes..... 2.6877440%

\$3,945,000

Unified Government, Kansas
General Obligation Improvement Refunding Bonds, Series 2016
Crossover Refunding of Series 2008C

Preliminary Feasibility Summary

Dated 02/25/2016 | Delivered 02/25/2016

Sources Of Funds

Par Amount of Bonds.....	\$3,945,000.00
Total Sources.....	\$3,945,000.00

Uses Of Funds

Deposit to Crossover Escrow Fund.....	3,842,806.09
Costs of Issuance.....	65,000.00
Total Underwriter's Discount (0.850%).....	33,532.50
Rounding Amount.....	3,661.41
Total Uses.....	\$3,945,000.00

ISSUES REFUNDED AND CALL INFORMATION

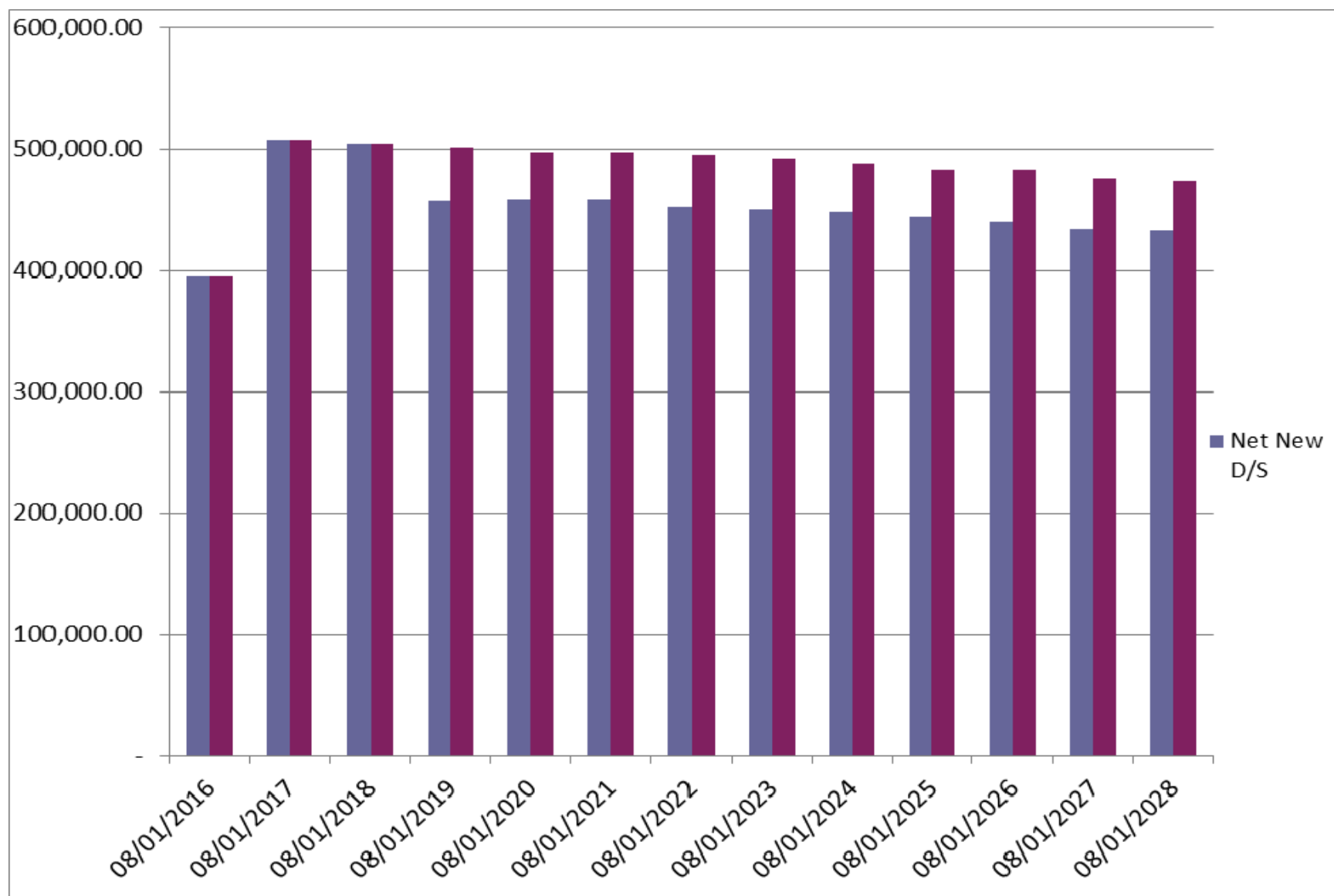
Prior Issue Call Price.....	100.000%
Prior Issue Call Date.....	8/01/2018

SAVINGS INFORMATION

Net Future Value Benefit.....	\$413,782.67
Net Present Value Benefit.....	\$349,669.83
Net PV Benefit / \$4,096,862.55 PV Refunded Debt Service.....	8.535%

BOND STATISTICS

Average Life.....	8.030 Years
Average Coupon.....	2.3079489%
Net Interest Cost (NIC).....	2.4137981%
True Interest Cost (TIC).....	2.4084116%



\$3,945,000

Unified Government, Kansas
General Obligation Improvement Refunding Bonds, Series 2016
Crossover Refunding of Series 2008C

Debt Service Comparison

Date	Total P+I	Escrow	Existing D/S	Net New D/S	Old Net D/S	Savings
08/01/2016	35,739.17	(35,739.17)	394,345.63	394,345.63	394,345.63	-
08/01/2017	82,475.00	(82,475.00)	507,141.26	507,141.26	507,141.25	-
08/01/2018	82,475.00	(3,832,475.00)	4,254,091.26	504,091.26	504,091.25	-
08/01/2019	457,475.00	-	-	457,475.00	500,591.25	43,116.26
08/01/2020	457,975.00	-	-	457,975.00	496,641.25	38,666.26
08/01/2021	457,845.00	-	-	457,845.00	496,441.25	38,596.26
08/01/2022	451,877.50	-	-	451,877.50	494,691.25	42,813.76
08/01/2023	450,140.00	-	-	450,140.00	492,191.25	42,051.26
08/01/2024	447,535.00	-	-	447,535.00	488,485.00	40,950.00
08/01/2025	444,240.00	-	-	444,240.00	483,725.00	39,485.00
08/01/2026	440,440.00	-	-	440,440.00	482,987.50	42,547.50
08/01/2027	434,910.00	-	-	434,910.00	476,200.00	41,290.00
08/01/2028	433,020.00	-	-	433,020.00	473,625.00	40,605.00
Total	\$4,676,146.67	(3,950,689.17)	\$5,155,578.15	\$5,881,035.65	\$6,291,156.88	\$410,121.26

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings.....	410,121.26
Gross PV Debt Service Savings.....	346,008.42
Net PV Cashflow Savings @ 2.291%(Bond Yield).....	346,008.42
Contingency or Rounding Amount.....	3,661.41
Net Future Value Benefit.....	\$413,782.67
Net Present Value Benefit.....	\$349,669.83
Net PV Benefit / \$984,635.79 PV Refunded Interest.....	35.513%
Net PV Benefit / \$4,096,862.55 PV Refunded Debt Service.....	8.535%
Net PV Benefit / \$3,750,000 Refunded Principal.....	9.325%
Net PV Benefit / \$3,945,000 Refunding Principal.....	8.864%

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$6,415,000

Unified Government of Wyandotte County/Kansas City, Kansas
General Obligation Improvement Bonds, Series 2008-C
Post Sale

Debt Service To Call And To Maturity

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/01/2016	-	95,295.63	95,295.63	-	4.125%	95,295.63	95,295.63
02/01/2017	-	95,295.63	95,295.63	-	-	95,295.63	95,295.63
08/01/2017	-	95,295.63	95,295.63	-	4.500%	95,295.63	95,295.63
02/01/2018	-	95,295.63	95,295.63	-	-	95,295.63	95,295.63
08/01/2018	3,750,000.00	95,295.63	3,845,295.63	-	4.500%	95,295.63	95,295.63
02/01/2019	-	-	-	-	-	95,295.63	95,295.63
08/01/2019	-	-	-	310,000.00	4.500%	95,295.63	405,295.63
02/01/2020	-	-	-	-	-	88,320.63	88,320.63
08/01/2020	-	-	-	320,000.00	4.750%	88,320.63	408,320.63
02/01/2021	-	-	-	-	-	80,720.63	80,720.63
08/01/2021	-	-	-	335,000.00	5.000%	80,720.63	415,720.63
02/01/2022	-	-	-	-	-	72,345.63	72,345.63
08/01/2022	-	-	-	350,000.00	5.000%	72,345.63	422,345.63
02/01/2023	-	-	-	-	-	63,595.63	63,595.63
08/01/2023	-	-	-	365,000.00	5.125%	63,595.63	428,595.63
02/01/2024	-	-	-	-	-	54,242.50	54,242.50
08/01/2024	-	-	-	380,000.00	5.200%	54,242.50	434,242.50
02/01/2025	-	-	-	-	-	44,362.50	44,362.50
08/01/2025	-	-	-	395,000.00	5.250%	44,362.50	439,362.50
02/01/2026	-	-	-	-	-	33,993.75	33,993.75
08/01/2026	-	-	-	415,000.00	5.250%	33,993.75	448,993.75
02/01/2027	-	-	-	-	-	23,100.00	23,100.00
08/01/2027	-	-	-	430,000.00	5.250%	23,100.00	453,100.00
02/01/2028	-	-	-	-	-	11,812.50	11,812.50
08/01/2028	-	-	-	450,000.00	5.250%	11,812.50	461,812.50
Total	\$3,750,000.00	\$476,478.15	\$4,226,478.15	\$3,750,000.00	-	\$1,612,056.95	\$5,362,056.95

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation.....	2/25/2016
Average Life.....	8.277 Years
Average Coupon.....	5.1525479%
Weighted Average Maturity (Par Basis).....	8.277 Years

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$3,945,000**Unified Government, Kansas**

General Obligation Improvement Refunding Bonds, Series 2016

Crossover Refunding of Series 2008C

Crossover Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
02/25/2016	-	-	-	0.09	-	0.09
07/29/2016	35,670.00	0.460%	69.48	35,739.48	-	35,739.57
07/31/2016	-	-	19,170.79	19,170.79	-	54,910.36
08/01/2016	-	-	-	-	35,739.17	19,171.19
01/31/2017	-	-	22,223.46	22,223.46	-	41,394.65
02/01/2017	-	-	-	-	41,237.50	157.15
07/31/2017	18,857.00	0.820%	22,223.46	41,080.46	-	41,237.61
08/01/2017	-	-	-	-	41,237.50	0.11
01/31/2018	19,092.00	1.010%	22,146.15	41,238.15	-	41,238.26
02/01/2018	-	-	-	-	41,237.50	0.76
07/31/2018	3,769,187.00	1.170%	22,049.74	3,791,236.74	-	3,791,237.50
08/01/2018	-	-	-	-	3,791,237.50	-
Total	\$3,842,806.00	-	\$107,883.08	\$3,950,689.17	\$3,950,689.17	-

Investment Parameters

Investment Model [PV, GIC, or Securities].....	Securities
Default investment yield target.....	Bond Yield
Cash Deposit.....	0.09
Cost of Investments Purchased with Bond Proceeds.....	3,842,806.00
Total Cost of Investments.....	\$3,842,806.09
Target Cost of Investments at bond yield.....	\$3,741,946.72
Actual positive or (negative) arbitrage.....	(100,859.37)
Yield to Receipt.....	1.1662408%
Yield for Arbitrage Purposes.....	2.2908805%
State and Local Government Series (SLGS) rates for.....	12/28/2015

\$1,090,000**Unified Government, Kansas****TAXABLE General Obligation Improvement Refunding Bonds, Series 2016****Crossover Refunding of Series 2008D****Preliminary Feasibility Summary****Dated 02/25/2016 | Delivered 02/25/2016****Sources Of Funds**

Par Amount of Bonds.....	\$1,090,000.00
Total Sources.....	\$1,090,000.00

Uses Of Funds

Deposit to Crossover Escrow Fund.....	1,026,289.67
Costs of Issuance.....	52,000.00
Total Underwriter's Discount (0.850%).....	9,265.00
Rounding Amount.....	2,445.33
Total Uses.....	\$1,090,000.00

ISSUES REFUNDED AND CALL INFORMATION

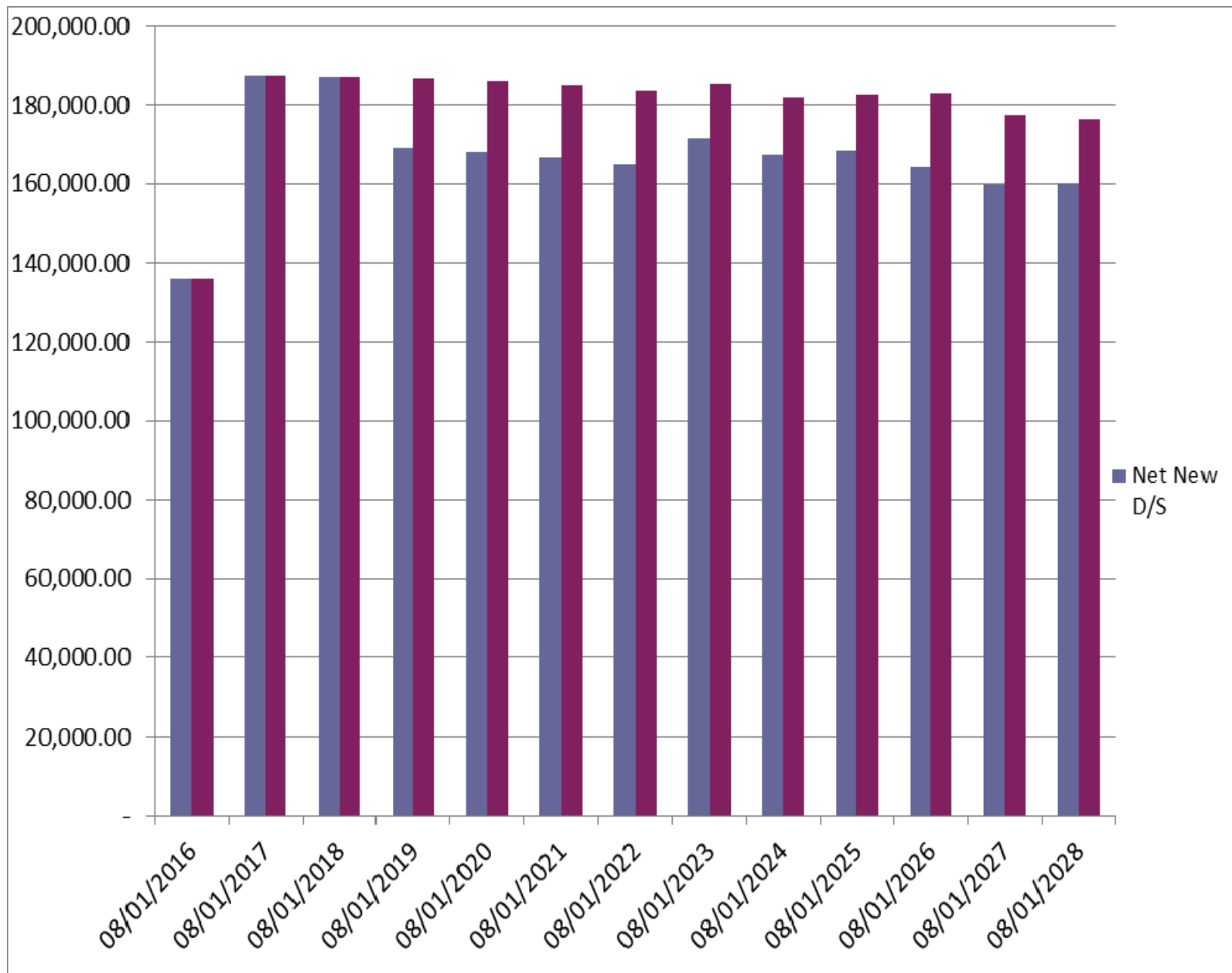
Prior Issue Call Price.....	100.000%
Prior Issue Call Date.....	8/01/2018

SAVINGS INFORMATION

Net Future Value Benefit.....	\$170,582.83
Net Present Value Benefit.....	\$138,517.34
Net PV Benefit / \$1,153,627.53 PV Refunded Debt Service.....	12.007%

BOND STATISTICS

Average Life.....	9.227 Years
Average Coupon.....	2.9204312%
Net Interest Cost (NIC).....	3.0125530%
True Interest Cost (TIC).....	3.0197173%



\$1,090,000**Unified Government, Kansas**

TAXABLE General Obligation Improvement Refunding Bonds, Series 2016
Crossover Refunding of Series 2008D

Debt Service Comparison

Date	Total P+I	Escrow	Existing D/S	Net New D/S	Old Net D/S	Savings
08/01/2016	13,455.00	(13,455.00)	136,012.50	136,012.50	136,012.50	-
08/01/2017	31,050.00	(31,050.00)	187,350.00	187,350.00	187,350.00	-
08/01/2018	31,050.00	(1,011,050.00)	1,167,175.00	187,175.00	187,175.00	-
08/01/2019	51,050.00	-	118,112.50	169,162.50	186,712.50	17,550.00
08/01/2020	50,690.00	-	117,362.50	168,052.50	185,962.50	17,910.00
08/01/2021	50,270.00	-	116,325.00	166,595.00	184,925.00	18,330.00
08/01/2022	164,810.00	-	-	164,810.00	183,600.00	18,790.00
08/01/2023	171,367.50	-	-	171,367.50	185,550.00	14,182.50
08/01/2024	167,525.00	-	-	167,525.00	181,800.00	14,275.00
08/01/2025	168,537.50	-	-	168,537.50	182,700.00	14,162.50
08/01/2026	164,187.50	-	-	164,187.50	182,900.00	18,712.50
08/01/2027	159,687.50	-	-	159,687.50	177,400.00	17,712.50
08/01/2028	160,037.50	-	-	160,037.50	176,550.00	16,512.50
Total	\$1,383,717.50	(1,055,555.00)	\$1,842,337.50	\$2,170,500.00	\$2,338,637.50	\$168,137.50

PV Analysis Summary (Net to Net)

Net FV Cashflow Savings.....	168,137.50
Gross PV Debt Service Savings.....	136,072.01
Net PV Cashflow Savings @ 2.913%(Bond Yield).....	136,072.01
Contingency or Rounding Amount.....	2,445.33
Net Future Value Benefit.....	\$170,582.83
Net Present Value Benefit.....	\$138,517.34
Net PV Benefit / \$411,432.67 PV Refunded Interest.....	33.667%
Net PV Benefit / \$1,153,627.53 PV Refunded Debt Service.....	12.007%
Net PV Benefit / \$980,000 Refunded Principal.....	14.134%
Net PV Benefit / \$1,090,000 Refunding Principal.....	12.708%

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$2,100,000

Unified Government of Wyandotte County/Kansas City, Kansas
Taxable General Obligation Improvement Bonds, Series 2008-D
Post Sale

Debt Service To Call And To Maturity

Date	Refunded Bonds	Refunded Interest	D/S To Call	Principal	Coupon	Interest	Refunded D/S
08/01/2016	-	34,300.00	34,300.00	-	5.500%	34,300.00	34,300.00
02/01/2017	-	34,300.00	34,300.00	-	-	34,300.00	34,300.00
08/01/2017	-	34,300.00	34,300.00	-	5.750%	34,300.00	34,300.00
02/01/2018	-	34,300.00	34,300.00	-	-	34,300.00	34,300.00
08/01/2018	980,000.00	34,300.00	1,014,300.00	-	5.750%	34,300.00	34,300.00
02/01/2019	-	-	-	-	-	34,300.00	34,300.00
08/01/2019	-	-	-	-	5.750%	34,300.00	34,300.00
02/01/2020	-	-	-	-	-	34,300.00	34,300.00
08/01/2020	-	-	-	-	5.750%	34,300.00	34,300.00
02/01/2021	-	-	-	-	-	34,300.00	34,300.00
08/01/2021	-	-	-	-	5.750%	34,300.00	34,300.00
02/01/2022	-	-	-	-	-	34,300.00	34,300.00
08/01/2022	-	-	-	115,000.00	7.000%	34,300.00	149,300.00
02/01/2023	-	-	-	-	-	30,275.00	30,275.00
08/01/2023	-	-	-	125,000.00	7.000%	30,275.00	155,275.00
02/01/2024	-	-	-	-	-	25,900.00	25,900.00
08/01/2024	-	-	-	130,000.00	7.000%	25,900.00	155,900.00
02/01/2025	-	-	-	-	-	21,350.00	21,350.00
08/01/2025	-	-	-	140,000.00	7.000%	21,350.00	161,350.00
02/01/2026	-	-	-	-	-	16,450.00	16,450.00
08/01/2026	-	-	-	150,000.00	7.000%	16,450.00	166,450.00
02/01/2027	-	-	-	-	-	11,200.00	11,200.00
08/01/2027	-	-	-	155,000.00	7.000%	11,200.00	166,200.00
02/01/2028	-	-	-	-	-	5,775.00	5,775.00
08/01/2028	-	-	-	165,000.00	7.000%	5,775.00	170,775.00
Total	\$980,000.00	\$171,500.00	\$1,151,500.00	\$980,000.00	-	\$667,800.00	\$1,647,800.00

Yield Statistics

Base date for Avg. Life & Avg. Coupon Calculation.....	2/25/2016
Average Life.....	9.668 Years
Average Coupon.....	7.0000000%
Weighted Average Maturity (Par Basis).....	9.668 Years

Refunding Bond Information

Refunding Dated Date.....	2/25/2016
Refunding Delivery Date.....	2/25/2016

\$1,090,000**Unified Government, Kansas**

TAXABLE General Obligation Improvement Refunding Bonds, Series 2016
Crossover Refunding of Series 2008D

Crossover Escrow Fund Cashflow

Date	Principal	Rate	Interest	Receipts	Disbursements	Cash Balance
02/25/2016	-	-	-	799.36	-	799.36
07/31/2016	2,000.00	3.250%	11,241.88	13,241.88	-	14,041.24
08/01/2016	-	-	-	-	13,455.00	586.24
01/31/2017	4,000.00	3.125%	11,209.38	15,209.38	-	15,795.62
02/01/2017	-	-	-	-	15,525.00	270.62
07/31/2017	5,000.00	2.375%	11,146.88	16,146.88	-	16,417.50
08/01/2017	-	-	-	-	15,525.00	892.50
01/31/2018	4,000.00	0.875%	11,087.50	15,087.50	-	15,980.00
02/01/2018	-	-	-	-	15,525.00	455.00
07/31/2018	984,000.00	2.250%	11,070.00	995,070.00	-	995,525.00
08/01/2018	-	-	-	-	995,525.00	-
Total	\$999,000.00	-	\$55,755.64	\$1,055,555.00	\$1,055,555.00	-

Investment Parameters

Investment Model [PV, GIC, or Securities]..... Securities
 Default investment yield target..... Bond Yield

Cash Deposit..... 799.36
 Cost of Investments Purchased with Bond Proceeds..... 1,025,490.31
 Total Cost of Investments..... \$1,026,289.67

Target Cost of Investments at bond yield..... \$985,851.69
 Actual positive or (negative) arbitrage..... (40,437.98)

Yield to Receipt..... 1.1940568%
 Yield for Arbitrage Purposes..... 2.9129589%



Staff Request for Commission Action

Tracking No. 16360

Full Commission Meeting Date: 2/25/16

Committee: Economic Development & Finance

Date of Standing Committee Action: 2/1/16

(If none, please explain):

Publication Required: No

<u>Date:</u>	<u>Contact Name:</u>	<u>Contact Phone:</u>	<u>Contact Email:</u>	<u>Department/Division:</u>
01/20/2016	George Brajkovic, Director	x5749	gbrajkovic@wycokck.org	Economic Development

Item Description:

As part of the Amended Vacation Village STAR Bond District, Project Area 2 included the development of an auto mall. The Development Agreement between the UG and SVV 1, LLC acknowledged that 2 of the dealerships would be relocating from other areas of Wyandotte County, and that the base sales tax value of those two would not be captured by the STAR District.

Additionally, one of the two dealerships was relocating from Bonner Springs, KS. Staff had negotiated to continue to offer Bonner Springs their city share of sales tax generated from the base sales of the Bonner Springs Ford. Based on the Bonner Springs city sales tax rate of 1.625%, and a base sales figure of \$5M, FY 2016 and an additional 5 year term, Bonner Springs will receive an annual amount of \$81,250.00.

Action Requested:

Adopt Resolution authorizing annual payment to Bonner Springs, KS.

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Resolution

RESOLUTION NO. _____

WHEREAS, on October 20, 2005, in accordance with and pursuant to the Kansas Tax Increment Financing Act, K.S.A. 12-1770 *et seq.*, as amended, the predecessor of the Kansas STAR Bond Financing Act, K.S.A. 12-17,160 *et seq.* (the “Act”), the Unified Government duly adopted Ordinance No. O-76-05, which created the Vacation Village Redevelopment District (the “Original District”), within Kansas City, Kansas, the boundaries of which were defined in said Ordinance, and contained a general development plan for the Original District (the “Original District Plan”). On November 29, 2007, the Unified Government adopted a project plan for the sole redevelopment project area within the Original District (the “Original Project Plan”).

WHEREAS, on August 28, 2014, the Unified Government duly adopted Ordinance O-47-14, which amended and restated the Original District and Original District Plan (the “Amended District Plan”), to expand the boundaries of the Original District and to include five (5) distinct Project Areas, one of which was to consist of between four (4) and seven (7) automobile dealerships (the “Auto Plaza Project Area”).

WHEREAS, on August 13, 2015, the Unified Government and SVV entered into that certain Amended and Restated Vacation Village Development Agreement (the “Amended Agreement”) which acknowledged that two (2) of the Auto Dealerships which currently plan to locate in the Auto Plaza Project Area have, under prior ownership, previously operated within Wyandotte County at other locations.

WHEREAS, it is anticipated that Victory Ford, currently located at 715 S. 130th Street in Bonner Springs, Kansas, will be relocating within the Auto Plaza Project Area in 2016.

WHEREAS, due to certain provisions in the Act governing the relocation of certain businesses into STAR Bond districts, the Amended Agreement acknowledged that all Incremental Taxes created by dealerships relocating from within Wyandotte County shall be based only upon Incremental Taxes generated therein. The Amended Agreement also acknowledged that the Wyandotte County portion of the Relocation Base Year Sales Taxes from the relocating dealerships shall be distributed in accordance with the normal County process, but that the city portion of the Relocation Base Year Sales Taxes shall be distributed proportionately among the cities which are affected by the relocating dealerships. Of the total Relocation Base Year Sales Taxes, the City of Bonner Springs shall receive Eighty One Thousand Two Hundred Fifty Dollars and zero cents (\$81,250.00).

WHEREAS, the Unified Government wishes to make payments to the City of Bonner Springs in the amount and manner set forth below.

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

Section 1. Annual Payments. Except as provided for in Section 2, the Unified Government hereby resolves to make payments to the City of Bonner Springs, Kansas in the amount of Eighty One Thousand Two Hundred Fifty Dollars and zero cents (\$81,250.00) (the “Annual Payment”) for a period of five (5) years (the “Term”). Such payments shall be divided into four equal quarterly payments of Twenty Thousand Three Hundred Twelve Dollars and fifty cents (\$20,312.50), payable quarterly by March 31st, June 30th, September 30th and December 31st (the “Quarterly Payment Dates”). The final Quarterly Payment Date and the end of the Term shall be on or prior to December 31, 2021.

Section 2. Payments during 2016. For the year 2016, any such payments shall be conditioned upon the actual date that Victory Ford relocates into the Auto Plaza Project Area and opens for business to the general public (the “Opening Date”). The amount payable to Bonner Springs for the year 2016 shall be the difference between the Annual Payment amount and the amount of sales taxes received by the City of Bonner Springs from Victory Ford in 2016 prior to the Opening Date (the “Partial Annual Payment”). The Unified Government shall make the Partial Annual Payment for 2016, if necessary, on the first Quarterly Payment Date following the Opening Date, or within thirty (30) days after the Opening Date if the Opening Date is less than thirty (30) days prior to the next scheduled Quarterly Payment Date.

Section 3. Cash Basis Law. This Resolution is subject to the Kansas Cash Basis Law, K.S.A. 10-1101 *et seq.* and amendments thereto. This Resolution shall be construed and interpreted so as to ensure that the Unified Government shall at all times stay in conformity with such laws and, as a condition of this Resolution, the Unified Government reserves the right to unilaterally sever, modify, or terminate this Resolution at any time if, in the opinion of its legal counsel, the Resolution is deemed to violate the terms of such law. The Unified Government shall only make payments under the Resolution as may lawfully be made from: (a) funds budgeted and appropriated for that purpose during the Unified Government's current budget year; or (b) funds made available from any lawfully operated revenue producing source.

Section 4. Further Authority. The Unified Government will, and the officials and agents of the Unified Government are hereby authorized and directed to, take such actions, expend such funds and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

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

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS,
THIS _____ DAY OF _____, 2016.**

Unified Government Clerk



Staff Request for Commission Action

Tracking No. 16363

Full Commission Meeting Date: 2/25/16

Committee: Economic Development & Finance

Date of Standing Committee Action: 2/1/16

(If none, please explain):

Publication Required: No

<u>Date:</u> 01/21/2016	<u>Contact Name:</u> Jason Banks, Asst to the Mayor/Manager	<u>Contact Phone:</u> x5010	<u>Contact Email:</u> jbanks@wycokck.org	<u>Department/Division:</u> Mayor's Office
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Item Description:

A resolution authorizing the Unified Government to enter into a contract with the Health Care Foundation of Greater Kansas City to accept a \$150,000 grant in support of the Healthy Campus Project. No Unified Government match is required. The resolution authorizes the Mayor and County Administrator to execute a contract setting out the requirements of the grant.

Action Requested:

Adopt resolution

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Grant resolution final, Attachments, HCF grant agreement

RESOLUTION NO. _____

WHEREAS, the Unified Government of Wyandotte County/ Kansas City, Kansas ("Unified Government") submitted a proposal to the Health Care Foundation of Greater Kansas City ("Foundation") to fund the Healthy Campus Project;

WHEREAS, the Foundation has awarded the Unified Government a grant in the amount of \$150,000.00 in support of the Healthy Campus Project; and

WHEREAS, the Unified Government is required to enter into a Grant Award Agreement with the Foundation in order to receive the grant.

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

1. That the Unified Government Board of Commission of Wyandotte County/ Kansas City, Kansas authorizes the County Administrator's Office and Mayor's Office to execute the Grant Award Agreement 1060-FY14-3969.

2. That the County Administrator's Office and Mayor's Office are authorized and directed to manage and comply with the requirements of the Grant Award Agreement.

3. The Mayor, the County Administrator, and the Unified Government's other officers, agents, and employees are hereby authorized and directed to take such further action, and execute such other documents, certificates, and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

ADOPTED BY THE COMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE
COUNTY/KANSAS CITY, KANSAS

THIS _____ DAY OF _____, 2016.

Mark Holland, Mayor/CEO

ATTEST:

Unified Government Clerk

Approved as to Form:

Assistant Counsel

Attachment A

Scope of Project

CBC Real Estate Group will act as the UG's Owner's Representative / Development Project Manager in the implementation of the Downtown Central Parkway Strategic Plan as prepared by Gould Evans Architecture.

CBC will develop a strategic property acquisition plan to acquire properties for the development of a Grocery Store, Community Center and other to be determined development projects.



Attachment B

Project Budget

The proposed fee structure recognizes the various contributions provided by the Owner's Representative / Development Project Manager throughout the various stages of development. Compensation structure for each service line is defined below.

1) Pre-Development Services:

- a) General planning and consulting services as outlined in the Downtown Parkway District master plan.
- b) Compensation for this phase of services is a monthly retainer equal to:
 - i) \$9,475 per month from July 1, 2015 through June 30, 2016
 - ii) \$16,187.50 per month from July 1, 2016 through June 30, 2017 or an amount to be mutually agreed to in the event activity is less than anticipated

Attachment C

Goals and Objectives

1) Pre-Development Services

- a) Represent solely and exclusively the UG's interests in connection with the Healthy Campus, including, (i) the marketing and (ii) the pre-development as further defined below.
- b) Representing the UG, the Owner's Representative / Development Project Manager Advisor will lead efforts to secure At-Risk Developers including;
 - i) Act as exclusive Owner's Representative / Development Project Manager to the UG for the purposes of sale or contribution of property within the Healthy Campus Project Area to a Project End-User and/or At-Risk Developer(s).
 - ii) Prepare marketing and sales collateral material with the assistance of the Master Planner.
 - iii) Attend national conferences as deemed necessary by the UG.
 - iv) Using collateral material, lead the UG's team in development of requests for qualifications/proposals, prepare proposal analyses, and make recommendations to the UG for the At-Risk Developer selections. Anticipated Developers include, but are not limited to:
 - (1) Retail Developer(s)
 - (2) Office Building(s) Developer
 - (3) Entertainment Developer
 - (4) Hotel Developer(s)
 - (5) Other as required.
 - v) Represent UG in negotiation of a non-binding Preliminary Agreement (Letter of Intent) between the At-Risk Developer and the UG outlining the general plan, phasing and development program.
- c) Lead periodic project coordination meetings to coordinate the efforts of the UG, Advisor, Master Planner and other contractors and consultants of the UG, as necessary.

2) Real Estate Advisory Services

- a) Upon approval by the UG and execution of a Letter of Intent with the At-Risk Developer, the Owner's Representative / Development Project Manager will assist the At-Risk Developer with development of their project including;
 - i) Assist with their leasing activity as required including attending conferences, making sales calls on primary/anchor tenants,
 - ii) Confirmation of the proposed phasing plan,
- b) Negotiation of a binding Development Agreement between the UG and At-Risk Developer including primary obligations of both Parties. Primary terms of the agreement will include;
 - i) Total project development plan
 - ii) Timing for phasing of development plan
 - iii) At-Risk Developer contributions
 - iv) Financial Modeling – Sensitivity Modeling – Financial Incentive proceeds between the At-Risk Developer, Off Site Improvements and UG.

- (1) Participate in development of analytical tools to assess the range of financial incentives
 - (2) Assist in development of sensitivity analyses using the projected costs and projected revenues to determine generally the bonding capacity of each Developer Project.
 - (3) Recommend proposed levels of concessions for each Specific Venture.
- v) Incentives - Working with the UG economic development staff, summarize and model value of other economic incentives offered.
- vi) Documentation – Including (a) Request documentation to support retail sales projections from the At-Risk Developer, coordinate the transmission and use of this information with the independent feasibility consultant, Legal Counsel, bond underwriter and others as may be necessary. (b) Secure from At-Risk Developers projected development costs segregated by those costs to be publicly funded vs. privately funded. (c) Assess and assist the UG in negotiating relative amount of public investment vs. private investment for each At-Risk Development Project.
- vii) Remedies in the event of failure to perform.
- viii) Insurance and Indemnity.
- ix) Assist the UG's legal counsel and other contractors and consultants in development of Easements, Covenants, Conditions and Restrictions Agreement for the Sites.
- c) Support Legal Counsel, Feasibility Analyst, UG Financial Advisor in completion of underwriting necessary for the issuance of Incentives.
- d) The Owner's Representative / Development Project Manager will lead the team for dealings with outside Legal Counsel, any UG legal counsel and other contractors or consultants of the UG in the verification and preparation of development agreements.
- e) Leads regularly scheduled progress meetings with the UG, record action items and monitor the project of all marketing, pre-development and development management activity.
- f) Establishment of Incentive Districts:
 - i) Working directly with UG, Master Planner, Consulting Engineer and Legal Counsel, the Owner's Representative / Development Project Manager will lead the preparation of the Financial Incentives including;
 - (1) Review UG Healthy Campus Plan to determine conformance with the proposed Incentive District Area(s).
 - (2) Assist with preparation of supporting documentation required for UG Commission and County Commission public hearings necessary to approve Incentive Package.
 - (3) Identify Feasibility Consultant and assist with preparation of Incentive District(s) Feasibility Report.
 - ii) Establishment of Incentive District Project Plan:
 - (1) Working directly with the UG, Feasibility Consultant, Master Planner, Consulting Engineer and Legal Counsel, the Owner's Representative / Development Project Manager lead the preparation of the Incentive Package including;
 - (a) Preparation of master plan.
 - (b) Preparation of total investment budget for the master plan.

- (c) Preparation of development Proforma including rents, sales/sf and incremental sales tax projections.

3) Transaction Services:

- a) CBC represents the UG in an acquisition of existing real estate or leasing of existing real estate.

4) Owner's Representative Services

- a) For projects that the UG would finance and own, CBC would act as third party agent to the UG as Owner's Representative providing project management services including negotiation on all primary agreements, master budget, master schedule, project management oversight and accounting.
- b) Request for Qualifications / Proposals
 - i) Develop Requests for Qualifications/Proposals for all design, engineering, construction and other services as they relate to any Project(s). Assist in preparation and negotiation of scope and compensation for all consultant and construction contracts.
- c) Budget Management
 - i) Assist the UG in developing budgets for any Project(s). Such budgets will be in a form that is acceptable to the UG.
 - ii) Record modifications to the budget and will seek the UG's approval and/or recognition of the same.
- d) Schedule Management
 - i) Prepare a master schedule for the purposes of monitoring the interaction and dependency of certain critical activities.
- e) Construction Oversight/Project Management
 - i) Owner's Representative / Development Project Manager will;
 - (1) Review the status of design and construction work as it relates to both the public funded and privately funded work.
 - (2) Report to the UG on the relative completion of the Developer as compared to the proposed development schedule including design, construction, fit-up and occupancy.
 - (3) Represent the interests of the UG and assist in negotiating change orders to be funded by the public proceeds as appropriate, if any.
 - (4) Review the At-Risk Developer's use of funds, whether public proceeds, other debt financing or private funds, and observe as to conformance with the Development Agreements and any budgets or schedules.
 - (5) Review and make recommendations to the UG, or such other parties as are designated by the UG, to approve or deny payment applications and itemized schedule of payments funded by public proceeds.
 - (6) Make reasonable efforts to manage construction manager and architect/engineer to cause required documents to be provided to the UG
 - (7) Manage final close-out of any UG Project contracts.
 - ii) Coordination Meetings

- (1) Initiate and monitor regularly scheduled meetings to coordinate the efforts.
 - (2) Document action items for each member of this team and report periodically.
- iii) The UG Project Payment Application Meetings
 - (1) Establish protocol for all vendors to submit their payment requests and review each invoice for compliance with contract terms and make recommendations.
 - (2) Lead monthly payment application and record activities necessary prior to approval of requests.
- iv) Employ project management accounting software to record the financial status of any UG Project. Periodically, report on the status of any UG Project using the following format.
 - (1) Budget
 - (2) Contracts
 - (3) Anticipated costs
 - (4) Payment applications

GRANT AWARD AGREEMENT 1060-FY14-3969

THIS AGREEMENT is made and entered into this _____ day of January 2016, by and between the Health Care Foundation of Greater Kansas City ("Foundation") and Unified Government of Wyandotte County/Kansas City, KS -- Mayor's Office ("Grantee").

WHEREAS, Grantee has submitted a proposal to the Foundation received on November 21, 2014 (the "Proposal") to fund the project described therein (the "Project"); and

WHEREAS, Foundation agrees to make a grant to Grantee, for \$150,000.00 to fund the Project, subject to the terms and conditions set forth herein (the "Grant").

NOW, THEREFORE, the parties agree as follows:

1. Scope of Project. Grantee shall perform the Project as set forth in the Proposal, a copy of which is provided as Attachment A and which is incorporated by this reference as if fully recited herein. The Project is exclusively for public purposes. Any variations in the Project or the use of Grant funds from that described in the Proposal requires the advance express written approval of the Foundation.
2. Grant Period. The Grant has been approved for a period of 24 months beginning October 1, 2015 through October 2, 2017 (the "Grant Period"). [Note – In the event the Project is completed sooner than the anticipated end date of October 2, 2017 and all reports are submitted to and accepted by Foundation then, at the discretion of the Foundation, the Grant will be paid out earlier than scheduled.]
3. Extension of Grant Period. Should the Grantee desire to extend the duration of the Grant Period, Grantee shall submit a written request for extension to the Foundation Grants Manager no later than 30 days prior to the Grant Period end date. If the Foundation approves the extension in its sole discretion, the parties shall execute a written acknowledgement acceptable to Foundation which shall provide for the new terms of the Grant Period and any other terms and conditions acceptable to the Foundation. Extension of the Grant Period will not result in an increase in funding.
4. Disbursement Schedule. The Foundation will disburse the Grant funds pursuant to the following schedule; contingent on receipt and approval of Interim and Final Reports:

Amount	To Be Paid On or About
\$ 67,500.00	Within 30 days of receipt of fully executed Grant Agreement
\$ 67,500.00	Upon receipt and acceptance of Interim Progress & Financial Report
\$15,000	Upon receipt and acceptance of Final Progress and Financial Report

The Foundation, in its sole discretion, reserves the right to alter the above disbursement schedule at any time and to impose such conditions upon disbursements as it may, in its discretion, deem necessary.

5. Expenditures. All expenditures of Grant funds by the Grantee must be consistent with the project budget as set forth in the Proposal (the “Project Budget”) and as approved by the Foundation, a copy of which is attached hereto as Attachment B. Any deviation from the approved budget requires the advance written approval of the Foundation.
6. Reporting Requirements. Regular and timely reporting by grantees to the Foundation is essential in carrying out the values and priorities defined in these Guidelines. Report contents are intended to be brief and succinct, so as to minimize this burden upon grantees, allowing them to focus their efforts on the funded projects and activities. At the same time, reporting should be sufficiently detailed that it provides accurate communication to the Foundation about grantee’s progress in achieving its goals and objectives through the expenditure of grant funds. Reporting requirements are specified in the Foundation’s contract with grantees. Unless an alternative is specifically approved by the Foundation, the following reports are required from all recipients of Foundation funding: Interim Project Status and Financial Reports, and an Annual Status and Financial Report.

Interim Project Status Reports. Progress reports are to be provided to the Foundation on the following schedule:

Interim Progress and Financial Report	April 1, 2016
Final Progress and Financial Report	November 2, 2017

The report should include a brief review of the project’s goals and objectives, as indicated in Attachment C with an update on the their accomplishment, based on the performance measures discussed in the approved proposal. Any changes from the proposed schedule of implementation, delivery of activities, staffing, client/patient participation or other deviations must be specifically noted, along with any steps planned or undertaken to address barriers experienced in implementation of grant-funded activities.

Interim Financial Status Reports. Financial reports are also to be provided on the same schedule. The report consists of the project’s approved budget with additional columns indicating financial activity within the reporting period and year-to-date total expenditures for each line item and the total budget. The percentage of the total funds expended (year-to-date) should also be provided. The grantee should report any changes from the proposed expenditures within line items.

Final Project Report. In addition to the above programmatic and technical information, the final report will provide specific, quantitative information about the achievement of outcomes within the grant project, with a comparison to those proposed. Interpretive, qualitative information such as barriers, lessons learned, and changes in strategies over the course of the project should be provided. Whenever appropriate, recommendations regarding future initiatives, policy

implications, or limitations should also be provided. Include a Final Project Abstract/Summary.

Final Expenditure Report. The final financial report, like interim financial reports, shall compare actual expenses to the approved budget on a line item basis. All line item expenditures must be supported by a narrative explaining the expenditure and any variances plus or minus 10%. In the absence of an approved grant period extension, funds unspent after the close of the grant period shall be considered as being payable to the Foundation. The amount of unspent funds or deferred accounts must be reported, and arrangements made for repayment or other disposition.

7. Records. Although the Grant funds need not be segregated, Grant funds and records of receipts and expenditures must be shown separately on Grantee's books for ease of reference and verification. Such records as well as copies of reports submitted to the Foundation shall be retained by Grantee for at least four years following completion of the Grant Period.
8. Foundation Right to Review and Evaluate. The Foundation may review and conduct an evaluation of the Project funded by this Grant, which may include one or more visits from Foundation personnel to observe the Project, discuss the Project with Grantee's personnel and review financial and other records and materials connected with the activities financed by this Grant. All financial and other records relating to the Project shall be made available at the Grantee's regular place of business for inspection by Foundation personnel, or its designated representative, at reasonable times. Grantee will receive notice of Foundation's review findings and shall, in the sole discretion of Foundation, be given an opportunity to correct any non-compliance issues. If Grantee fails to correct any non-compliance issues within the time period specified by Foundation, Foundation may exercise its rights as set forth in paragraph 11 of this Grant Agreement.
9. Maintaining Tax Status. Grantee shall maintain the Internal Revenue Code status it represented to the Foundation that it had when submitting the Proposal throughout the duration of the Grant Period unless otherwise approved by the Foundation.
10. Title to Property Acquired with Grant Funds. Title to all tangible personal property, fixtures or equipment purchased with Grant funds ("Grant Funded Property"), except real property which will be handled separately, shall be vested in the Grantee. However, Foundation shall have a purchase money security interest in the Grant Funded Property until the Final Project Status Report has been accepted by Foundation. Grant Funded Property must be used for carrying out the Project as set forth in the Proposal.
11. Foundation's Right to Return of Funds or Property. Any Grant funds not used by Grantee for the purposes of the Project as approved in the Project Budget remain the property of the Foundation and shall be promptly returned to the Foundation at the conclusion of the Grant Period. Nothing contained in this paragraph shall

limit or prevent the Foundation from taking legal action to seek repayment of unexpended Grant funds or Grant funds which were not applied in accordance with the terms of this Agreement.

12. Publicity/Use of Project Results. HCF encourages the Grantee to publicize the receipt of your grant. All publicity associated with the grant must clearly identify The Foundation as a funding source using the following statement:

“Funding for this project was provided {in whole or in part} by the Health Care Foundation of Greater Kansas City.”

Use of Project Results

If Grantee desires to publish the results of its grant for academic research and/or publication in a journal or trade publication, the Foundation shall have a minimum of 30 days to review and comment before submission for publication. The Foundation must be notified should the Grantee use information derived from the Project for purposes other than those set forth in the Proposal, including but not limited to academic research and/or publication in a journal or trade publication, and the Grantee acknowledges or credits the Foundation for its involvement in the Project.

Use of HCF Name/Logo

Should the Grantee desire to use HCF's name or logo in its publicity of a grant or an associated event, the Grantee must contact its Program Officer to obtain permission and proper logo.

13. Termination of Grant by Foundation. The Foundation, in its sole discretion, may terminate this Grant and permanently withhold the payment of all or a portion of the Grant funds if: (a) the Foundation is not satisfied with the quality of the Grantee's work or the progress toward achieving the goals of the Project; (b) the Foundation determines that the Grantee is incapable of satisfactorily completing the Project; (c) the Grantee fails to meet the conditions set forth in this Agreement and the Proposal; (d) the Grantee's federal income tax status changes; or (e) the Grantee dissolves.

If the Grant is terminated prior to the end of the Grant Period, Grantee shall: (a) provide the Foundation with a full accounting of the receipt and disbursement of Grant funds for the Project through the effective date of termination, (b) repay, within 30 days of the effective date of termination, all Grant funds which were not expended on or prior to the effective date of termination and all Grant funds which were expended prior to the date of termination of the Grant but which expenditures relate to a phase of the Project allocable to a time period after the effective date of termination, and (c) repay to Foundation an amount equal to the value of any Grant Funded Property less the value of that portion of the Grant Funded Property's useful life during which it was used for the purposes of the Grant.

Nothing contained in this paragraph shall limit or prevent the Foundation from taking legal action to seek repayment of Grant funds already expended by the Grantee which were not applied in accordance with the conditions in this Agreement.

14. Indemnification. Foundation is a funding source only and does not participate in or direct any of the activities or services of Grantee. Accordingly, Grantee understands and agrees that Foundation, its directors, officers, employees and agents will not be liable for any of Grantee's contracts, torts, or other acts or omissions, or those by Grantee's directors, officers, members, employees or funded-activity participants. Grantee understands and agrees that Foundation's insurance policies or self-insurance plans do not extend to or protect Grantee nor Grantee's directors, officers, members, staff or funded-activity participants. Grantee understands and agrees that Foundation will not provide any legal defense for Grantee or any such person in the event of any claim against any or all of them.
15. Relationship of Parties. Foundation and Grantee agree that this Grant does not create a principal-agent relationship of any type between the parties and that Grantee will not, by act of omission or commission, foster any belief on the part of third parties that such relationship exists.
16. Authority. Each individual executing this Agreement on behalf of Grantee warrants that he has full power and authority to execute this Agreement on behalf of such organization and that this Agreement constitutes the valid and binding obligation of such organization enforceable in accordance with its terms. Prior to or concurrently with the delivery to Foundation of an executed copy of this Agreement, Grantee shall deliver to Foundation evidence in the form of a resolution of Grantee's governing board or members that those signing have authority to execute this Agreement on Grantee's behalf and that Grantee has authorized performance by Grantee of all of its obligations hereunder.
17. Nondiscrimination. Grantee agrees that in providing services under the Project, persons will be provided service without regard to race, color, sex, national origin, religion, age, disability, sexual orientation, or veteran status, except in instances when the criteria is a stated condition of admission to the Project and is so disclosed in the Proposal. Grantee will be required to have their Board chair or designee agree to the following statement: I certify that our organization does not discriminate in its leadership, staffing or service on the basis of age, gender, race, ethnicity, sexual orientation, disability, national origin, political affiliation or religious belief (see attached Attestation).
18. No Guarantee of Future Funding. Provision of this Grant does not imply any future funding commitment by the Foundation.
19. Compliance with Code Section 501(c)(3). By accepting this grant, the grantee agrees that these funds will be used exclusively for exempt purposes described in Internal Revenue Code Section 501(c)(3).

20. Entire Agreement. This Agreement and all Attachments constitute the entire Agreement between the parties regarding the Project and supersede all previous understandings or written or oral agreements between the parties.
21. Amendment. Unless otherwise permitted herein, any alteration in the terms of this Agreement must be in written form and must be signed by both the Foundation and the Grantee.
22. Applicable Laws. The provisions of this Agreement shall be construed and enforced according to the laws of the State of Kansas.
23. Gender and Number. Masculine pronouns include the feminine as well as the neuter genders, and the singular shall include the plural, unless indicated otherwise by the context.
24. Headings. The paragraph headings contained herein are for convenience of reference only, and shall not be construed as defining or limiting the matter contained thereunder.
25. Grants Manager. Currently the Grants Manager is Karen Guile, 2700 East 18th Street, Suite 220, Kansas City, MO 64127.

IN WITNESS WHEREOF, we have executed this Agreement as of the date first above written.

HEALTH CARE FOUNDATION OF
GREATER KANSAS CITY

By: _____
Bridget McCandless, M.D.
President/CEO

Date: _____

“Grantee”

Unified Government of Wyandotte County/Kansas City, KS -- Mayor's Office

By: _____
Name

Title

(Print Name)

Attachments to Agreement:

- A. Scope of Project
- B. Project Budget
- C. Project Goals and Objectives

ATTESTATION

I certify that our organization does not discriminate in its leadership, staffing or service on the basis of age, gender, race, ethnicity, sexual orientation, disability, national origin, political affiliation or religious belief.

DATED this _____ day of _____, 2016.

Chairman of the Board

ATTACHMENT A PROJECT PROPOSAL

To fund a Project Manager and related expenses for the Healthy Campus, a public/private venture that will address health disparities in the eastern end of urban Kansas City, Kansas. The Healthy Campus includes a grocery store and a YMCA community center. The Project Manager will provide leadership, build and maintain community engagement and champion the vision of the project.

**ATTACHMENT B
PROJECT BUDGET**

**[Include the Full budget for the two year
project to when you submit this signed
Agreement]**

ATTACHMENT B (cont'd)
PROJECT BUDGET NARRATIVE

**[Full budget narrative for the two year
project to be submitted with this
Agreement]**

**ATTACHMENT C
PROJECT GOALS AND OBJECTIVES**

**[Outcomes and scope of work to be
submitted with this Agreement]**

**ATTACHMENT C
PROJECT GOALS AND OBJECTIVES (cont'd)**

**[Evaluation design to be submitted with
this Agreement]**