UPDATE

Economic Development and Finance
Standing Committee Meeting Agenda

Monday, January 4, 2021

Immediately upon adjournment of earlier committee

Location:

You are invited to a Zoom webinar.
When: Jan 4, 2021 05:00 PM Central Time (US and Canada)
Topic: N/CD & ED/F Standing Committee Meetings

Please click the link below to join the webinar:
https://us02web.zoom.us/j/81460137908?pwd=RnFHWFVHQ3M0OVhBUVhSakQyNFBsQT09
Passcode: 009425
Or iPhone one-tap :
US: +13462487799,,81460137908# or +16699009128,,81460137908#
Or Telephone:
Dial(for higher quality, dial a number based on your current location):
US: +1 346 248 7799 or +1 669 900 9128 or +1 253 215 8782 or +1 312 626 6799 or +1 646 558 8656 or +1 301 715 8592 or 877 853 5257 (Toll Free) or 888 475 4499 (Toll Free)
Webinar ID: 814 6013 7908
International numbers available: https://us02web.zoom.us/u/kb9kv6BBWZ

Name	Absent
Commissioner Tom Burroughs, Chair	☐
Commissioner Brian McKiernan	☐
Commissioner Gayle E. Townsend	☐
Commissioner Harold Johnson	☐
Commissioner James Walters	☐
Jeff Bryant, BPU Member	☐

I. Call to Order/Roll Call

II. Revisions to January 4, 2021 Agenda

New Item No. 8 – 20667…Resolution: Second Amendment to Downtown Campus Development Agreement.

III. Approval of standing committee minutes from September 28, 2020.

IV. Committee Agenda

Item No. 1 - RESOLUTION: SECOND AMENDMENT TO MULTI-SPORT STADIUM SPECIFIC VENTURE AGREEMENT

Synopsis: Adopting the Second Amendment to Multi-Sport Stadium Specific Venture Agreement to increase the ticket tax by $1.25 to cover debt service for the parking improvements and the ground lease costs associated with said parking improvements, submitted by Deborah Jonscher, Deputy Chief Financial Officer. The second amendment will increase the ticket tax on Sporting KC tickets from $2.25 to $3.50 per ticket.

Tracking #: 20634

Item No. 2 - RESOLUTION: BROWNFIELDS COALITION GRANT
Synopsis: Resolution for the UG to enter into the Kansas City Regional Brownfields Assessment Coalition with the Mid-America Regional Coalition, Kansas City, MO and Jackson County, MO, to accept and implement a Brownfields Assessment Coalition Grant funded by a Cooperative Agreement with the EPA, submitted by Stephanie Moore, Economic Development. The total grant is for $600,000 to be equally divided by the Coalition members.
Tracking #: 20636

Item No. 3 - RESOLUTION: KCKCC STUDENT HOUSING PROJECT IRBS
Synopsis: Intent to issue industrial revenue bonds in the amount not to exceed $20,000,000 to finance the costs of acquiring, constructing, improving and equipping a student housing facility for the benefit of the Kansas City Kansas Community College Foundation, submitted by Katherine Carttar, Director of Economic Development. (sales tax exemption only)
Tracking #: 20637

Item No. 4 - PRESENTATION/RESOLUTION: CASH AND INVESTMENT POLICY
Synopsis: Presentation of the Unified Government's Cash and Investments Policy and consideration of a resolution adopting said policy, submitted by Rick Mikesic, Director of Revenue/County Treasurer; and Andrea Parra, Deputy Treasurer.
Tracking #: 20510

Item No. 5 - UPDATE: BUSINESS EFFORTS REGARDING COVID-19
Synopsis: Update on business efforts regarding COVID-19 and CARES Act grant funding, submitted by Shaya Lockett, Small Business Liaison.

For information only.
Tracking #: 20641

Item No. 6 - PUBLIC HEARING: CLOSING TIMES FOR BARS & RESTAURANTS
Synopsis: A public hearing regarding closing times for bars and restaurants in Wyandotte County, KS.

The public may request to speak by sending an email to:
clerkwest@wycokck.org no later than 5:00 pm on December 30, 2020.

Join the webinar by clicking:
https://us02web.zoom.us/j/81460137908?pwd=RnFHWFVHQ3M0OVhBUVhSakQyNFBsQT09
Passcode: 009425
(Telephone participation information is shown on the first page.)
Tracking #: 20642

Item No. 7 - FOLLOW-UP: COVID-19
Synopsis: Follow-up by the COVID-19 team, submitted by Juliann VanLiew, Health Department Director.

For information only.
Tracking #: 20643

V. **Public Agenda**

VI. **Adjourn**

AGENDA UPDATE
ECONOMIC DEVELOPMENT & FINANCE
STANDING COMMITTEE MEETING
MONDAY, JANUARY 4, 2021

IV. COMMITTEE AGENDA

NEW ITEM

ITEM NO. 8 – 20667…RESOLUTION: SECOND AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT

Synopsis: A resolution adopting the Second Amendment to the Downtown Campus Development Agreement, submitted by Katherine Carttar, Director of Economic Development.

Staff Request for Commission Action

Tracking No. 20667

Full Commission Meeting Date: 1/28/20
Committee: Economic Development & Finance

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/30/2020	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description: **A RESOLUTION ADOPTING THE SECOND AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT.**
Action Requested: Adopt resolution
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List: Blue Sheet, Resolution Approving Second Amendment to Downtown Campus Development Agreement, Second Amendment to Downtown Campus Development Agreement

RESOLUTION NO. R-____-21

A RESOLUTION ADOPTING THE SECOND AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and Lanier United, LLC, a Kansas limited liability company ("Developer"), entered into that certain Downtown Campus Development Agreement dated March 26, 2020, as amended by that certain First Amendment to Downtown Campus Development Agreement dated as of July 30, 2020 (as amended, the "Agreement"); and

WHEREAS, Developer has been diligently proceeding with its obligations in connection with the Agreement, but Developer has requested an extension to provide additional time to obtain private financing for the Project, as required by Section 3.1(a) of the Agreement; and

WHEREAS, the Governing Body has determined that it is advisable to enter into the Second Amendment to Downtown Campus Development Agreement with Developer (the "Second Amendment"), attached hereto as **Exhibit A**.

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

Section 1. That the Governing Body hereby approves the Second Amendment in substantially the form attached hereto.

Section 2. That the Mayor is hereby authorized to execute in the name of the UG, the Second Amendment, and the County Administrator and other officials and representatives of the UG, including special counsel, are hereby further authorized and directed to take such actions and to execute any other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

[Remainder of page intentionally left blank; signature page follows.]

ADOPTED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS
THIS _____TH DAY OF _______________, 2021.

____
David Alvey, Mayor/CEO

ATTEST:

____
Unified Government Clerk

(Seal)

<u>EXHIBIT A</u>

Second Amendment

[To be attached.]

SECOND AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT

THIS SECOND AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT (this "Second Amendment") is made as of _______________, 2021 (the "Effective Date") between the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and Lanier United, LLC, a Kansas limited liability company ("Developer").

RECITALS

A. The UG and Developer entered into that certain Downtown Campus Development Agreement dated March 26, 2020 (the "Original Agreement") for Developer to design, develop, and construct approximately 90,000 to 110,000 square feet of residential housing, commercial and service-based amenities, and upgraded conference facilities as more fully set forth therein. The Original Agreement, as amended, may be referred to herein as the "Agreement." Capitalized terms used in this Second Amendment but not otherwise defined herein shall have the meanings assigned to them in the Original Agreement.

B. Pursuant to the terms of the Original Agreement, the Drop Dead Date by which all Closing Conditions, including, among other things, final site plan approvals and Closing on the Project Site, were to be met or waived was July 31, 2020. Developer requested an extension due to certain delays in Developer's site plan submittals and approvals, and the UG and Developer entered into that certain First Amendment to Downtown Campus Development Agreement dated as of July 30, 2020 (the "First Amendment") to extend the Drop Dead Date to December 15, 2020 with the option to extend to January 15, 2021.

C. Developer has been diligently proceeding with meeting its obligations in connection with the Closing Conditions, but has requested to further extend the Drop Dead Date to provide additional time to obtain private financing for the Project, as required by Section 3.1(a) of the Agreement.

D. The UG and Developer, pursuant to Section 10.4 of the Agreement, hereby desire to amend the Agreement as more particularly set forth below.

AGREEMENT

NOW, THEREFORE, for good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the UG and Developer agree as follows:

1. Modification of Drop Dead Date. The parties hereby agree that the first sentence of Section 3.2 of the Agreement shall be deleted in its entirety and replaced with the following:

> In the event that the Closing Conditions set forth in Section 3.1 above are not met or waived on or prior to March 15, 2021 (the "Drop Dead Date"), then either party hereto shall have the right to terminate this Agreement, but such failure shall not be an event of default hereunder; provided, however, that the Drop Dead Date shall be automatically extended to April 30, 2021 without further amendment to this

Agreement if Developer's lender requires additional time to obtain or evaluate documentation and/or information relating to such financing and Developer provides prior written notice to the UG of such automatic extension.

2. Miscellaneous. In connection with this Second Amendment, the parties hereby agree as follows:

(a) The Recitals set forth above are true and correct and are hereby incorporated by reference.

(b) Except as specifically modified by this Second Amendment, the Agreement remains in full force and effect in accordance with the terms thereof.

(c) In the event of any inconsistency between the terms of this Second Amendment and the Original Agreement or the First Amendment, this Second Amendment shall control.

(d) This Second Amendment contains the entire agreement between the parties hereto, and the terms hereof are contractual and not mere recitals. No promises, inducements or agreements not herein expressed have been made.

(e) This Second Amendment shall be binding upon and inure to the benefit of the parties hereto, and their successors and assigns.

(f) This Second Amendment may be executed in counterparts.

(g) All remedies set forth in Article 9 of the Original Agreement shall be made available for the enforcement of this Second Amendment.

(h) This Second Amendment shall be construed in accordance with the laws of the State of Kansas.

[Remainder of page intentionally left blank; signature pages follow.]

IN WITNESS WHEREOF, the parties have caused this Second Amendment to be executed as of the day and year first above written.

UG:

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

By:_______________________________________
David Alvey, Mayor/CEO

STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

This instrument was acknowledged before me on ____________________, 2021, by David Alvey as Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas.

Printed Name: ______________________________
Notary Public in and for said State
Commissioned in Wyandotte County

My commission expires:

____

IN WITNESS WHEREOF, the parties have caused this Second Amendment to be executed as of the day and year first above written.

DEVELOPER:

LANIER UNITED, LLC, a Kansas limited liability company

By: ________________________________
Willie Lanier, Jr., Manager

STATE OF _________________)
) SS.
COUNTY OF _______________)

This instrument was acknowledged before me on ___________________, 2021, by Willie Lanier, Jr. as Manager of Lanier United, LLC, a Kansas limited liability company.

Printed Name: ______________________________
Notary Public in and for said State
Commissioned in ____________ County

My commission expires:

____

ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, September 28, 2020

The meeting of the Economic Development and Finance Standing Committee was held on Monday, September 28, 2020, at 6:44 p.m., remotely via Zoom. The following members were present: Commissioner Burroughs, Chairman; Commissioners McKiernan, Townsend (arrived at 6:55), Johnson, Walters; and BPU Board Member Jeff Bryant. The following officials were also in attendance via Zoom: Gordon Criswell, Melissa Sieben, Emerick Cross, and Alan Howze, Assistant County Administrators; Patrick Waters, Senior Counsel; Katherine Carttar, Director of Economic Development; Stephanie Moore; Management Analyst for Economic Development; Kathleen VonAchen, Chief Financial Officer; Reginald Lindsey, Budget Manager; Wendy Green; Assistant Counsel; Debbie Jonscher, Deputy Chief Financial Officer; and Bridgette Cobbins, UG Clerk.

Chairman Burroughs said before I call the meeting to order, I do want to announce that due to COVID-19, some committee members, staff, and public are attending remotely via Zoom as well as on site. All participants joining by phone should mute their phones when not speaking to avoid background noise.

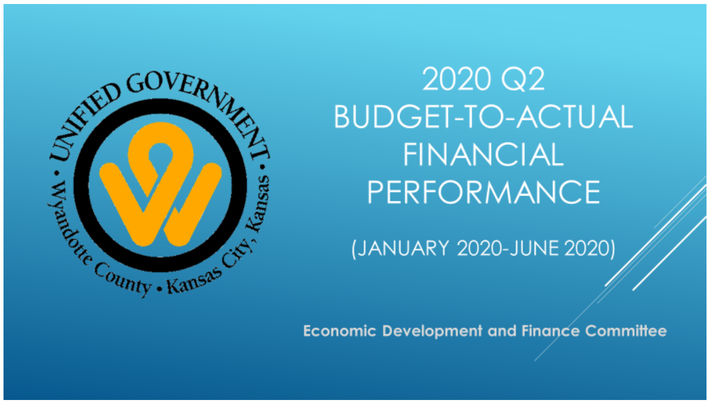
During the meeting, please make sure you announce yourself by name and title every time you speak so that the public that is observing knows who is speaking. This is critical given the number of remote participants and is current guidance from the Kansas Attorney General.

Also, due to COVID-19 requirements, in person public comment has been suspended unless otherwise required by law. The public is allowed to participate by Zoom or submit comments by email prior to the meeting and those comments will be included in the record of this meeting.

Chairman Burroughs called the meeting to order.

Roll call was taken and members were present as shown above except for Commissioner Townsend.

Approval of standing committee minutes from July 6, 2020. **On motion of BPU Board Member Bryant, seconded by Commissioner McKiernan, the minutes were approved.** Motion carried unanimously.



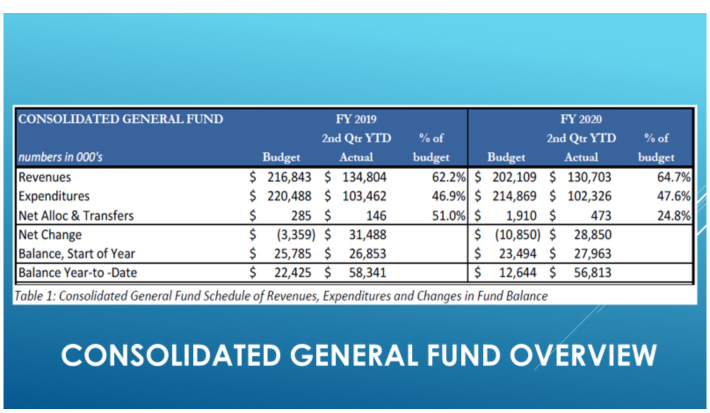
Committee Agenda:

Item No. 1 – 20395…REPORT: SECOND QUARTER BUDGET TO ACTUALS

Synopsis: Second Quarter of Fiscal Year 2020 Budget to Actuals Report, submitted by Kathleen VonAchen, Chief Financial Officer; and Reginald Lindsey, Budget Manager.

Chairman Burroughs said we will go to the Committee Agenda. The No. 1, and this goes back to Kathleen. I apologize. I'm trying to go off a hard copy as well as an email. The Second Quarter Fiscal Year 2020 Budget to Actuals. I'd to understand that Kathleen and Reginald will be making the presentation this evening.

Kathleen VonAchen, Chief Financial Officer, said we are presenting the Second Quarter of 2020 Budget to Actuals Financial Report.



CONSOLIDATED GENERAL FUND	FY 2019			FY 2020		
numbers in 000's	Budget	2nd Qtr YTD Actual	% of budget	Budget	2nd Qtr YTD Actual	% of budget
Revenues	$ 216,843	$ 134,804	62.2%	$ 202,109	$ 130,703	64.7%
Expenditures	$ 220,488	$ 103,462	46.9%	$ 214,869	$ 102,326	47.6%
Net Alloc & Transfers	$ 285	$ 146	51.0%	$ 1,910	$ 473	24.8%
Net Change	$ (3,359)	$ 31,488		$ (10,850)	$ 28,850	
Balance, Start of Year	$ 25,785	$ 26,853		$ 23,494	$ 27,963	
Balance Year-to -Date	$ 22,425	$ 58,341		$ 12,644	$ 56,813	

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

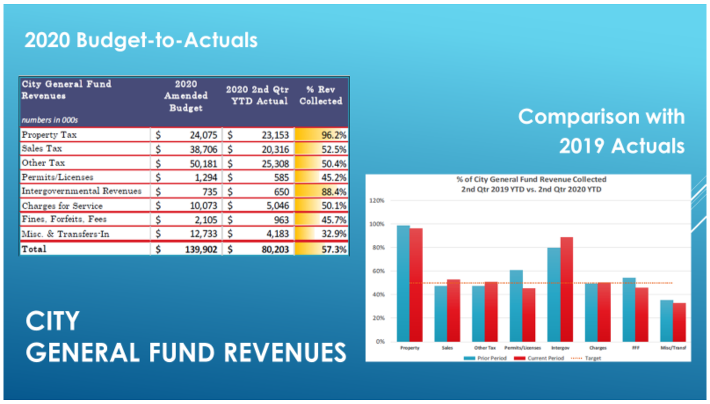
The first slide—this report is available on our website. The first slide is a summary of how our Consolidated General Fund is doing. I should note also that the budget columns for both last year and this year have been updated to include any amendments that were approved as part of the Commission's recently adopted budget, amended budget for 2020 and the proposed for ‘21, that occurred in July.

As you can see, the General Fund is performing fairly well. The one thing to note is that because of COVID, we have had to make dramatic reductions both in the revenues and expenditures for the General Fund. So, if you compare, for example, revenues for 2020 totaled an estimated $202M compared with last year, which were budgeted at $216M on the expenditure side. Amended budget was $214M compared with last year at $220M. So, those are dramatic decreases to the budget that we had to undertake with your support in order to maintain our General Fund and sustain our operations given the reduction in revenues.

To date, through June, the revenues, which is all revenues, tax revenues and charges for services, and many other revenues. Within the city, county and consolidated parks, General Fund totaled $138.7M, which is roughly 65% of the total estimated revenues for the year. Given that it’s the second quarter, you would think that that number would be 50% because half the year is completed in this report, but it is higher than 50% because we collect nearly 100% of the property tax in the first half of the year. Property tax is a significant revenue source and it comes in the front part of year rather than the latter part of the year.

If we compare the revenue collections, and we're going to provide much more detailed information on revenues than what you see here in subsequent slides. You can see that this current year is roughly at 65% compared to the same period last year that was only at 62%. The explanation for that is that the first three or four months of the year were collected, what we were collecting pre-COVID at a higher level and so with this budget, the $202M estimates a significantly reduced level of revenue being collected in the future six months. So, it drives this percentage slightly higher than compared with last year.

On the expenditure side, similar things are happening here. Generally, our expenditures are fairly even across all of the General Fund departments so that 50%, or one-half of the year rule, can still apply. As you see, our expenditure level is 47% of the total for the year so, we are gaining some savings there as compared with our budget.



City General Fund Revenues *numbers in 000s*	2020 Amended Budget	2020 2nd Qtr YTD Actual	% Rev Collected
Property Tax	$ 24,075	$ 23,153	96.2%
Sales Tax	$ 38,706	$ 20,316	52.5%
Other Tax	$ 50,181	$ 25,308	50.4%
Permits/Licenses	$ 1,294	$ 585	45.2%
Intergovernmental Revenues	$ 735	$ 650	88.4%
Charges for Service	$ 10,073	$ 5,046	50.1%
Fines, Forfeits, Fees	$ 2,105	$ 963	45.7%
Misc. & Transfers-In	$ 12,733	$ 4,183	32.9%
Total	$ 139,902	$ 80,203	57.3%

Now, I'm now going to proceed with talking about each of the funds, individual revenue performance, city, county and the Park Fund. After Reggie presents the expenditure side, and all the other funds that are presented in this report, I'm going to come back and talk with you individually about how some of the major revenue sources have been performing on a month-to-month basis.

Chairman Burroughs said, Kathleen, I'm sorry. I'm getting—my system is breaking up. I don't know if it’s from you or bad signals for myself, but I'm losing video and audio. **Commissioner McKiernan** said so far, at least on my computer, I'm not experiencing any drop out of audio or video. **Chairman Burroughs** said it may be on my end and I apologize. For some reason, I keep getting a blank screen that comes up, but please know if somebody raises their hand, don't hesitate to speak out.

Rocki Mayes, Program Supervisor in County Administrator’s Office, said I will call on them if they raise their hand, Commissioner. **Chairman Burroughs** said thank you.

Ms. VonAchen said after Reggie's presentation of the expenditure side and all the other funds, I'm going to come back and talk about the revenue performance of the major tax revenues and how they've been performing on a monthly basis. We updated that information based on information through today.

Back to the report, which is just through June, you can see that the property tax for the City General Fund property tax, as I mentioned before, was at 96% of the total sales tax at 52.5% of the total. Other taxes only at 50%. Some of the other items are like permits and licenses don't necessarily get collected evenly throughout the year. So, there is some rise, for example, licenses and permits during the summer months, so this number is slightly below the 50% level

Intergovernmental revenues often are collected in advance. Charges for services are at the level that is anticipated through the year. Transfers are typically lower than anticipated because we do many of those transfers at the end of the year.

Now, the table below shows the revenue collection by these categories compared with the same period last year. So, as you can see, for example, property tax is slightly down compared to last year collections at this time. Sales tax is actually higher than anticipated, or compared to last year, although that's good news frankly. So, sales tax is performing better than we anticipated and we're very grateful for that.

License and permits are down compared with the last year's collection level at the same period. Intergovernmental revenues are consistent with last year and slightly higher.

Comparison with 2019 Actuals

City General Fund Revenues *numbers in 000s*	2019 2nd Qtr YTD Actual	2020 2nd Qtr YTD Actual	Increase/ Decrease
Property Tax	$ 22,739	$ 23,153	$ 414
Sales Tax	$ 20,139	$ 20,316	$ 177
Other Tax	$ 27,805	$ 25,308	$ (2,497)
Permits/Licenses	$ 823	$ 585	$ (239)
Intergovernmental Revenues	$ 566	$ 650	$ 84
Charges for Service	$ 5,600	$ 5,046	$ (555)
Fines, Forfeits, Fees	$ 1,850	$ 963	$ (887)
Misc. & Transfers-In	$ 2,271	$ 4,183	$ 1,912
Total	$ 82,024	$ 80,203	$ (1,821)

CITY
GENERAL FUND REVENUES

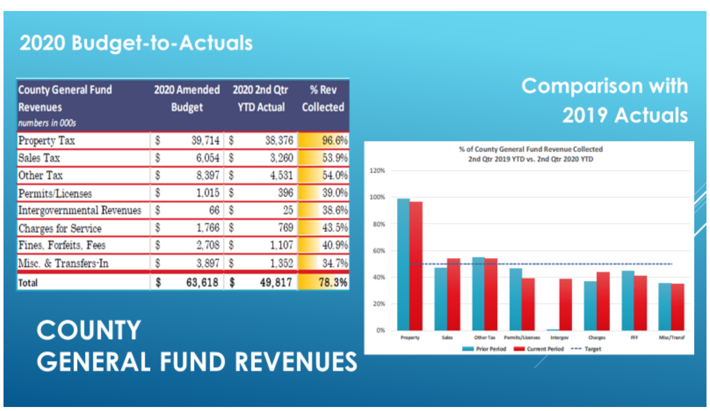
This is a comparison, in dollars, of how the 2020 collections through the second quarter compared with the 19 from the same period. That previous slide was actually on a percentage of total basis and this is the actual amounts. As you can see, for example, property tax through the first quarter, or second quarter is roughly $400,000 higher than it was in the same period last year. Sales tax is only $177,000 higher than this time last year. Other taxes are 25%, at $25M or $2.5M below the level collected last year. My guess is that is due to a timing issue with some payments having been, perhaps, delayed through and collected in July instead of June so, I wouldn't be too worried about that. Then, of course, there is a difference in the transfer amount of $1.9M because in the adopted budget, we actually did approve quite a few more transfers in from other funds in order to maintain the solvency of the General Fund so, this number doesn't really compare with the level of budgeted transfers in the prior year.

Ms. Mayes said, Kathleen, Commissioner Townsend has a question. **Commissioner Townsend** said actually, I was raising my hand and then lowering it. Some of the earlier slides were a bit difficult to see. I was merely going to inquire like on that one if you could just make that larger so I could see the detail a little bit better. But some of the subsequent ones have been larger and easier to read. That was all.

Ms. VonAchen said I have this on full screen so I'm not sure I can make it larger. **Commissioner Townsend** said all right, thank you.

Chairman Burroughs said, Kathleen, I see no other questions. I do want to make a comment that the $1.8M down is not as drastic as a shortfall as we had anticipated. We're only halfway through the year so, I would anticipate these numbers to change not a whole lot, but if the reflective of the first half of 2020, then we can look at just under a, or just a little over $3M in revenue shortfall for the General Fund revenues. Is that not accurate?

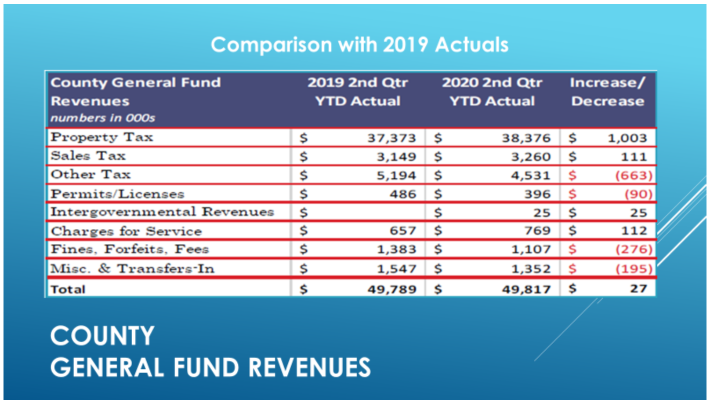
Ms. VonAchen said well, I don't know because—when we get to the slides that talk about the tax revenue performance on a monthly basis, I think that will make answering that question a lot clearer. **Chairman Burroughs** said thank you. I'm sorry. I'm just jumping ahead here. **Ms. VonAchen** said no, that's great. Thank you very much.



County General Fund Revenues *numbers in 000s*	2020 Amended Budget		2020 2nd Qtr YTD Actual		% Rev Collected
Property Tax	$	39,714	$	38,376	96.6%
Sales Tax	$	6,054	$	3,260	53.9%
Other Tax	$	8,397	$	4,531	54.0%
Permits/Licenses	$	1,015	$	396	39.0%
Intergovernmental Revenues	$	66	$	25	38.6%
Charges for Service	$	1,766	$	769	43.5%
Fines, Forfeits, Fees	$	2,708	$	1,107	40.9%
Misc. & Transfers-In	$	3,897	$	1,352	34.7%
Total	**$**	**63,618**	**$**	**49,817**	**78.3%**

On the county, this is the County General Fund revenues. Again, as was mentioned during the budget process, the County General Fund has been less impacted by the reduction in revenues related to COVID because it is far less dependent on sales tax than the City General Fund.

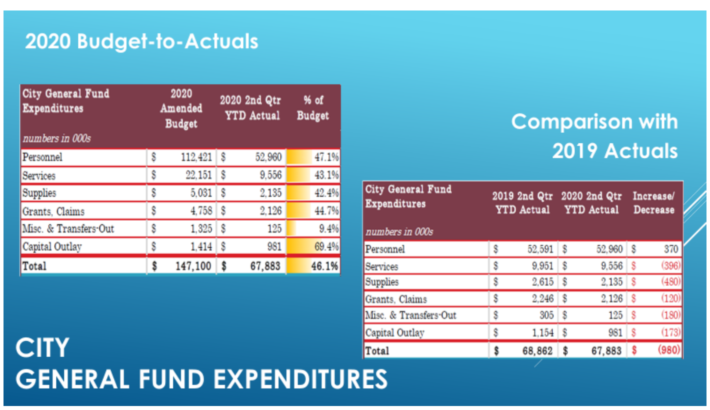
Overall, you can see here the amount of collections from the County General Fund is 78% through the second quarter. That's because nearly all the property tax has been collected for this fund through the second quarter. Sales tax is slightly above the estimated amended budget at 54%, other taxes are at 54%. Overall, the County General Fund is performing better than anticipated.



County General Fund Revenues *numbers in 000s*	2019 2nd Qtr YTD Actual	2020 2nd Qtr YTD Actual	Increase/ Decrease
Property Tax	$ 37,373	$ 38,376	$ 1,003
Sales Tax	$ 3,149	$ 3,260	$ 111
Other Tax	$ 5,194	$ 4,531	$ (663)
Permits/Licenses	$ 486	$ 396	$ (90)
Intergovernmental Revenues	$	$ 25	$ 25
Charges for Service	$ 657	$ 769	$ 112
Fines, Forfeits, Fees	$ 1,383	$ 1,107	$ (276)
Misc. & Transfers-In	$ 1,547	$ 1,352	$ (195)
Total	$ 49,789	$ 49,817	$ 27

Comparing actual dollar amounts with the same period last year, you can see that we have collected through the second quarter, $1M more in property tax for dedicated to the County General Fund. We've collected $111,000 more in sales tax. We are short about $600,000 in other taxes that includes franchise fees. Well, that includes actually booking fees and other taxes. Some of those taxes don't always come in at the same time. Some of them come in at the latter half of the year. Overall, we're doing pretty good compared with—I think our revenue estimates are doing well, at least through the second quarter.

At this point now, I'm handing this off to Reginald Lindsey, who is our Budget Director. He's going to talk about the city and county expenditures, as well as all the other funds. Then I'm going to come back and talk about how our major tax revenues are performing on a monthly basis.



City General Fund Expenditures *numbers in 000s*	2020 Amended Budget	2020 2nd Qtr YTD Actual	% of Budget
Personnel	$ 112,421	$ 52,960	47.1%
Services	$ 22,151	$ 9,556	43.1%
Supplies	$ 5,031	$ 2,135	42.4%
Grants, Claims	$ 4,758	$ 2,126	44.7%
Misc. & Transfers-Out	$ 1,325	$ 125	9.4%
Capital Outlay	$ 1,414	$ 981	69.4%
Total	$ 147,100	$ 67,883	46.1%

City General Fund Expenditures *numbers in 000s*	2019 2nd Qtr YTD Actual	2020 2nd Qtr YTD Actual	Increase/ Decrease
Personnel	$ 52,591	$ 52,960	$ 370
Services	$ 9,951	$ 9,556	$ (396)
Supplies	$ 2,615	$ 2,135	$ (480)
Grants, Claims	$ 2,246	$ 2,126	$ (120)
Misc. & Transfers-Out	$ 305	$ 125	$ (180)
Capital Outlay	$ 1,154	$ 981	$ (173)
Total	$ 68,862	$ 67,883	$ (980)

Reginald Lindsey, Budget Manager, said on the slide we're currently on, we have two views that we're going to look at. We have a view of the current year budget as we compare it to the actuals. That's in the upper left-hand corner. Then in the bottom right corner, we have year-over-year actuals compare where we compare 2019 to 2020 for the second quarter.

One of the things in looking at this information, we look at the first chart. What we have are six categories for the expenditures. We have personnel, services, supplies, grants, claims and capital outlay. Then also we're comparing the 2020 amended budget to what we actually spent in 2020 for the second quarter. We kind of look at the total down there at the bottom of the amended budget is $147M and kind of give you a comparison. The original budget that we approved was $153M. So, we're looking at a budget that was $6M less than we approved for the amended budget.

As we look at these different expenditure categories, kind of a rule of thumb is, since we're halfway through the year, we're looking for expenditures to be below 50%. We kind of look at personnel. We can see us at 47%. So, right now, we're in pretty good shape there. We're trending in where we want to trend.

I'll just kind of give you a glimpse of what we approved in the original budget. When we approved it last year, we had $113M for personnel and this amended budget had $112M. It was actually $112,400,000. So, we're like $600,000 less in personnel, but we can see we've spent like $52M. In personnel, some of the main expenses, there are our salaries, pension expenses, overtime, benefits, and then also payouts.

As we look at services, we kind of see we're at 43% spent compared to where we should be tracking at about 50%.

Chairman Burroughs said, Reggie, I apologize for interrupting. I do have a question. How much of these monies on the amended budget that you show for 2020 are impacted by COVID? I know all of our budgets are impacted by COVID but how much of those funds have been replenished due to COVID funding from the CARES and SPARK money? **Mr. Lindsey** said we did get like the $37M from the state, which also went out to other organizations. We didn't put any of that funding into the City General Fund. Those expenses are tracked in what we call grant funds. Any of those expenses would not show up here, they were where we had allocations for the CARES Act money.

Ms. VonAchen said in addition, the CARES Act money arrived after June 30. **Chairman Burroughs** said okay, thank you for that clarification. Well, so we'll see it on the third quarter numbers. **Ms. VonAchen** said well, you will see in the third quarter numbers, you will see a revenue in the General Fund for reimbursement of costs. It's either a revenue into the General

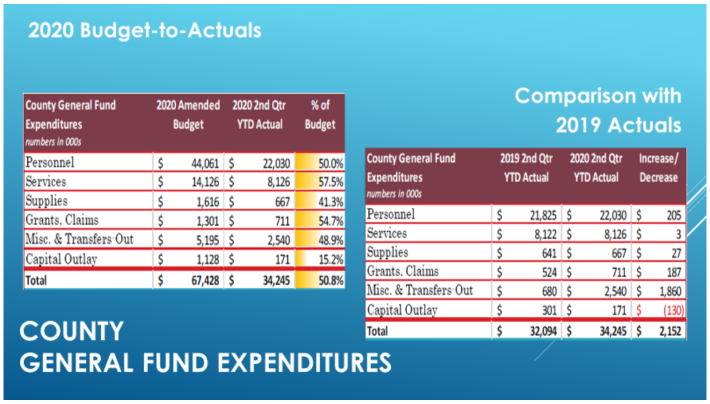
Fund for reimbursement of costs or we’re going to be shifting those reimbursed costs out to the grant fund. I'm not remembering which way; I think Reggie can comment on that.

Mr. Lindsey said yes, so the CARES Act money that we did receive it is in what we call a grant fund. The fund that we're looking at now, the City General Fund and also the County General Fund, they're certified funds. So, we did not mingle the CARES Act money within our certified funds. We put them into a grant fund. **Ms. VonAchen** said right, so some costs that we incurred during the COVID crisis that were reflected in the City and the County General Fund, those will be reimbursed. That reimbursement will be reflected in the third and fourth quarters.

Chairman Burroughs said, Kathleen and Reggie, as chair of the committee, the committee is here to assist in anything we can do to ensure that we're staying on budget. I guess my concern and questions to staff would be, those dollars are important to have plugged into the budget as we get these reports to assist us in moving forward in a manner that is supportive of the endeavors for the stay within the budget guidelines that the Commission passed as a whole. I guess what I'm looking at are numbers that haven't had the CARES funding put into them, but I do know that those numbers are out there. So, it's really hard to comment on much of this without having those actual numbers. I just wanted to bring that to the committee's attention that I would ask staff to please go ahead and finish your presentation and I'll do my best not to interrupt again.

Ms. VonAchen said please feel free to interrupt us with any good questions you have, but I did want to point out, so when we do the third quarter report, what we can do is provide you with more information that will include the CARES Act dollars. It's just that the CARES dollars are not part of this through the second quarter because we didn't get the money until later. **Chairman Burroughs** said please continue.

Mr. Lindsey said the second chart on the slide down in the bottom right corner we’re comparing 2019 actuals to 2020 actuals for the second quarter. We can kind of see we still have the same six expenditure categories. We can see where personnel, we actually, at the end of the second quarter, had spent $370,000 more, but we can see all the other categories we spent less money than we spent last year. We can see in services, we spent almost $400,000 less than we spent in 2019. In the City General Fund and in supplies, we almost spent a $.5M less. Then over in grants and claims, $120,000 less. All in all, it’s comparing 2019 Second Quarter to the 2020 Second Quarter, we almost spent a million dollars less. **Chairman Burroughs** said that's good news. I appreciate that.



Mr. Lindsey said here on this slide we have the same setup where we have the current year budget comparison in the upper left-hand corner, then in the bottom right corner we have the year-over-year actual comparisons where we're comparing 2019 actuals to 2020 actuals for the second quarter.

Again, what we're looking for is we want to make sure that we're under 50% spending. We can look at personnel and see we're right at 50%, but when we get into services, we kind of see we're like 57%. Some of the things that are going on there, we have some big expenses there that are in inmate medical housing or inmate medical. Then we have inmate housing and farmout. Then also our district courts are there, so we see we're kind of trending at almost 60% there.

One thing that also happens there is the departments start to incumber money. Some of the expenses are already paid up front there or encumbered so it's more efficient for departments to pay their bills. Then also, we did cut some of the budgets back. Basically, that was an impact there also. Then we get down into supplies and you see we're at 41% there. Some of the bigger expenses there are natural gas and fuel and parts. You can see in our grants and claims, we're at almost 55%. In capital outlay, we can see we're like at 15.5, about 15% of that budget. Then looking at just a total budget for the County General Fund is $67M. The budget that we approved in comparison with $66M last year for 2020, so when we amended it, it looked a little bit more.

As we go over into the 2019 actuals and comparing those to the 2020 actuals, we can see that the County General Fund is slightly up. One of the things we did, we had some transfers where we can see miscellaneous transfers out where we did allocations where we moved some employee expenses into the County General Fund. That's one of the main impacts to the County General Fund.

Chairman Burroughs said I want to go back to the one you talked about outsourcing our prisoners and the services. **Mr. Lindsey** said yes. **Chairman Burroughs** said with the opening of the new Justice Center, that should be reduced in the second half of 2020. Should we see a reduction in that due to the fact that that outsourcing should be reduced if not fully eliminated? **Mr. Lindsey** said one of the things we have with anticipation; we had already built savings into the budget for it. So, we wouldn't see, we'd maybe see some additional savings into next year we're hoping, but we were anticipating it for this year so we'd had already cut the budget back.

Chairman Burroughs asked, Reggie, how much did you cut that budget back because we're talking a good quarter, a full quarter, let's just be generous and say a full quarter, was that reflected in that budget? I just want to ensure that we're being accurate in those totals of dollars that are being saved by not outsourcing. **Mr. Lindsey** said we have been anticipating a reduction in inmate housing since we first planned on building the new juvenile facility

Our inmate housing used to run around \$1.7M and we're down to like \$900,000 now. We're looking to even go below that when it's up fully running and when we have enough deputies to staff both our adult facility and our juvenile facility. The idea is we want to see that cost go away totally. **Chairman Burroughs** said right and, Reggie, the purpose of asking that question is because it was stated by those in attendance that day that the money saved from not outsourcing would pay for the bonding of the new facility. I just want full disclosure as to ensuring that those savings will be reflected in the services by not outsourcing our inmates. So, I wanted to bring that to the commission's attention as we discussed the other day in the dedication of the facility.

Ms. VonAchen said the annual debt service for the juvenile center is approximately \$1.7M a year. Over the past few years, we have realized savings already from reduced inmate housing and we anticipate more. So the budget, the transfer out to the debt service fund to repay or to contribute towards the payment of that debt service is budgeted \$1.2M in 2020, and was ramped up to \$1.5M in 2021, so that's a transfer out of the County General Fund to the County Bond & Interest Fund. We don't have it at 100% at the moment, at the full \$1.7M, but we hope to achieve that in the coming years.

Chairman Burroughs said, Kathleen, I understand that. We're looking at just the third, fourth quarter report on that. I just want to ensure that the public that is listening that those savings will be recognized in the services budget moving forward fully in 2021. **Ms. VonAchen** said thank you.

Tax Levy Funds	REVENUES *numbers in 000's* 2020 Amended Budget	2020 YTD Actual	% of Budget	EXPENDITURES *numbers in 000's* 2020 Amended Budget	2020 YTD Actual	% of Budget
City General Fund	$ 139,902	$ 80,203	57.3%	$ 147,100	$ 67,883	46.1%
City Bond & Interest	$ 34,238	$ 26,967	78.8%	$ 38,994	$ 7,641	19.6%
County General Fund	$ 63,618	$ 49,817	78.3%	$ 67,428	$ 34,245	50.8%
Cons. Parks General Fund	$ 5,866	$ 3,821	65.1%	$ 5,707	$ 2,863	50.2%
County Bond & Interest	$ 4,938	$ 3,601	72.9%	$ 7,577	$ 284	3.8%
Aging	$ 1,914	$ 1,574	82.2%	$ 1,870	$ 866	46.3%
Developmental Disabilities	$ 371	$ 314	84.7%	$ 614	$ 222	36.1%
Elections	$ 1,349	$ 1,182	87.6%	$ 1,611	$ 669	41.5%
Health	$ 3,381	$ 2,422	71.6%	$ 3,410	$ 1,460	42.8%
Mental Health	$ 631	$ 570	90.4%	$ 674	$ 332	49.3%
Total UG Tax Levy Funds	**$ 256,208**	**$ 170,472**	**66.5%**	**$ 274,985**	**$ 116,465**	**42.4%**

ALL UNIFIED GOVERNMENT TAX LEVY FUNDS

Mr. Lindsey said the current slide is a snapshot of our other seven tax levy funds, which are the City Bond and Interest Fund, County Bond & Interest Fund, our Aging Fund, Development Disability Funds, and then also Elections Fund, and Health Fund, and then Mental Health Fund. How the current slide is set up is that we have revenues on the left side of the page and then we have expenditures on the right side of the page. Kind of how Kathleen and I've been covering it earlier, one of the things that we're looking at, we what you to look for where our revenue financials is at. They are over 50% or somewhere around 50%. You can kind of see that in the percent of budget collected for 2020 Second Quarter that mostly all the revenues are definitely over the 50% threshold. That is good for us to be at.

Then over on the expenditure side, what we look for is, again, is to be under 50%. We could pretty much see that everything is around or below 50%. We do have a couple that are a little bit above 50%, being the County General Fund and consolidated parks. They already did discuss County General Fund but consolidated parks is at right about 50%.

Ms. VonAchen said just wanted to add that most of these funds here are highly dependent on property tax which, as I mentioned before, we collect a big portion of the property tax in the first half of the year, which explains why these percentages are much higher. **Chairman Burroughs** said thank you, Kathleen.

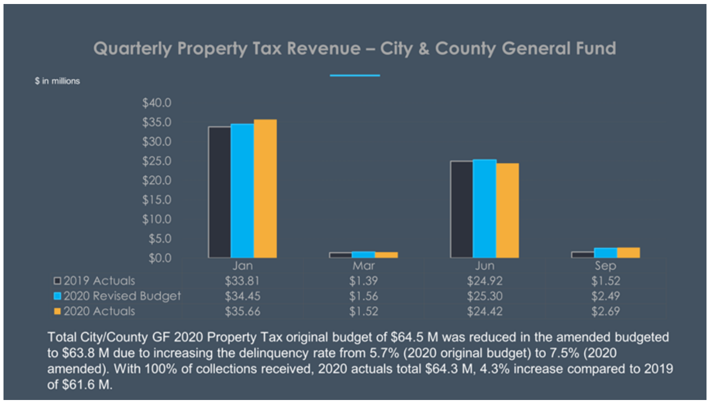
ALL OTHER & TOTAL UG FUNDS

Other Funds	2020 Amended Budget	2020 YTD Actual	% of Budget	2020 Amended Budget	2020 YTD Actual	% of Budget
Alcohol	$ 457	$ 270	59.1%	$ 1,076	$ 240	22.3%
Clerk Technology	$ 45	$ 22	48.7%	$ 132	$ 15	11.2%
Court Trustee	$ 415	$ 181	43.7%	$ 584	$ 174	29.8%
Dedicated Sales Tax	$ 9,297	$ 5,107	54.9%	$ 9,549	$ 3,513	36.8%
Emergency Medical Services	$ 10,139	$ 5,309	52.4%	$ 10,340	$ 5,666	54.8%
Environmental Trust	$ 1,088	$ 547	50.3%	$ 1,930	$ 768	39.8%
Jail Commissary	$ 55	$ 14	25.2%	$ 100	$ 11	11.0%
Parks & Recreation	$ 457	$ 269	58.8%	$ 561	$ 365	65.0%
Public Levee	$ 337	$ 170	50.6%	$ 412	$ 164	39.7%
Register of Deeds Technology	$ 175	$ 88	50.1%	$ 130	$ 118	90.6%
Sewer System	$ 42,719	$ 18,008	42.2%	$ 56,484	$ 18,956	33.6%
Special Assets	$ -	$ -		$ 850	$ -	0.0%
Stadium	$ 548	$ 230	41.9%	$ 2,048	$ 346	16.9%
Stormwater	$ 4,110	$ 1,755	42.7%	$ 4,509	$ 2,018	44.8%
Street & Highway	$ 6,565	$ 3,834	58.4%	$ 7,249	$ 3,619	49.9%
Sunflower Hills Golf Course	$ 692	$ 246	35.5%	$ 670	$ 400	59.8%
Travel & Tourism	$ 2,236	$ 1,579	70.6%	$ 6,832	$ 1,183	17.3%
Treasury Technology	$ 45	$ 22	48.7%	$ 45	$ 8	18.9%
Wyandotte County 911	$ 840	$ 444	52.8%	$ 1,053	$ 380	36.1%
Total Other Funds	**$ 80,218**	**$ 38,093**	**47.5%**	**$ 104,554**	**$ 37,945**	**36.3%**
Total Funds	**$ 336,426**	**$ 208,565**	**62.0%**	**$ 379,539**	**$ 154,410**	**40.7%**
County Library	$ 3,257	$ 3,039	93.3%	$ 3,366	$ 3,035	90.2%
Total ALL Funds	**$ 339,683**	**$ 211,605**	**62.3%**	**$ 382,905**	**$ 157,445**	**41.1%**

Mr. Lindsey said in this final slide here is a snapshot of 19 other funds, which consist of Special Revenue Funds and Enterprise Funds. It's pretty much set up as the previous slide where on the left-hand side we have the revenue financials and then on the right-hand side we have Expenditure Financials. Again, a rule of thumb that we're looking for is we're looking for our revenues to be around 50% or above 50%. Then on the expenditure side, we're looking for those expenditures to be under 50%. We do have some on the revenue side and expenditure side that do not meet that. For instance, like court trustees, revenue has come in for it. It's at almost 44%. One thing that we're doing here is we're just keeping an eye on expenditures to make sure since revenues aren't tracking at what we're are expecting that we are not letting expenditures go over.

Then another fund is the sewer system. It's at 42%, but they have also spent 33% of their budget, which is good because, I mean, we wouldn't want them to be at 50%. Sewer system is probably the largest fund on this page at $42M. Two of the large funds here are the EMS Fund and then also the dedicated sales tax EMS Fund at $10M, and then also dedicated sales tax at a little over $9M. Any questions over this particular slide?

Chairman Burroughs asked, any questions, committee? I don't see any hands. Rocki, any hands that I'm not seeing? **Ms. Mayes** said no there are not. **Chairman Burroughs** said thank you, Rocki.



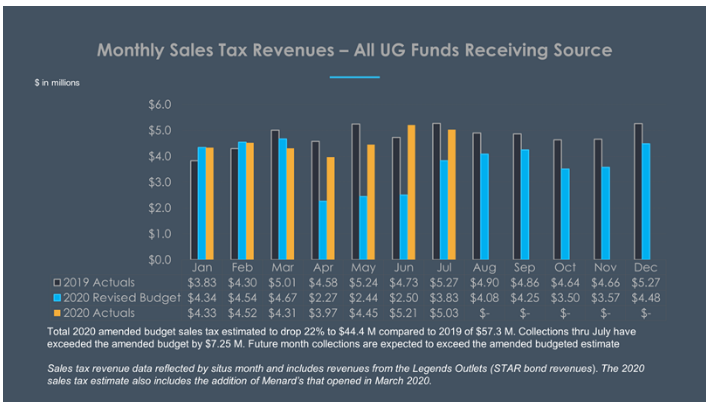
Ms. VonAchen said now I would like to present to you the monthly information that I mentioned previously. Here, we have the quarterly property tax revenue for both the City and the County General Fund. We're presenting this information on a quarterly basis, not monthly, because we collect it quarterly.

In January, what we're showing here is the black line is the amount we collected last year for that quarter. The blue column is the revised budget for the current year, and then the orange or yellow is how much we actually collected. As you can see, in January, we collected more than we estimated, just slightly more. March, just slightly less. Then, less in June than we estimated. Then we kind of recovered a little bit in September. Basically, this constitutes 100%. This is through September so this isn't through the first half of the year. This is through as of today.

What we've found is that the original budget for 2020 was $64.5M, but in the amended budget, we reduced it slightly to $53.8M and that was because we adjusted the delinquency rate from 5.7 to 7.5. With 100% of the collections received, the total we've collected so far is $64.3M and that's a 4.3% increase compared to 2019. It's only about $200,000 less than what we have in the amended—what we had in the original budget, and quite a bit more than what we had in the amended budget. This is doing pretty well, this revenue, at least in 2020.

The only impact to COVID was that we anticipated the delinquency rate would fall, but it hasn't fallen as much as we expected. Of course, there is a lag in property taxes so if there is an impact to further impact related to COVID due to the unemployment impacting people's ability to make their property tax payments, that's likely to have to show up more in 2021 than the last half of 2020. So, just keep that in mind.

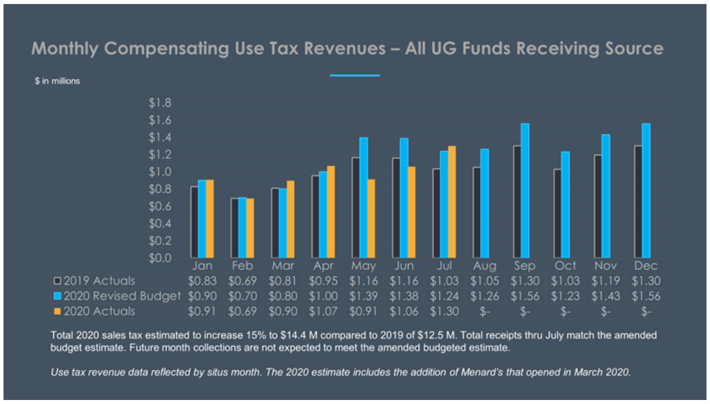
Chairman Burroughs said, Kathleen, thank you. Our financials are not as bad as were initially projected, and I do appreciate staff's conservative approach to these numbers early on. I do believe these are in line with what the state's figures are. I believe that, in looking at the actuals compared to the revised budget in the 29 actuals, we look like we're holding our own at this particular time. **Ms. VonAchen** said, yes, with the property tax, it's pretty much the case. Hopefully, that'll continue in 2021 when it comes to property tax and the delinquency rate. For 2021, the delinquency rate was budgeted at 8%. Hopefully, the collection level will continue to be at the 5.7% level that was previously budgeted.



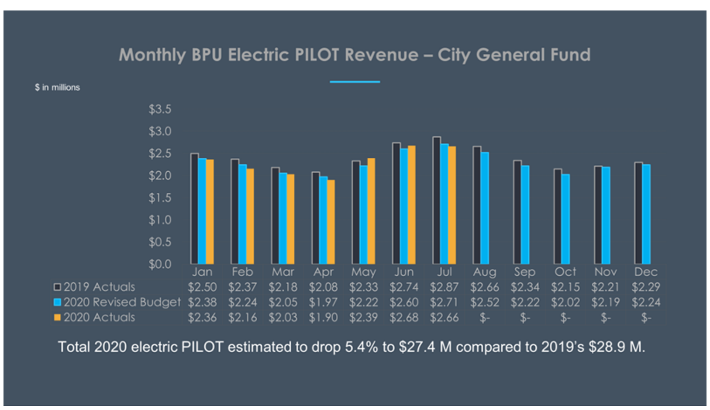
Here's the collection level for sales tax. I mean sales tax, I do not mean use tax, right? This is based on the situs month. For example, July, it reflects the activity of the transactions in July, although we only got the money as of Friday.

As you can see, again, the black is the last year, the blue is the revised budget for that month and then the orange is what we actually collected. As you can see, the collection levels in these COVID months are a great deal more than what we estimated. Of course, when we did the revenue estimates, we didn't have a whole lot of data to go from because there is a two-month lag in collections. When we were doing the revenue estimates back in April, we didn't have a lot of information and so we kind of estimated the worst case.

Overall, collections through July had exceeded the amended budget by about $7M between these two funds. The estimate for the future months ramps up pretty quickly here in the months of August, September, October, November, December. If there is a resurgence of the COVID community spread of a pandemic, there may be some—we might not be achieving these blue line levels. We're keeping an eye on it, as you know. We're watching it every day. **Chairman Burroughs** said, thank you.

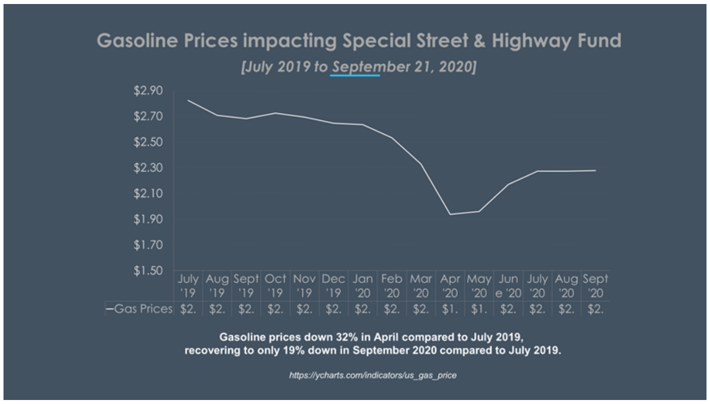


Ms. VonAchen said the next one is the Compensating Use Tax, which mainly includes online sales and other deliveries, sales tax related to other deliveries, or sales that took place in other jurisdictions, for equipment acquisitions, for large businesses coming online and such. Overall, the 2020 amended budget for sales tax, we estimated that it would increase 15% and that's because during COVID, we thought maybe people would be buying more stuff online. We had it estimated at $14.4M in total compared with the prior year which was $12.5M. Total receipts through July, which is this month here, which we only collected last week, total receipts matched the amended budget estimate, but these future months estimates are pretty high. I'm not sure we're actually going to be achieving that collection level. I don't think it's going to be met; the budget estimate is going to be met. This is a far lesser total than the sales tax, but still, this increase may not be achieved. Probably going to come in around $13M, so we might be short about a million dollars.

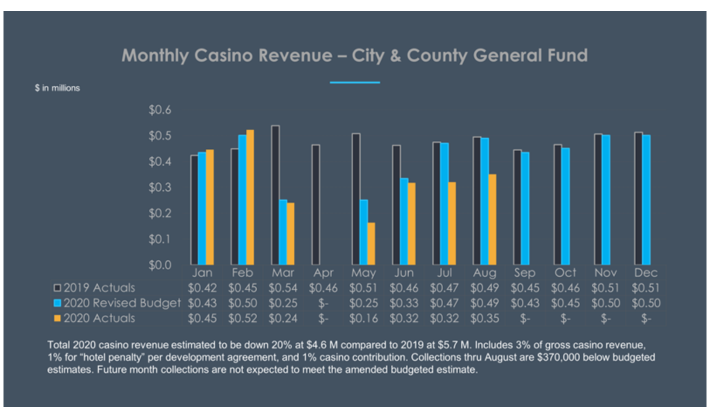


The next one is the BPU PILOT revenue, just for electric. We also collect the PILOT for water from the BPU, but it's only $5M a year and this one's quite a bit more. We're showing the BPU electric PILOT. We anticipated that it was going to drop 5.4% in 2020 compared to total $27M compared to $19M, which was almost $29M. And, as you can see, I think, we're pretty level.

We're right where we were budgeted at each of these years. We're a little up in May and it's up in June, it's pretty level in July. I think this revenue estimate is going to hold; do alright.



Now, gas prices. The gas prices impact the Special Street and Highway Fund. We anticipated that when gas prices were down 32% in April, and you can see that dramatic drop compared with July of '19; but they have recovered. Now we're only at 19% down in September compared with July of '19. We've noticed that the amounts in the, well, that we've collected from the state, they are down from what they were last year but not as bad as these gas prices. This is gas prices across the entire US. Here, the actual revenue collection that we received from the state has been better than what you're seeing here.



Then the last one is the monthly casino revenue, which is deposited in the City and the County General funds. We anticipated that casino revenue estimates were going to be down 20% to $4.6M compared to $19M at 5.7%. That includes all of the casino revenue would collect, right? Collections through August were about $307,000 below budget estimates. We anticipate that actually future month collections for the casino are probably not going to be achieved because they really have—my revenue estimate anticipated that the casino revenue would bump back up to prior year levels, but they just haven't in the past three months, as you can see in June, July, and August. We're probably not going to be achieving this estimate. It's going to be a little short.

Ms. Mayes said, Kathleen, Commissioner Johnson has a question.

Commissioner Johnson said really, it’s not so much a question as much as it is a statement. I think I was pretty impressed all the way until we got to this particular slide in terms of your ability to navigate the abrupt change that COVID brought to our, to the entire country, but certainly to our local economy. I think that your conservative approach is paying, I don't want say paying dividends per se, but it's certainly helping us, I think, overall to maximize the dollars that are coming in. So, I just want to tip my hat to you to appreciate. I continue to be a proponent of conservative budgeting. If we can beat the budget, then that's always our goal. I just want to let you know I see that. Outside of this last page, I’ll let you slide on this last page, but everything else looks fine. I relinquish my stand. Thank you, Chair.

Ms. VonAchen said I think that perhaps the patrons of the Hollywood Casino have been a little bit more risk averse than I anticipated when I did the revenue.

Chairman Burroughs asked, Kathleen, the report from the State Lottery Commission was that our casino had the lowest report in being off as far as revenues At this particular time, I do believe that people are being very conservative in where they're spending their dollar, but it's off across the state in reference to casino revenues and lottery revenues. A lot of revenues are up a little bit for ticket purchases, but the casino revenues are down at this particular time so, these are right on accurate numbers.

Ms. VonAchen said that concludes the presentation of the revenue performance. Of course, this whole report is for information only so there is no action required.

Chairman Burroughs said, Kathleen and Reggie, thank you so much for your presentation this evening. It's important that we understand where we are due to this pandemic and the impact it's had on our local budget. But, as you stated, Kathleen, this was for just information only.

Action: For information only.

Item No. 2 – 20396…REPORT: SECOND QUARTER BUDGET REVISIONS

Synopsis: Second Quarter Budget Revisions Report, submitted by Reginald Lindsey, Budget Manager.

Mr. Reginald Lindsey, Budget Manager, said when departments shift funds that are greater than $10,000, moving money from contingency, the County Administrator's Office signs off on it. If it's over $50,000, Mayor Alvey also signs off on it. In the second quarter, we had two budget revisions that were over $10,000. One was in Parks and Recreation and then one was in the Fire Department. Both of the budget revisions were done within the department's budget.

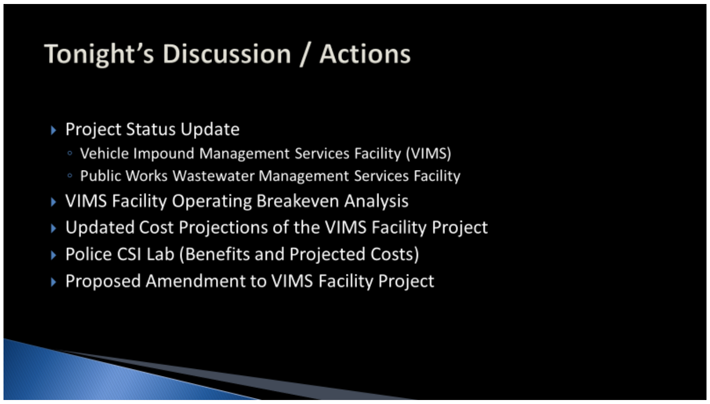
Chairman Burroughs asked, committee, any questions? Seeing none, thank you, Reggie. **Chairman Burroughs** said that, again, was for information only.

Action: For information only.

Item No. 3 – 20393…ORDINANCE: POLICE TOW LOT

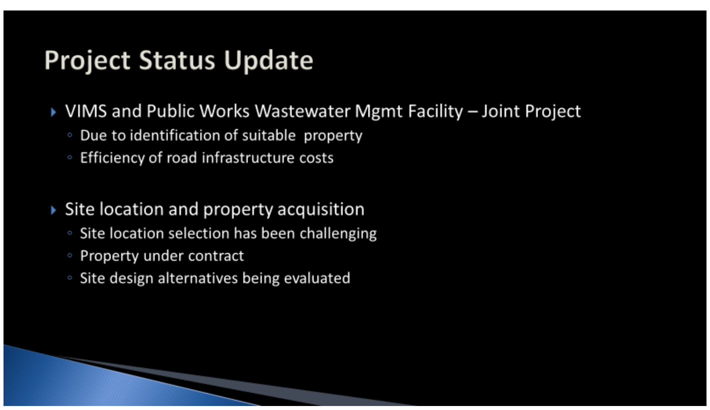
Synopsis: An ordinance amending the 2020-2025 CMIP; amending prior authorization of certain public improvements related to the Police Tow Lot Project (CMIP 8212); and authorizing the issuance of general obligation bonds and/or temporary notes to finance all or a portion of the costs of such improvements, submitted by Kathleen VonAchen, Chief Financial Officer.

Kathleen VonAchen, Chief Financial Officer, said joining me will be Peter Ho, who is with CBC. It's a consultant approval you use to help manage projects, as well as John Kelly and then later by our Police Chief. We are going to give you a project update on the vehicle impoundment facility, which is also known as a big tow lot, as well as the Public Works wastewater management facility. Then, we're going to talk a little bit more about the CSI lab.

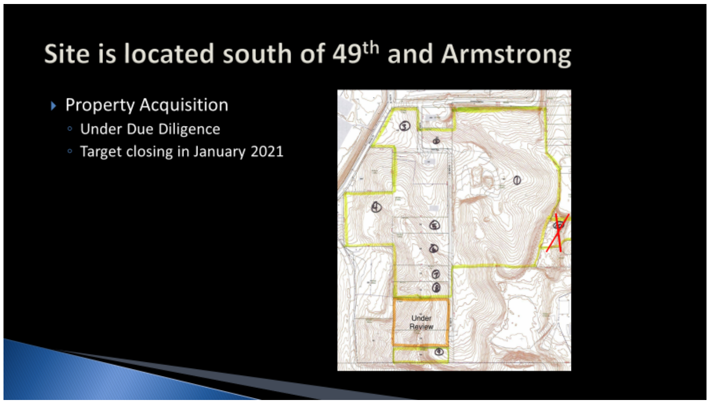


So, just off the top, today we're going to discuss just a status on how the project is doing and where we are with it. We're going to remind you or provide some information on the operating breakeven analysis for the vehicle impoundment management system. Then our services, sorry, and then we're going to talk about the updated cost projections for this project, and then I'm going to have the Police Chief talk about a need he has with the CSI lab, its benefits and costs.

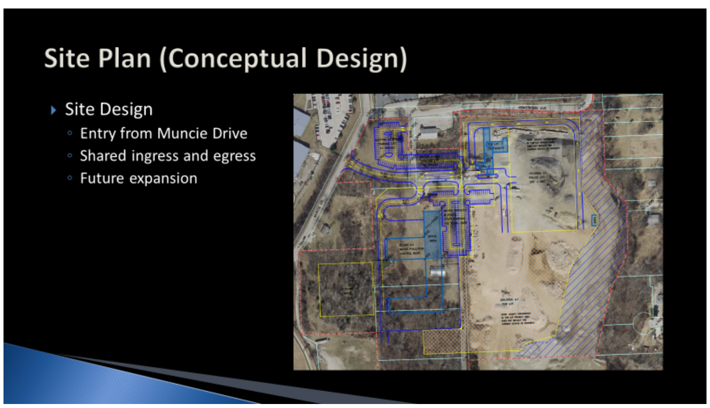
The final action tonight would be to ask for your adoption of an amendment to the vehicle impoundment management services facility. We'll get to that. It's required in order for us to access the debt market for the additional amount on that project. I'm going to let Peter Ho take the next few slides.



Peter Ho, Project Manager for CBC Consulting, said we've looked at several sites. I think there's quite a bit of history on the project, but we've looked at several sites and we ended up at a location just south of 39th and Armstrong. It's approximately a 37-acre property, which is quite large. The benefit of this site, and I'll show you when we get to that site, but it's a large site. Then, the current situation is that the property is currently under contract. We have some site plan options that we're looking at right now. We just began to look at the site and then looking at the buildings and how we plan it out. This project, as Kathleen mentioned, not only includes the impound facility use and the CSI lab, but also would include the Public Works wastewater management facility at the same location.



What you see here is the outline of the parcel. It looks almost like the state of Texas, is how I refer to it. The outline of all the parcels. Currently, like I said, it's under due diligence and our current target closing date is in January of 2021.



The third slide that I'm going to discuss, this is a close up of the overlay of a conceptual site plan. This site plan shows the entry that we would create off of Muncie Drive. Muncie Drive is a road that’s in actually very good shape for access of both water service vehicles, as well as vehicles being towed to this lot. If you look at Armstrong to the north, that street has some challenges with typography, as well as it's not a very well-maintained street. The Unified Government would need to spend probably some dollars on just a public road improvement there. On this site off from

Muncie, we share an ingress and egress between both the impound facility as well as the water services department use.

If Kathleen can move over to the right side where it says the tow lot building, that area is where the tow lot building would be located. Then just east of there, where she's going around, would be all the parking for the tow lot facility. Then the Water Pollution service building is right down where she is. It looks like an upside-down and backwards F, if you can see that outline of that building. That's the design that was required for the Water Pollution team. Then in the middle there you see some parking, that's the shared staff parking between the two departments.

Then, if you look just a little bit up north, you'll see an L shaped parking. That would be for visitors. Then, once a month there's a vehicle auction, and that would be overflow parking for people coming for the monthly vehicle auction event. Then this site is large enough that—if you go back, Kathleen, to that top, the previous slide. what we were seeing before was the parcel that we're up to about parcel number six. So, this lower area is our future expansion area that could be used by Unified Government for other uses down the road.

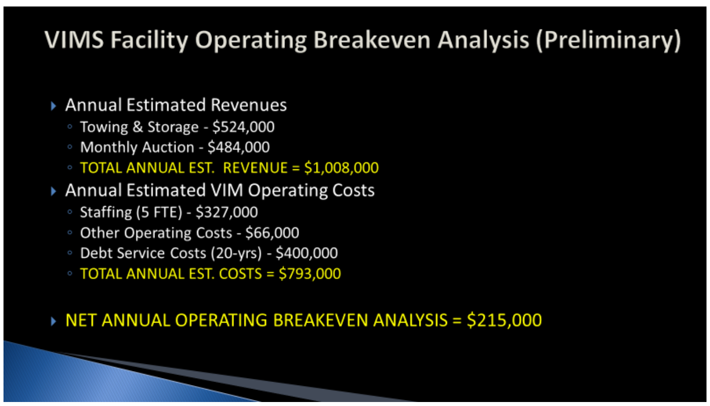
Chairman Burroughs said I have a question, Mr. Ho, if I may. **Mr. Ho** said yes. **Chairman Burroughs** asked could you give us a, it's very difficult to look at the map and see what it is you're talking to, what you're talking about in reference to landmarks. What are the landmarks in reference to some of the printouts you have here for the public that's trying to follow this report? Mr. Ho said probably the closest landmark, if you can see Kathleen, you see the church. There's a church that's just between the parking lot and the tow lot off of 49th Street & Armstrong. There's an intersection and there's a church right there. That church is to remain at 49th & Armstrong.

Commissioner McKiernan asked, Commissioner Burroughs, if you could just imagine that just off the top of this picture is our Neighborhood Resource Center and Community Policing. **Mr. Ho** said right. **Commissioner McKiernan** said that's where we are.

Kathleen VonAchen, Chief Financial Officer, said State Avenue is up here, it's up above. **Chairman Burroughs** said say that again, Kathleen, I'm sorry. **Ms. VonAchen** said State Avenue is north of this map. **Chairman Burroughs** said I was to understand that this was at 49th & State Avenue, south to, I'm going to say part of the I-70 area. If I'm hearing this correctly, this is on the south side of Park Drive. **Mr. Ho** said as was said earlier by Commissioner McKiernan, this is just south of State Avenue. If you see Armstrong Avenue there. **Chairman Burroughs** said yes.

Mr. Ho said State Avenue would parallel Armstrong Avenue just about a block north. **Ms. VonAchen** said up here. **Mr. Ho** said yes. **Chairman Burroughs** said okay. **Ms. VonAchen** said and here is the NRC and the park facility. **Chairman Burroughs** said right. I'm aware of that area. **Mr. Ho** said there's an Aldi just north of Armstrong Avenue. Right there is the Aldi off of State Avenue. **Chairman Burroughs** said maybe it's just the incomplete picture that's got me a little confused here but go ahead. I'm sorry, I don't mean to hold up committee.

Chairman Burroughs asked, any other questions from committee members in reference to what you're viewing? (There were none.) **Chairman Burroughs** said please continue.



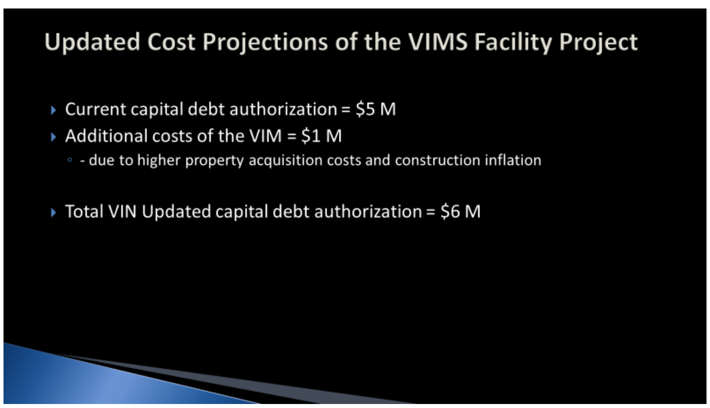
Ms. VonAchen said there's efficiencies by combining these projects together because then we're able to reduce the costs related to road infrastructure. So, that's a good thing. In terms of the vehicle impoundment management services facility, we've done an operating, or it was conducted by CBC with our input, we determined that there is an operating breakeven analysis, and this is preliminary analysis. Of course, the purpose of building a police tow lot is because not only are we going to provide better customer service to our residents, but also, we hope, over time to achieve a revenue that will be more than offset by—our operating costs will be covered by the revenue we collect.

This is kind of a breakout of the revenue that we expect to collect in the full year, probably not in the first year of operations, but maybe in the second year as things ramp up. We estimate to collect a million dollars in revenue and that will be reduced by roughly $790,000 in costs. This cost includes the debt service costs for the $6M that we're issuing bonds in order to build the facility. After 20 years, that 400,000 will go away and then that will be realized additional revenue to the General Fund. So, the net operating costs, breakeven analysis, shows that it's a positive $215,000 per year in the first 20 years of the project, so that's a good thing.

Commissioner Walters said, Kathleen, I have a quick question. Do you know how this compares with the previous presentation on the breakeven analysis when the Commission initially approved this project? **Ms. VonAchen** said I don't remember offhand. That presentation was given almost four years ago before I came.

It's been four years because we've had a lot of difficulty locating a site. There were many sites where the neighborhoods probably would not have been amenable to having a police tow lot. We've had some delays in doing this. I don't remember offhand what the net was expected at that time. I can look into it and provide that information. **Commissioner Walters** said I do like to request that we get that information.

Chairman Burroughs asked, Kathleen, can we get that information? **Ms. VonAchen** said yes, absolutely. I can provide that to you; I will. **Chairman Burroughs** said good point, Commissioner Walters. I think it's important that we do have a chance to revisit those numbers.



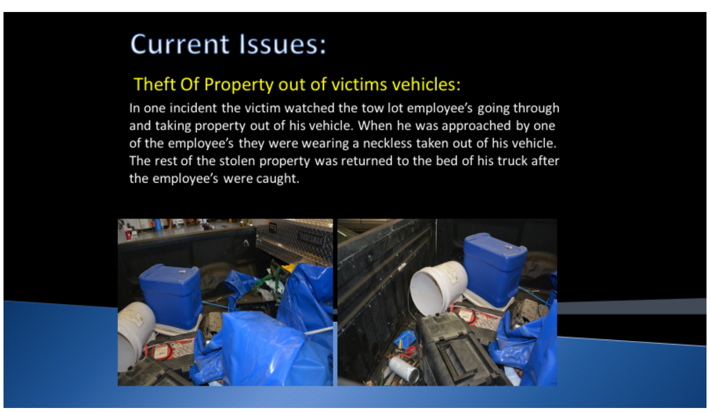
Ms. VonAchen said as I mentioned, the current capital debt authorization for this project was approved by the Commission back in 2016 for $5M. Now, based on our better understanding of the acquisition costs of the property, as well as just factoring in the inflation on construction over that four-year period, we're now estimating we need to have an additional $1M added to the capital debt authorization for this project so that it totals that $6M. That's what is the action before you tonight.

Commissioner Walters said another question. This land cost only includes the land necessary for the tow lot? **Ms. VonAchen** said, yes. That's correct. The property acquisition related to the wastewater facility is not part of this at all.

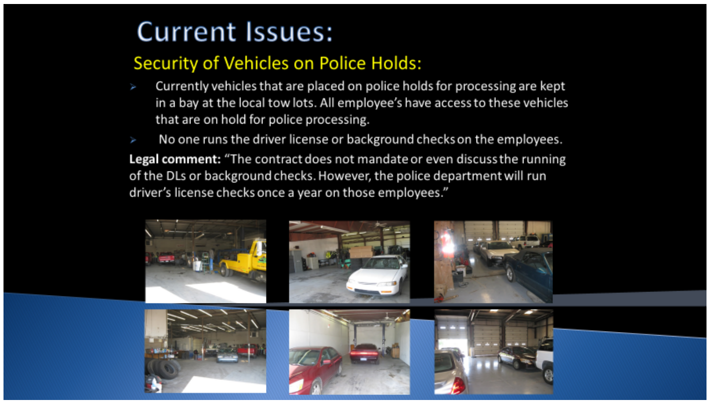
Chairman Burroughs asked, any other questions or comments?

Ms. VonAchen said at the end of this PowerPoint, we're going to ask for your approval of the increase for the capital debt authorization for this project. Before we do, we did want to take this opportunity to provide you some information on an additional part of this project that we will—where there's an identified need in the Police Department. As part of the upcoming 2021 proposed 2022 budget process, we will be talking much more about the Police CSI lab. The CSI lab is not part of that extra million dollars that we're requesting tonight. This is just an opportunity to provide more information on the need for a CSI lab.

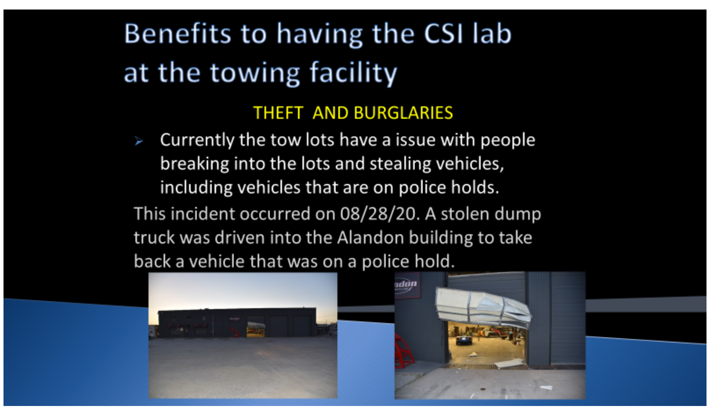
At this point, we're going to let our Chief proceed with talking about this part of the project, which we plan to request in the future.



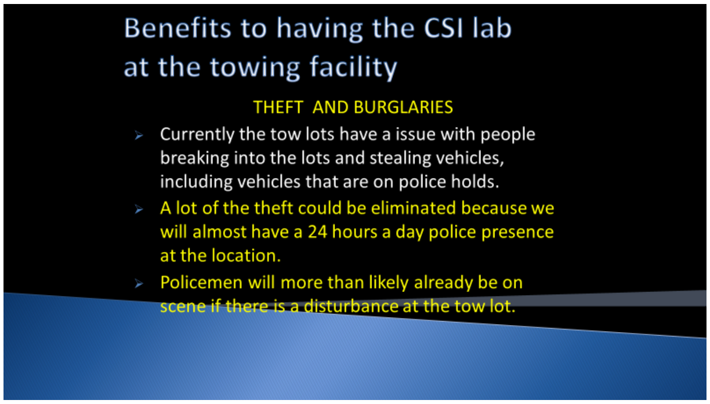
Michael York, Police Chief, said the first slide is pretty basic. We've had problems in the past with our various tow lots that we've contracted out with that their employees have gotten into the vehicles that we towed and the vehicles that needed to be processed and have taken things out of the cars. So, basic theft issues we've had over the years with various tow lots.



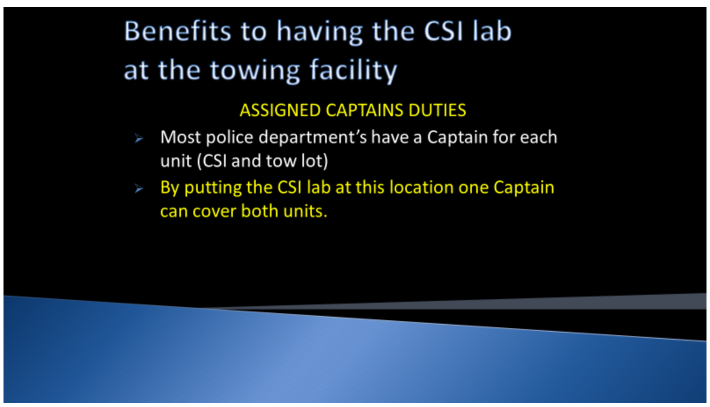
We have vehicles that we have to process like a homicide vehicle. They are kept at a bay in local tow lots. Again, employees have access to these vehicles, which could compromise the case file. Again, it would be very beneficial for the Police Department to have our own processing bays. We can't control the tow lots and who they hire.



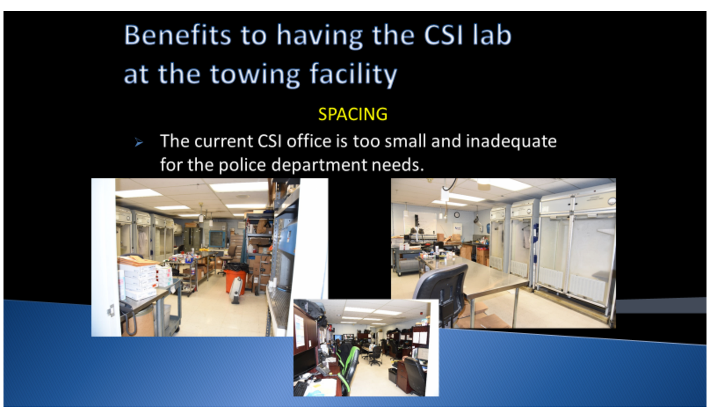
As you can see here, we actually had an individual who was so bold that he ran a dump truck through a processing bay at one of our local tow lots and took a car that we were going to process.



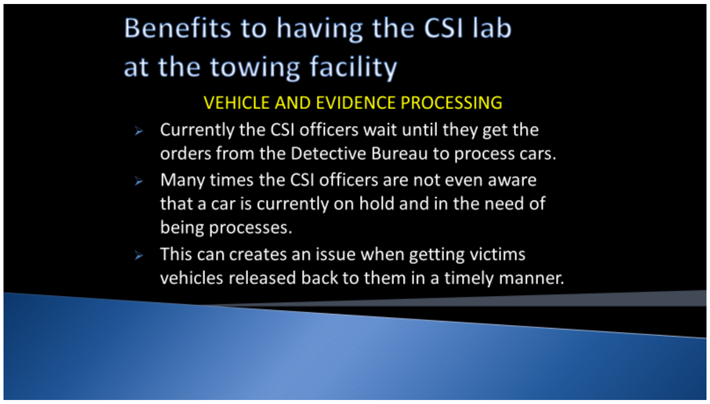
Again, back to the thefts and various other reasons. If we had our own, obviously, our own tow lot, which we will have, and our own CSI lab, we would have officers down there, specifically CSI officers there 24/7.



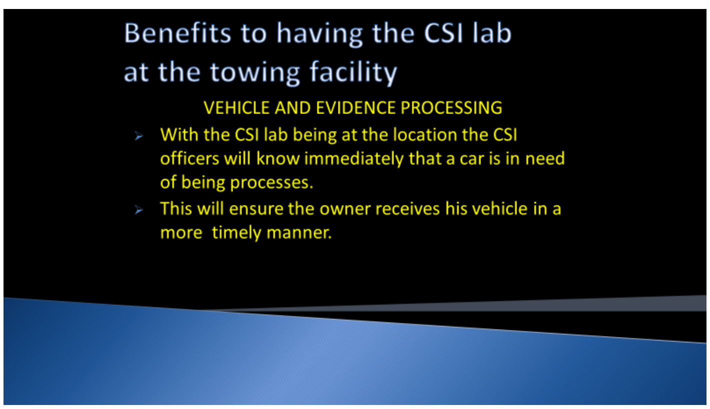
We would save a little bit of money because we would move our captain that is currently our CSI captain, we would move him to the CSI lab and he could manage both the tow lot and the CSI lab.



As you can see here, this is our current CSI lab. It's pretty small. You can see on your left and your right, those are our drying cabinets. We get big pieces of evidence that comes into our CSI lab. We're always worried about cross-contamination because the space that we have currently is so very tight. In the bottom picture there, you can see that is the workstation of our 10 officers. Again, very cramped and not much space to work with. **Ms. VonAchen** said it's very small. **Chief York** said right.



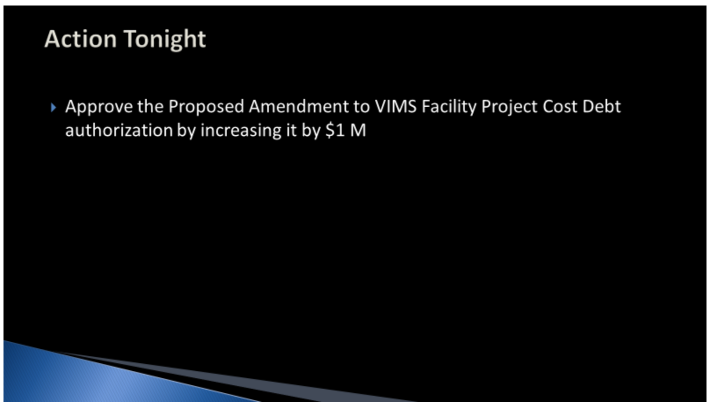
Chief York said, again, it would help streamline things if we had our own CSI lab there. The CSI officer could easily go to the bays and process the vehicles in a timely manner which would be beneficial to our community members so they can get their vehicles back in a timely manner.



Again, that just re-emphasizes that with the officers there, our CSI officers there, they can quickly get on the processing of these cars and get them back.

Ms. VonAchen said I just wanted to add that currently, the estimate for a CSI lab, including the construction and the equipment, is roughly $1.5M. That was estimated about a year ago, so that number may move a little bit. We're just presenting this so that you can see that in the upcoming capital budget process, this request will be part of the proposal from the Administration.

Chairman Burroughs asked, Chief York, is this a single bay or double bay CSI lab here? **Chief York** said from what I've been told, and correct me if I'm wrong, Kathleen, or maybe John Kelly's on the line here, there's going to be six total bays that we're going to be able to put cars in to process them. That's how I understand it. **Chairman Burroughs** said thank you. That gives me more clarity as to what I'm looking at here. These pictures were quite small on my screen. I apologize.



Chairman Burroughs asked, any questions from committee members? **Commissioner Walters** said the timing of this has me a little confused. We're going to proceed with the tow lot project, if we approve this additional money, and next summer, we will consider whether we're going to add the CSI lab to the project. **Ms. VonAchen** said yes, that's correct. We decided to…**Commissioner Walters** said that won't—so, is it not an integral part of the—is it a standalone facility outside the tow lot administration building or have we got that far? I'm surprised we didn't consider this two months ago when we approved our 2021 budget. This certainly didn't just appear in the last 60 days, did it?

Ms. VonAchen said back in March or April, we didn't know the costs related to the acquisition of the property. That's recent information that's why this extra million dollars was not included in the budget at that time. Now, we do know. In order to proceed with contracting the construction beginning next year, we need to have that additional amount added to the budget for the vins.

On the CSI lab, what we're going to ask our architects to do is kind of incorporate the possibility of adding the CSI lab within the current design just in case you all approve the addition of the CSI lab. We don't anticipate that actual construction would take place before that time. That's what we're doing here.

Commissioner Walters asked, when is construction expected to start on the tow lot? **Peter Hall, CBC Real Estate Group Consultant,** said, Commissioner Burroughs, I can probably help elaborate a little bit on Commissioner Walters' question too. I'll answer yours first, Commissioner Burroughs. The target construction start is in April of 2021. That's our goal right now.

Going back to the question about the planning of the building. At this point, we have the architect for the tow lot on the team and we have directed them to design the building for the tow lot, to design it for a CSI lab, which was always included as part of the original project. The difference here, this addition that Kathleen is referring to and also Chief York showed the images of where the people sit, that's the part that is the addition. It's the staffing for the CSI people that would be the addition. The architects would design the building whereby they could easily, like if you could picture your own home if you just wanted to design in such a way you could add on like a sunroom, you're going to design the building in a way that in the future, a simple addition could be added on and we would not incur any extra costs.

For example, the restrooms would be designed and sized appropriate for the full staff that would end up coming to the location, so we wouldn't have to add bathrooms in the next addition. We would size the mechanical system that could handle heating and cooling for an addition.

We would also include the staff parking that we would design and build in this first phase so that it could accommodate all the staffing, so it would just be a small building addition if the additional funds were approved.

Chairman Burroughs said, Mr. Ho, I guess the question would be to you and/or Chief York. The integrity of the CSI lab, the evidentiary material that would be, I would assume be gleaned from the lab itself. Is there a reason why—we have a KBI crime lab at the community college. The community college has recently acquired a former used car lot that had bays already established. Is the integrity of this building such that we need to be concerned of the air flow, I guess the particular area? I'm sorry, Chief. I'm missing at words that I'm looking for here in reference to ensuring the integrity of whatever is found by the CSI lab is able to be admitted into court and not have the transfer of evidence. These are all questions that I'm sure are going to be posed.

Chief York said, yes, Commissioner, you're right. We do have a KBI lab that we do take our evidence there like shell casings, bloody clothes to test for DNA (inaudible). **Chairman Burroughs** said sorry, Chief, you're breaking up pretty bad. **Chief York** said (inaudible) KBI, but as you can see by the office space is so very cramped (inaudible). Sometimes we have (inaudible). The current CSI lab now, as you can see by the pictures, is very cramped. We do deal with the KBI lab. We do take our pieces of evidence to KBI lab and they do process it. For example, shell casings and/or DNA. However, when we are processing crime scenes, we experience, quite often, large pieces of evidence that we have to take from the crime scene and bring it to our current lab. What I guess my point is, I'm concerned with the potential of cross-contamination just because of the cramped space that we currently have. The pictures really don't do it justice. The drying cabinets and where we process the evidence are very small. So, a bigger space would greatly benefit us and, obviously, we wouldn't worry about cross-contamination of evidence because we'd have enough space to process the evidence.

Chairman Burroughs asked, any other questions, Committee? Seeing none, I don't believe I see any hands up at this time. Rocki, I don't see any hands. Am I missing something on the attendees' list? **Rocki Mayes** said no, there are no hands raised. **Chairman Burroughs** asked, Committee, any other questions? (There were none.)

Action: **Commissioner Walters made a motion, seconded by Commissioner McKiernan, to approve. Chairman Burroughs** said I would ask the Clerk to please call roll. Roll call was taken and there were five "Ayes," Bryant, Walters, Johnson, McKiernan, Burroughs. (When Townsend's name was called during the vote, she did not respond.)

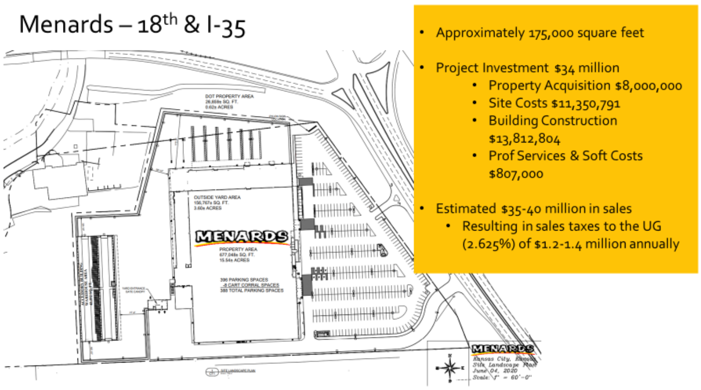
Item No. 4 - 20398… RESOLUTION: MENARDS DEVELOPMENT AGREEMENT

Synopsis: A resolution approving the development agreement for the Menards project at 18th Street and I-35, submitted by Katherine Carttar, Director of Economic Development. Public hearing was called by resolution for 10/29/20.

Kathrine Carttar, Director of Economic Development, said this is a resolution for the approval of the development agreement for the proposed Menards' project at 18th & I-35.

Just a quick orientation of where that is located. I you can see my curser, it is this location right here. As you can see, here is I-35 & 18th St. Our county line is right at the southern border of this property.

This is a property owned currently by the Sandifer family. They have an agreement/contract with the Menards company for the sale. It is a challenging site because it is basically pure limestone. It's also a really exciting site. It's what people call a billboard site because by building your property there, it's just as good as having or better than having an actual billboard because you can see it from so many directions on the highway. So, it's a really exciting and interesting site, but you'll see as we go through, it does not come without some challenges and some pretty extraordinary site costs.



What we are going through today is this is approximately 175,000 square feet. The project is about $34M. You can see here how it is all broken up. Again, what I would really like to kind of focus on a bit is the site cost at $11.3M. This is pretty abnormal. For a normal site, you'd have really a fraction of that site cost, but at this site, there's going to be some significant grading. Again, it is really just built on rock here as well as some significant retaining walls and other things.

Now, what I think what we all love about this is not only does this bring a second Menards location to our community, which is already a great thing and provides great retail options for our residents, but also, they have significant sales. I think this is probably very much on the conservative side of sales, but at $35 to $40M in sales, that would result in sales tax just to the UG, not total, so the state would get quite a bit more of this, but just the UG of about $1.2 to $1.4M annually.

What I am requesting this evening is the incentive request. There is an existing TIF district in this location called the Epic TIF District. It was created in 2009. The idea was that it would be very proactive, put a TIF in place, hopefully something would come; but, again, due to the upper mention significant site cost, this is not an easy site. So, in the last 11 years, no project plan had come forward and been adopted.

What this project plan and development agreement that you see here tonight would do would be a property tax, a TIF, so pay-as-you-go. So, no bonds. The Unified Government would not be fronting any funds. This would totally be as—Menards would, once they are built, then the increase in the property tax, that basically would be redirected back into the project.

We have set a cap at $11.7M. That's very close to the site work cost that you saw. This really is a way to get something to happen at this site as well as not just anything, something that's particularly beneficial to Wyandotte County and KCK.

What that ends up being is about a 100% property tax TIF. We're guessing currently for about 18 years of the 20 total. So, it would be, once we reach that cap of $11.7M, then the TIF would be terminated. Now, that all kind of depends on the appraised value and how quickly that increment can be reached. But, the really important thing, I think, for us is that 100% of the sales tax is retained. The Unified Government, the state, etc., will be receiving all of that sales tax. None of that is abated or redirected.

I do want to point out something a little different from our normal development agreements. We have negotiated no completion date on this. Menards has made it very clear that with COVID and everything else, while they are certainly anticipating that they will get started building this site very quickly, in fact, they are already working their way through the planning side, so that's really exciting. They should be receiving all of their approvals here in the next month or so, so you'll be seeing that on the other side of the isle, so to speak. So, we have every reason to believe that they are going to be moving quickly, but just with the topsy-turvy nature of the world right now, they requested no completion date. However, if the work has not begun in eight years, then the Unified Government can terminate the TIF.

Additionally, they have agreed to LMW participation goals. The next step would be a public hearing and full commission consideration of both the project plan and the development agreement on Thursday, October 29th.

Item No. 4
Resolution

A resolution approving the Development Agreement for the Menards project at 18th and I-35

I have, I believe, I don't know if he's still on, it's been a long evening, but Tyler Edwards from Menards is also here if you have any specific questions for either of us.

Chairman Burroughs asked, Mr. Edwards, do you have any comments you'd like to make? **Tyler Edwards, Menards,** said we are very excited to have found a second site. As you can tell from the aerials and the explanation, this is what we call manufacturing your own site. It's only about half as big as what we would need compared to the site out at 98th St. The average site work cost of a Menards store is $1M or so. This one is obviously much higher, $11M. This TIF is really essential to get us what we need to be able to put a second store, especially a store at this location. It's a rather undevelopable site without some sort of manufacturing. In today's day and age, the site work costs are just too much to justify a new store without using some of that sales tax money to pay ourselves back.

Chairman Burroughs said, Mr. Edwards, if I may ask a question. This store will be a duplicate of the one that's out in the Legends area? **Mr. Edwards** said yes. We only build one prototype that's why we have to manufacture our own site. It's about 16 acres. The building is the same, 200,000 square feet with the warehouse and yard. All the same products. It will be an exact replica.

Chairman Burroughs asked, Committee, any other questions? **BPU Board Member Bryant** said, Kathleen, my only question would be, I'm estimating if we're just using the property tax increase to pay the TIF, it's valuing at about $650,000 a year once it's completed. **Ms. Carttar** asked, what is the current value of the land? **BPU Board Member Bryant** said no. What do we expect the tax value to be of that property once the site is completed? **Ms. Carttar** said that's an excellent question and I don't really have that, just not up right now. If you give me a second and come back to me, I can have that for you.

Chairman Burroughs asked, any other questions? (There were none.) I would like to say to the committee, I'm very excited about this project. This is a very difficult piece of property to develop. We have a partner that's willing to come in and do major development on a southern corridor that will generate tax revenue and bring additional services to our community. I'm very bullish on this project, but I would entertain any comments or concerns commissioners may have.

Mr. Bryant, we hope to get to your information…**Ms. Carttar** said I have that now. Sorry about that delay. You were almost right on the money, Mr. Bryant. It would start out at roughly, this is again, we've been working with the Appraiser's Office to get a general sense. We never know, of course, what the appraised value will be until it is built. We'd be looking at roughly about $700,000 per year of property taxes.

Chairman Burroughs said I don't see any other hands by panelists, attendees. Any comments from the Committee? Any other questions? Rocki, do we have any members of the public wishing to speak to this issue? **Ms. Mayes** said there are no members of the public with their hands up. Mitzi, is there anybody who submitted anything? **Ms. Belcher** said, no, we don't have any submissions.

Chairman Burroughs said, Committee, so just to review. This is a resolution approving the development agreement for the Menards project at 18th St. & I-35. If there's not any questions, I'd entertain a motion.

Action: **Commissioner Walters made a motion, seconded by BPU Board Member Bryant, to approve. Chairman Burroughs** said we have a motion and a second. With that, I'd ask the Clerk to please call roll. Roll call was taken and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

Item No. 6
Resolution: Set a Public Hearing

A resolution calling for a public hearing on Nov 5, 2020 to consider the redevelopment project plans for the Village East STAR Bond District as part of the Homefield redevelopment project.

*Development Agreement with further project details will come to ED&F Nov 2 prior to the public hearing and vote on the Project Plan by the Commission

Item No. 5 – 20399…RESOLUTION: HOMEFIELD PUBLIC HEARING DATE

Synopsis: A resolution setting a public hearing date of November. 5, 2020, to consider redevelopment project plans for the Village East STAR Bond District as part of the Homefield redevelopment project, submitted by Katherine Carttar, Director of Economic Development. It is requested that this item be fast tracked to the October 1, 2020 full commission meeting.

Katherine Carttar, Director of Economic Development, said this one I can go into as much detail or as little detail as you would like. This is the project we have heard about the last two ED&F meetings. We've had Rob Hineman on presenting the term sheet so we will come back. We are currently working on the development agreement. As you can image, it's fairly involved. We did not want that to delay this project any further, so if we could call the setting of the public hearing for November 5th, we would very much appreciate that. Then we will come back to you at the next ED&F meeting with the full development agreement. That will be very much in line with the term sheet that you all saw last month. I would also mention that we would request that this is fast tracked to October 1st.

Action: **Commissioner Johnson made a motion, seconded by Commissioner McKiernan, to approve. Chairman Burroughs** said a motion has been made and seconded.

Chairman Burroughs said, Committee, that was pretty expeditious. I just wanted to ensure that we understood, this is just setting a hearing date. **Ms. Carttar** said correct. **Chairman Burroughs** said that's all this resolution does. With that, we do have a motion and a second. I would ask the Clerk to please call roll.

Roll call was taken and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

Public Agenda:
No items

Adjourn
Chairman Burroughs adjourned the meeting at 8:19 p.m.

mbb/cg

Staff Request for Commission Action

Tracking No. 20634

Full Commission Meeting Date: 1/28/21
Committee: Economic Development & Finance

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/21/2020	Debbie Jonscher	x5847	djonscher@wycokck.org	Finance

Item Description:
A Resolution adopting the Second Amendment to Multi-Sport Stadium Specific Venture Agreement to increase the ticket tax by $1.25 to cover the debt service for the parking improvements and the ground lease costs associated with said parking improvements. This Second Amendment will increase the ticket tax on Sporting KC tickets from $2.25 to $3.50 per ticket.

Action Requested:
Approve resolution and advance to 1/28 Full Commission

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

Attachments List:
Resolution approving Second Amendment to SVA, Second Amendment to SVA - revised

RESOLUTION NO. R-____-21

A RESOLUTION ADOPTING THE SECOND AMENDMENT TO MULTI-SPORT SPECIFIC VENTURE AGREEMENT

WHEREAS, the Unified Government and Kansas Unified Developer, LLC ("Developer") previously entered into the Multi-Sport Stadium Specific Venture Agreement, dated January 19, 2010 (the "SVA"); and

WHEREAS, on April 9, 2015 the Parties entered into that certain First Amendment to Multi-Sport Venture Agreement (the "First Amendment to SVA").

WHEREAS, the Unified Government and Developer agree that the current amount of the Ticket Tax provided for in the First Amendment to SVA is insufficient to cover the costs of the debt service on the parking improvements and the lease payments associated with those parking improvements, and both parties desire to amend to SVA as follows:

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

Section 1. That the Unified Government Board of Commissioners hereby approves the Second Amendment to Multi-Sport Venture Agreement ("Second Amendment to SVA") in substantially the form attached hereto as Exhibit 1.

Section 2. That the Mayor of the Unified Government is hereby authorized to execute in the name of the Unified Government of Wyandotte County/Kansas City, Kansas, the Third Amendment, and any other certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Resolution.

Section 3. This Resolution shall be effective upon adoption by the Governing Body.

ADOPTED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS THIS _____ DAY OF JANUARY, 2020.

ATTEST:

____
Unified Government Clerk

(Seal)

SECOND AMENDMENT TO MULTI-SPORT STADIUM SPECIFIC VENTURE AGREEMENT

THIS SECOND AMENDMENT TO MULTI-SPORT STADIUM SPECIFIC VENTURE AGREEMENT (the "Second Amendment to SVA") is entered into between the Unified Government of Wyandotte County/Kansas City, Kansas ("Unified Government") and Kansas Unified Development, LLC ("Developer") (collectively "the Parties"), and is dated as of the date set forth on the Unified Government's signature page (the "Effective Date").

RECITALS

A. The Unified Government and Developer previously entered into the Multi-Sport Stadium Specific Venture Agreement, dated January 19, 2010 (the "SVA").

B. On April 9, 2015 the Parties entered into that certain First Amendment to Multi-Sport Venture Agreement (the "First Amendment to SVA"). The Specific Venture Agreement, as amended, shall be referred to as the "Amended SVA".

C. Paragraph 8(c)(i) of the First Amendment to SVA provides for a Ticket Tax of $2.25 per ticket in order to pay for certain parking improvements. The Parties agree that the current revenues generated by the Ticket Tax are insufficient to cover the debt service for the parking improvements and the ground lease costs associated with said parking improvements.

D. Capitalized terms used in this Second Amendment to SVA but not otherwise defined shall have the meanings ascribed to them in the Amended SVA, as modified herein.

E. The Parties desire to amend the Amended SVA as provided herein.

NOW, THEREFORE, in consideration of the foregoing, and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

1. <u>Modifications, Amendments, and Agreements to Miscellaneous SVA Provisions.</u>

   The language in Section 8(c)(i) of the First Amendment to SVA is hereby deleted in its entirety and replaced with the following:

   "The Parties agree that the SVA, including any amendments or modifications thereto, and specifically including that certain Supplemental Letter Agreement regarding Off-Site Parking Agreements ("Supplemental Letter"), dated November 4, 2010 which provided for a $1.00 Ticket Tax, and that certain First Amendment to Multi-Sport Specific Venture Agreement dated May 9, 2015 ("First Amendment to SVA") which provided for a $2.25 Ticket Tax, that such Ticket Tax shall be increased to $3.50 per ticket sold for all ticketed events as the Stadium, with such $1.25 incremental increase being defined herein as the "**Second Additional Ticket Tax**". The Parties agree that such Second Additional Ticket Tax shall apply to all tickets sold on or after December 13, 2020. Developer shall be responsible for paying any $1.25 incremental increase on tickets sold on or after December 13, 2020 for which such incremental increase was not incorporated into the price of the ticket at the time of purchase. All revenues resulting from each of the Second Additional Ticket Tax shall be made available (x) first, to the UG for payment of the Rent incurred by the UG under the Parking Lease, and (y) second (and only after the Rent under the Parking Lease has been paid), to pay the Annual Parking Amortization; and (z) finally, if and to the extent that all such Rent and Annual Parking Amortization under subparagraphs (x) and (y) have been covered, the excess shall be equally divided by the UG and Developer, with 50% of such excess to the UG and 50% of such excess to Developer, and the UG agrees that Developer may use its half of any such excess in connection with the payment of costs related to the development of certain additional projects with respect to the Specific Venture, which projects may include without limitation, additional parking improvements, increased Stadium seating, team stores, additional hospitality assets, or a hotel; provided that such projects shall be approved by the UG in its reasonable discretion.

2. The Amended Agreement, together with all the Exhibits attached hereto and incorporated by reference herein, constitutes the entire undertaking between the Parties hereto, and supersedes any and all prior agreements, arrangements and understandings between the parties. The Amended Agreement shall not be modified or amended unless such amendment is set forth in writing and executed by both Parties.

3. By executing this Second Amendment to SVA the signatory represents that they possess the required authority of their respective party.

4. If for any reason any provision hereof shall be determined to be invalid or unenforceable, the validity and effect of the other provisions hereof shall not be affected thereby.

IN WITNESS WHEREOF, the Parties hereto have executed this Second Amendment to SVA as of the Effective Date.

THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS:

By: ______________________________
David Alvey
Mayor/CEO

Date: _____________________________

KANSAS UNIFIED DEVELOPMENT, LLC:

By: __________________________________

Date: __________________________________

Staff Request for Commission Action

Tracking No. 20636

Full Commission Meeting Date: 01/28/21

Committee: Economic Development & Finance

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/22/2020	Stephanie Moore	x5743	smmoore@wycokck.org	Economic Development

Item Description:

Resolution for the UG to enter into the Kansas City Regional Brownfields Assessment Coalition with the Mid-America Regional Coalition, Kansas City, MO and Jackson County, MO, to accept and implement a Brownfields Assessment Coalition Grant funded by a Cooperative Agreement with the EPA. The total grant is for $600,000 to be equally divided by the Coalition members.

Action Requested:

Execute a Resolution authorizing the UG Mayor/CEO to execute the Memorandum of Agreement with MARC, KCMO and Jackson County, MO, as part of the Kansas City Regional Brownfields Assessment Coalition.

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Resolution.authorizing.Coalition.MOA 2021, KC Regional Assessment Coalition MOA 11232020

RESOLUTION NO. ____________________

A RESOLUTION AUTHORIZING THE UNIFIED GOVERNMENT TO ENTER INTO THE KANSAS CITY REGIONAL BROWNFIELDS ASSESSMENT COALITION WITH THE MID-AMERICA REGIONAL COUNCIL, THE CITY OF KANSAS CITY, MISSOURI AND JACKSON COUNTY, MISSOURI

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (Unified Government), the Mid-America Regional Council (MARC), the City of Kansas City, Missouri (KCMO) and Jackson County, Missouri wish to enter into the Kansas City Regional Brownfields Assessment Coalition (Coalition) to implement a Brownfields Assessment Coalition Grant funded by a Cooperative Agreement with the United States Environmental Protection Agency (EPA); and

WHEREAS, the EPA awarded MARC a Brownfields Coalition Assessment Grant in the amount of $600,000.00 on behalf of the Coalition; and

WHEREAS, the Coalition shall equitably distribute its resources between the Unified Government, KCMO and Jackson County, MO to perform site inventory preparation, site selection criteria development, hazardous materials and petroleum environmental site assessments, planning (including cleanup and reuse planning) relating to brownfield sites, outreach materials and community engagement, and other eligible activities identified in the Work Plan approved by EPA for the Cooperative Agreement, administrative costs and programmatic costs to the extend allowed by EPA for brownfields assessment grants, and as the Coalition members may agree; and

WHEREAS, the Unified Government must enter into a Memorandum of Agreement with MARC, KCMO and Jackson County, MO which sets forth each parties' responsibilities and requirements relating to the grant and formally establishes the Coalition.

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

1. That the Unified Government Mayor is hereby authorized and directed to execute in the name of the Unified Government of Wyandotte County/Kansas City, Kansas, the Memorandum of Agreement, in substantially the form attached as Exhibit 1 hereto.

2. That the Mayor/CEO, County Administrator and other Unified Government staff are hereby authorized to take all necessary actions to carry out the terms of the Resolution.

ADOPTED BY THE BOARD OF COMMISSIONDERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS THIS_____ DAY OF JANUARY 2021.

Unified Government Clerk

KANSAS CITY REGIONAL BROWNFIELDS ASSESSMENT COALITION
MEMORANDUM OF AGREEMENT BY AND BETWEEN THE
MID-AMERICA REGIONAL COUNCIL
AND
CITY OF KANSAS CITY, MISSOURI
AND
JACKSON COUNTY, MISSOURI
AND
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

This Memorandum of Agreement (Agreement or MOA) is entered into on the _____ day of December, 2020 by and between the MID-AMERICA REGIONAL COUNCIL (hereinafter referred to as **"MARC"**); THE CITY OF KANSAS CITY, MISSOURI, a constitutionally chartered municipal corporation of the State of Missouri (hereinafter referred to as **"KCMO")**; UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, a municipal corporation of the state of Kansas (hereinafter referred to as **"UNIFIED GOVERNMENT"**); and JACKSON COUNTY, MISSOURI (hereinafter referred to as **"JACKSON COUNTY"**) (collectively the "Coalition Members"). This Agreement documents the roles and responsibilities of the various parties involved in the Assessment Coalition with regards to the Kansas City Regional Brownfields Coalition Assessment Grant Project.

RECITALS

WHEREAS, the parties hereto, through their respective chief elected or appointed officials, each have previously declared their intent to enter into the Kansas City Regional Brownfields Assessment Coalition (hereinafter "Coalition") and have confirmed their authority to enter into a cooperative agreement; and

WHEREAS, on May 6, 2020, a Brownfields Coalition Assessment Grant in the amount of $600,000.00, (hereinafter the "Grant"), was awarded to MARC on behalf of the Coalition by the U.S. Environmental Protection Agency (EPA); and

WHEREAS, EPA and MARC have entered into a federal grant cooperative agreement No. BF 97782401, (hereinafter the "Cooperative Agreement") to fund the Coalition (as defined below) and its activities.

AGREEMENT

NOW, THEREFORE, in consideration of the premises and of the mutual covenants and agreements hereinafter expressed, the parties mutually agree as follows:

1. The Coalition Members hereby agree to enter into the Coalition Memorandum of Agreement, (hereinafter the "Agreement"), for the purpose of implementing the Cooperative Agreement funded by the Grant. MARC shall be the Lead Member of the Coalition.

2. The Coalition shall be comprised of four members. The representation of the Coalition shall be as follows: one representative of MARC shall be appointed by the Executive Director of MARC, one representative of KCMO shall be appointed by the Mayor of Kansas City, Missouri; one representative shall be appointed by the Mayor/Chief Executive Officer of the UNIFIED GOVERNMENT; and, one representative of JACKSON COUNTY shall be appointed by the County Chief Executive. Each Coalition Member may appoint an alternate representative or designee to act in the designated representative's stead.

3. Cooperative Agreement funds through the Coalition may be used for site inventory preparation, site selection criteria development, hazardous materials and petroleum environmental site assessments, planning (including cleanup and reuse planning) relating to brownfield sites, outreach materials and community engagement, and other eligible activities identified in the Work Plan approved by EPA for the Cooperative Agreement (as defined below), administrative costs (direct and indirect) and programmatic costs to the extent allowed by EPA for brownfield assessment grants, and as the Coalition members may agree ("Coalition Activities").

4. It shall be an objective of the Coalition Members that the amount of Coalition

Activities funded, the number of sites and projects assisted by the Coalition, and the overall pool of Coalition resources shall be equitably distributed between the KCMO, JACKSON COUNTY and UNIFIED GOVERNMENT, and shall be equitably distributed across the geographical area of the Coalition program boundaries, to the extent practicable and consistent with the Cooperative Agreement and the goals, objectives and tasks of the Work Plan (as defined below).

Lead Coalition Member Responsibilities

5. MARC is responsible to EPA for management of the Cooperative Agreement and compliance with the statutes, regulations, and terms and conditions of the award, and, with the cooperation of the other Coalition Members, ensuring, to the extent practicable, that all members of the Coalition are in compliance with the terms and conditions of the Cooperative Agreement.

6. It is the responsibility of MARC to provide timely information to the other Coalition Members regarding the management of the Cooperative Agreement and any changes that may be made to the Cooperative Agreement over the period of performance. If any changes or amendments to the Cooperative Agreement alter the responsibilities of the Coalition Members, either individually or collectively, under this Agreement, then this Agreement shall be amended to reflect such changes, subject to the approval of each of the Coalition Members, which approval shall not be unreasonably withheld, conditioned or delayed.

7. MARC shall administer the Cooperative Agreement and ensure compliance with all terms and conditions of such agreement with assistance from KCMO pursuant to a subaward agreement (as further provided herein, below). A copy of the Cooperative Agreement is attached to this Agreement as Attachment 1. MARC shall administer a Work Plan, as amended and approved by EPA (the "Work Plan"), for the purpose of implementing the Cooperative Agreement. To the extent possible, the terms of the Work Plan, including the Work Plan budget and schedule,

shall be acceptable to all Coalition Members. A copy of the current Work Plan is attached to this Agreement as Attachment 2.

8. The Work Plan identifies three priority sites to be addressed by the Grant: the Chouteau Courts Priority Site at 1200, 1408 Independence Ave. in Kansas City, MO; the Grandview Priority Site at 519 Blue Ridge Boulevard in Jackson County, MO; and the Northeast Grocery Priority Site at 1726 Quindaro Boulevard in Kansas City, KS. In addition to these three priority sites, MARC will ensure that a minimum of seven (7) non-priority sites are assessed over the life of the Cooperative Agreement unless otherwise agreed to by the Coalition Members, subject to EPA approval. There shall be assessed a minimum of two (2) sites nominated by KCMO, a minimum of two (2) sites nominated by UNIFIED GOVERNMENT, and a minimum of two (2) sites nominated by JACKSON COUNTY. At least one additional non-priority site will also be approved by the Coalition. No single site, or group of properties treated as a single site, will utilize a total of more than $100,000 of the Coalition Grant resources without the unanimous written consent of the Coalition Members. Additional non-priority sites identified by Coalition Members will be selected for assessment, funds permitting.

9. Except as otherwise herein provided, all Coalition actions, including the selection of sites and approval of assessment projects, shall be approved by a majority vote of Coalition Representatives in attendance at a public meeting, after members of the public have been invited to provide input. In the event of a tie vote, the motion voted upon shall fail in accordance with Roberts Rules of Order. Notwithstanding the foregoing provisions regarding Coalition voting, no site shall be selected, or assessment project approved, without the approval of the Coalition Member(s) in whose municipal jurisdiction(s) the site or project is located. In addition, all sites and projects shall be selected according to a process and set of criteria agreed upon by the Coalition that includes public participation, confirms site and program eligibility, advances the goals and objectives of the

Grant and Work Plan, and strives to ensure that projects will address the needs of disadvantaged communities. Selected sites and projects will be evaluated by MARC for eligibility under the Cooperative Agreement. Eligibility evaluations will be submitted to EPA for review and concurrence to ensure eligibility prior to any site-specific work being conducted.

10. For Coalition Activities approved at designated sites in all Coalition member jurisdictions, MARC shall procure environmental or other eligible professional services, manage contracts, and pay eligible expenses using Grant funds, all in accordance with the Cooperative Agreement terms and conditions. MARC, with assistance from KCMO pursuant to a sub-award agreement (discussed below), will work independently and with Coalition members to ensure compliance with all Cooperative Agreement terms and conditions for all Coalition activities, including site eligibility determinations, procurement, design of eligible assessment project scopes of work, project management, progress reporting, ACRES entries, and other eligible programmatic activities related to Coalition site activities.

11. MARC shall conduct procurement for eligible Coalition activities and costs in compliance with the Cooperative Agreement and applicable federal grant administration regulations. MARC may issue Requests for Proposals, Requests for Qualifications, or utilize other appropriate solicitation methods for the purpose of completing work plan activities. Coalition jurisdictions will assist MARC in selection processes and MARC will be the entity solely responsible for the final selection and award of contracts.

12. In accordance with the budget of the approved Work Plan, up to 5 percent of the Grant funds may be utilized by MARC for eligible administrative direct or indirect costs associated with the implementation of the Cooperative Agreement, the Coalition program and specific Coalition activities. In addition, MARC may utilize Grant funds for eligible programmatic activities, such as ensuring compliance with the Cooperative Agreement, including community

outreach and information, progress reporting, and financial reporting and recordkeeping.

13. In compliance with applicable federal grant administrative regulations concerning procurement, and in accordance with the budget of the approved Work Plan, MARC may enter into contracts with consultants and other professionals for performance of approved activities funded by the Grant through the Cooperative Agreement, including a Qualified Environmental Professional to provide technical support for Coalitions site assessment activities.

14. As provided by the approved Work Plan and budget, MARC will also enter into a sub-award agreement with KCMO to obtain programmatic and project management support to establish and operate the Coalition program for environmental assessments. Support may include assistance with solicitation, procurement, oversight and day to day management of environmental assessment and planning activities, and related programmatic activities to ensure compliance with Cooperative Agreement terms and conditions, including requirements concerning reporting obligations, data quality, ACRES database entries, Davis-Bacon Act, MBE/WBE/DBE, etc.) Under the sub-award agreement, MARC may also request and receive assistance from KCMO in performance of eligible programmatic activities, including the following grant management responsibilities: monitoring compliance with cooperative agreement terms and conditions; preparing quarterly progress reports; preparing and updating property profile forms; tracking and reporting minority-owned enterprise (MBE) and women-owned enterprise (WBE) participation; and other grant management activities in accordance with the approved Work Plan.

15. MARC shall work with Coalition Members to develop, adopt and implement an appropriate Community Involvement Plan (CIP).

16. MARC shall work with Coalition Members to prepare and post notices and convene public stakeholder meetings, provide meeting space, translation and accessibility services (as needed), and coordinate public outreach and involvement activities as directed by the CIP.

17. MARC shall coordinate Coalition project activities with other relevant MARC regional partnerships and initiatives to promote awareness of Coalition program assistance and resources with communities and unincorporated areas throughout the Coalition project area.

18. MARC will be responsible for submitting all financial and programmatic reports to EPA to fulfill conditions of the Kansas City Regional Brownfields Coalition Assessment Grant and will provide for an annual audit for the grant.

Coalition Members General Responsibilities

1. Coalition Members shall designate and authorize a representative to participate on their behalf in the Coalition and Coalition-related activities. Coalition Members shall ensure their representatives to the Coalition are duly appointed and will actively participate in the meetings and activities of the Coalition.

2. Coalition Members shall comply with all terms and conditions of the Cooperative Agreement and Work Plan that are applicable to the Coalition Members, including laws, regulations, executive orders and policies made applicable by the Cooperative Agreement.

3. No Coalition Member, other than MARC, shall expend, obligate, or pledge any funds of MARC, the Grant, or the Cooperative Agreement for Coalition Activities, or enter into any agreement to expend, obligate, or pledge such funds.

4. Coalition Members shall provide to each other, and contractors undertaking Coalition activities, access to properties, documents, reports, and information, as allowed by law, within their control or possession concerning the activities of the Coalition.

5. Coalition Members shall provide to each other such other reasonable non-monetary assistance, as necessary, to ensure compliance with the terms and conditions of the Cooperative Agreement. No Coalition Member shall undertake any activity or task that may, in any way, hinder the MARC's ability to maintain compliance with the Grant or the Cooperative Agreement.

Ownership of Documents

It is the intent of the parties to this Cooperative Agreement that all information, data, photographs, field notes, works of authorship, research papers and other work product and materials of every kind created or produced pursuant to this Cooperative Agreement and the Work Plan approved by EPA ("Work Product") shall be considered public documents and not subject to copyright or intellectual property.

Amendments to this Cooperative Agreement

Any changes or amendments to this Cooperative Agreement requires the written approval of all parties.

Termination of this Cooperative Agreement

1. Any party entering into this Cooperative Agreement may seek termination of this Agreement at any time by giving the other parties to this Agreement a written of request.

2. In the event of any such termination request, the party seeking to terminate this agreement will remain responsible for completing project tasks and associated reporting requirements supported by this EPA grant.

Notices

Any action required under this Agreement requires notice to the contacts for each authorized representatives of the Coalition. Contact information for the authorized representatives of the Coalition is as follows:

For MARC:

Executive Director David Warm (or designee)
Mid-America Regional Council
600 Broadway, Suite 200
Kansas City MO 64105-1659
dwarm@marc.org

With a copy to:
Tom Jacobs
Mid-America Regional Council
600 Broadway, Suite 200
Kansas City MO 64105-1659
tjacobs@marc.org

For UNIFIED GOVERNMENT:

Mayor/CEO David Alvey (or designee)
Unified Government of Wyandotte County/Kansas City, Kansas
One McDowell Plaza
701 N. 7th Street
Kansas City, KS 66101
dalvey@wycokck.org

With a copy to:
Stephanie Moore
Management Analyst
Unified Government of Wyandotte County/Kansas City, Kansas
One McDowell Plaza
701 N. 7th St., 4th Floor
Kansas City, KS 66101
smmoore@wycokck.org

For KCMO:

Mayor Quinton Lucas (or designee)
City of Kansas City, Missouri
City Hall, 29th Floor
414 E. 12th Street
Kansas City, MO 64106
Quinton.lucas@kcmo.org

With a copy to:

Andrew Bracker
Brownfields Coordinator
City Hall, 16th Floor
414 E. 12th Street

Kansas City, MO 64106
Andrew.bracker@kcmo.org

For JACKSON COUNTY:

Frank White, Jr. (or designee)
Jackson County Executive
Jackson County Courthouse
415 E. 12th Street, 2nd Floor
Kansas City, MO 64106
fwhite@jacksongov.org

With a copy to:

Matt Davis
Project Manager
Rock Island Rail Corridor Authority
Jackson County Parks & Recreation
22807 SW Woods Chapel Rd
Blue Springs, MO 64015
mdavis@jacksongov.org

Miscellaneous

1. The provisions of this Agreement are severable. In the event that any provision of this Agreement is held to be invalid, illegal or unenforceable to any extent, then the remaining provisions of this Agreement and the portion of the offending provision (or any application thereof) which is not invalid, illegal or unenforceable shall remain in full force and effect.

2. This Agreement may be executed in counterparts, each of which shall be deemed to be an original and all which together shall constitute but one and the same instrument.

3. The Recitals are incorporated into this Agreement and shall be binding upon the parties as if fully set forth in this Agreement.

SIGNATURE PAGES TO FOLLOW.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed by their duly authorized representatives the day and year first above written.

FOR MID-AMERICA REGIONAL COUNCIL

Date: _____________

By:_______________________________________
David A. Warm
Executive Director

FOR CITY OF KANSAS CITY, MISSOURI
A Constitutionally Chartered Municipal
Corporation of the State of Missouri

Date: _____________

By: ____________________________
Quinton Lucas
Mayor

UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/ KANSAS CITY, KANSAS

Date: _____________

By:_______________________________________
David Alvey
Mayor/CEO

FOR JACKSON COUNTY, MISSOURI

Date: _____________

By:____________________________
Frank White, Jr.
County Executive

Attachment 1
Cooperative Agreement

Attachment 2
Work Plan, Budget and Schedule

Staff Request for Commission Action

Tracking No. 20637

Full Commission Meeting Date: 1/28/21
Committee: Economic Development & Finance

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/22/2020	Katherine Carttar	x5176	kcarttar@wycokck.org	Economic Development

Item Description:
Resolution of Intent to issue Industrial Revenue Bonds in the amount not to exceed $20,000,000 to finance the costs of acquiring, constructing, improving and equipping a student housing facility for the benefit of the Kansas City Kansas Community College Foundation (sales tax exemption only).

Action Requested:
Approve and move to Full Commission

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

Attachments List:
Resolution of Intent (KCKCC Foundation)

RESOLUTION NO. R __-21

RESOLUTION DETERMINING THE INTENT OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE AMOUNT OF NOT TO EXCEED $20,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING A STUDENT HOUSING FACILITY FOR THE BENEFIT OF THE KANSAS CITY KANSAS COMMUNITY COLLEGE FOUNDATION AND ITS SUCCESSORS AND ASSIGNS (SALES TAX EXEMPTION ONLY)

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Unified Government"), desires to promote, stimulate and develop the general welfare and economic prosperity of the Unified Government and its inhabitants and thereby to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

WHEREAS, the Unified Government is authorized and empowered under the provisions of K.S.A. 12-1740 to 12-1749d, inclusive (the "Act"), to issue industrial revenue bonds to pay the cost of certain facilities (as defined in the Act) for the purposes set forth in the Act, and to lease such facilities to private persons, firms or corporations; and

WHEREAS, the Kansas City Kansas Community College Foundation, a Kansas not for profit corporation (the "Company"), has submitted to the Unified Government an Application for the Issuance of Industrial Revenue Bonds (the "Application") requesting that the Unified Government finance the cost of acquiring, constructing and equipping an approximately 100,000 square foot student housing facility located on the campus of Kansas City Kansas Community College, as more fully described in the Application (collectively, the "Project") through the issuance of its industrial revenue bonds in one or more series in the amount of not to exceed $20,000,000 (the "Bonds"), and to lease the Project to the Company, or its successors and assigns, in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the Unified Government and its inhabitants that the Unified Government finance the costs of the Project by the issuance of the Bonds under the Act in a principal amount of not to exceed $20,000,000, said Bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the Unified Government to the Company.

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

Section 1. Approval of Project. The governing body of the Unified Government hereby finds and determines that the acquiring, constructing, improving and equipping of the Project will promote the general welfare and economic prosperity of the Unified Government, and the issuance of the Bonds to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act. The Project shall be generally located on the main campus of Kansas City Kansas Community College (7250 State Avenue), in the corporate boundaries of the Unified Government, as further described in the Application.

Section 2. Intent to Issue Bonds. The governing body of the Unified Government hereby determines and declares the intent of the Unified Government to acquire, construct and equip the Project out of the proceeds of the Bonds of the Unified Government in the principal amount of not to exceed $20,000,000, to be issued pursuant to the Act.

Section 3. Provision for the Bonds. Subject to the conditions of this Resolution, the Unified Government expresses its intent to (i) issue the Bonds to pay the costs of acquiring, constructing, improving and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the Unified Government; (ii) provide for the lease (with an option to purchase) of the Project to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of the Bonds by the Unified Government and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Conditions to Issuance. The issuance of the Bonds and the execution and delivery of any documents related to the Bonds are subject to: (i) obtaining any necessary governmental approvals; (ii) agreement by the Unified Government, the Company and the purchaser of the Bonds upon (a) mutually acceptable terms for the Bonds and for the sale and delivery thereof, and (b) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project; (iii) the Company's compliance with the Unified Government's policy relating to the issuance of industrial revenue bonds; (iv) the passage and publication of an Ordinance authorizing the issuance of the Bonds; and (v) Company's payment of all of the costs of issuance related to the issuance of the Bonds.

Section 5. Sale of the Bonds. The sale of the Bonds shall be the sole responsibility of the Company; provided, however, arrangements for the sale of the Bonds shall be acceptable to the Unified Government.

Section 6. Limited Obligations of the Unified Government. The Bonds and the interest thereon shall be special, limited obligations of the Unified Government payable solely out of the amounts derived by the Unified Government under a Lease Agreement with respect to the Bonds and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the trust estate to the trustee for the Bonds and in favor of the owners of the Bonds, all as provided in the Indenture. The Bonds shall not constitute a general obligation of the Unified Government, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Unified Government, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the Unified Government, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

Section 7. Required Disclosure. Any disclosure document prepared in connection with the placement or offering of the Bonds shall contain substantially the following disclaimer:

> NONE OF THE INFORMATION IN THIS OFFICIAL STATEMENT, OTHER THAN WITH RESPECT TO INFORMATION CONCERNING THE UNIFIED GOVERNMENT CONTAINED UNDER THE CAPTIONS "THE UNIFIED GOVERNMENT" AND "LITIGATION - THE UNIFIED GOVERNMENT" HEREIN, HAS BEEN SUPPLIED OR VERIFIED BY THE UNIFIED GOVERNMENT, AND THE UNIFIED GOVERNMENT MAKES NO REPRESENTATION OR WARRANTY, EXPRESS OR IMPLIED, AS TO THE ACCURACY OR COMPLETENESS OF SUCH INFORMATION.

Section 8. Authorization to Proceed. The Company is hereby authorized to proceed with the acquiring, constructing and equipping of the Project, including the necessary planning and engineering for the Project and entering into of contracts and purchase orders in connection therewith, and to advance such funds as may be necessary to accomplish such purposes, and, to the extent permitted by law and upon compliance with the other requirements of this Resolution, the Unified Government will reimburse the Company for all expenditures paid or incurred therefor out of the proceeds of the Bonds.

Section 9. No Reliance on Resolution. Kansas law provides that the Unified Government may only issue the Bonds by passage of an Ordinance and compliance with other state law requirements. The Unified Government has not yet passed an Ordinance for the Bonds. This Resolution only evidences the intent of the current governing body to issue the Bonds for the Project. The Company should not construe the adoption of this Resolution as a promise or guarantee that the Ordinance for the Bonds will be passed or that the Project will be approved.

Section 10. Termination of Resolution. This Resolution shall automatically terminate three (3) years from the date of the adoption of this Resolution unless (i) the Bonds have been issued for the Project or (ii) a building permit has been issued by the Unified Government for the Project. The Unified Government, upon the written request of the Company, may extend this time period.

Section 11. Benefit of Resolution. This Resolution will inure to the benefit of the Unified Government and the Company. The Unified Government may, at the prior written request of the Company, assign all or a portion of the Company's interest in this Resolution to another entity, and such assignee will be entitled to the benefits of the portion of this Resolution assigned and the proceedings related hereto.

Section 12. Further Action. Counsel to the Unified Government and Gilmore & Bell, P.C., Bond Counsel for the Unified Government, together with the officers and employees of the Unified Government, are hereby authorized to work with the purchaser of the Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the Unified Government all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

Section 13. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the governing body of the Unified Government.

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ADOPTED BY THE COMMISSION OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS ON JANUARY 28, 2021.

By:____________________________________
Mayor/CEO of the Unified
Government of Wyandotte County/
Kansas City, Kansas

[SEAL]

ATTEST:

By: ______________________________
Unified Government Clerk

Staff Request for Commission Action

Tracking No. 20510

Full Commission Meeting Date: 1/28/21

Committee: Economic Development & Finance

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
11/4/2020	Rick Mikesic, Andrea Parra	x8046, x8226	rmikesic@wycokck.org, aparra@wycokck.org	Treasurer

Item Description:

A presentation of the Unified Government's Cash and Investments Policy and a

resolution adopting said policy, submitted by Rick Mikesic, Director of Revenue/County

Treasurer. This annual review and adoption is required by State statute.

Action Requested:

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Resolution Adopting Cash Management Policy, Cash-Investment Policy-Draft 2020-Final 11.12.2020, Cash-Invest Policy Revision 1.4.21 Presentation

(Published in ***The Wyandotte Echo on ________________, 2021***)

RESOLUTION NO. R-______-21

A RESOLUTION ADOPTING THE UNIFIED GOVERNMENT'S CASH MANAGEMENT POLICY.

WHEREAS, the purpose of the Cash Management and Investment Policy (the "Policy") is to identify the policies and statements of the Unified Government regarding the safe and responsible management of Unified Government funds and to authorize and establish procedures for the management and investment of Unified Government funds to achieve the Policy objectives.

WHEREAS, the Policy shall be reviewed on an annual basis by the Cash Management Committee and shall be reviewed and approved annually by the Board of Commissioners. If it deems it necessary, the Cash Management Committee will recommend changes to the Policy to the Board of Commissioners. Any recommended modifications to the Policy must be reviewed and approved by the Board of Commissioners.

WHEREAS, the Cash Management Committee met on October 20, 2020, to review the Policy. The Committee voted to make various revisions to the Policy as set forth in Exhibit A, attached hereto.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT:

SECTION 1. Adoption of Cash Management and Investment Policy. The Board of Commissioners of the Unified Government hereby approves and adopts the Policy, as set forth in Exhibit A, attached hereto. The Board of Commissioners finds that the attached Policy sets forth procedures which will allow the Unified Government to invest funds in a manner that will meet daily cash flow demands while providing a reasonable rate of return with the maximum security in conformity with all Kansas statutes governing the investment of public funds.

SECTION 2. Effective Date. This Resolution shall be effective upon adoption by the Unified Government Board of Commissioners.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT THIS 28th DAY OF JANUARY, 2021.

____
Mayor/CEO

____
Unified Government Clerk

Unified Government of Wyandotte County and Kansas City, Kansas

Cash and Investment Policy

Commission Resolution:
R-XX-20

Last Adopted: XX/XX/2020

Section 1. General Purpose Statement
The Board of Commissioners has authority to invest all funds held by or belonging to Wyandotte County/Kansas City, Kansas ("Unified Government" or "UG"). The purpose of this Cash Management and Investment Policy is to identify the policies and statements of the Unified Government regarding the safe and responsible management of the Unified Government funds~~,~~ and to authorize and establish procedures for the management and investment of Unified Government funds to achieve the Policy objectives.

Section 2. Legal Authority
The Unified Government Board of Commissioners is granted the authority to invest temporarily idle funds, i.e. those funds which are not immediately required for the purposes for which the moneys were collected or received and the investment of which is not subject to or regulated by any other statute, under K.S.A. 12-1675 and 12-1677b which also identifies the types of investments the Unified Government may purchase.

Section 3. Policy Statement
The policy of the Unified Government is to invest its funds in a manner which will provide a reasonable rate of return with the maximum security while meeting the daily cash flow demands of the Unified Government and conforming to all statutes governing the investment of such funds.

Section 4. Scope
This Cash Management and Investment Policy shall apply uniformly to all officials, employees, departments, agencies, representatives and authorized agents in the performance of their official duties and to the processing and management of all investment transactions of the Unified Government's idle funds. All participants in the investment process shall act responsibly as custodians of the public trust. Investment officials will conduct themselves as good stewards of public funds that will promote public confidence in the Unified Government's ability to govern effectively.

This Cash Management and Investment Policy applies to the Unified Government's cash management and investment activities primarily focused on idle funds and general obligation bond proceeds held by or under the control of the Unified Government. Debt service funds, reserve funds, and other financial assets held by various fiscal agents and trustees as provided under various bond ordinances are invested at the direction of the Unified Government but are not held by the UG nor under the direct control of the Director of Revenue/County Treasurer.

Section 5. Adoption and Annual Review
This Cash Management and Investment Policy shall be adopted by resolution of the Board of Commissioners. The Policy shall be reviewed on an annual basis by the Cash Management Committee

and shall be reviewed and approved annually by the Board of Commissioners. If it deems it necessary, the Cash Management Committee will recommend changes to this Policy to the Board of Commissioners. Any recommended modifications to the Policy must be reviewed and approved by the Board of Commissioners.

Section 6. Cash Management Committee; Delegation of Authority
A Cash Management Committee shall be established. The Cash Management Committee (CMC) shall consist of the following voting members: Unified Government's Chief Financial Officer, the Clerk, the Director of Revenue/County Treasurer, the Chief Counsel or designee and the following non-voting members: the Legislative Auditor or designee, Accounting Manager, Cash Manager and one member from the municipal advisory firm of the Unified Government. The Chief Financial Officer shall serve as the Chairperson of the CMC.

Responsibility for the operation of the investment program is delegated to the CMC which shall establish procedures and internal controls for the operation of the investment program consistent with this Policy.

Daily and routine investments of Unified Government idle funds will be made by the Chief Financial Officer or designee, under the guidelines set forth in this Policy and as recommended by the CMC.

Section 7. Investment Procedures
This Policy is administered through a separate set of written Investment Procedures, which should be referred to in conjunction with this Policy. The Cash Management Committee is hereby authorized to adopt written Investment Procedures consistent with this Cash Management and Investment Policy. Such Procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in an investment transaction except as provided under the terms of this Policy and the Procedures adopted by the Cash Management Committee. The Director of Revenue/County Treasurer shall be responsible for all transactions undertaken and shall establish a system of internal controls to regulate the activities of subordinate officials.

In the development of the system of internal controls, consideration shall be given to documentation of strategies and transactions, techniques for avoiding collusion, separation of functions, delegation of authority, limitations of authority, and custodial safekeeping.

Section 8. Staff Qualifications

A. The Unified Government shall hire a Cash Manager or shall retain an outside manager to manage investments. The Cash Manager will have the necessary qualifications to perform investment duties as outlined in the Cash Management and Investment Policy and the Cash Management and Investment Procedures and will be supervised by the Chief Financial Officer or designee.

B. Duties of the Cash Manager position include the following:
   1. Management of the short-term and long-term investment portfolios in accordance with K.S.A. 12-1675 and 12-1677b and amendments thereto, with any other applicable statutes or ordinances or resolutions, and with this Cash Management and Investment Policy and the Cash Management and Investment Procedures and amendments thereto;
   2. Tracking investment transactions; ensuring accuracy and security of investments, monitoring record keeping of investments;

3. Performing inspections on safekeeping receipts held as collateral to cover investments; alerting banks regarding insufficient collateral;
4. Prepare cash flow forecasts;
5. Generate investment performance statistics and activity reports; and
6. Other duties as assigned by the Chief Financial Officer or the Director of Revenue/Treasurer.

C. Specific qualifications include a bachelor's degree in Finance, Accounting, Economics, Business, or Public Administration and two years of progressively responsible investing or accounting experience, or any equivalent combination of education and experience sufficient to successfully perform the essential duties of the job. If the individual appointed to the Cash Manager position does not possess the requisite investment experience, the individual will attend government investment training approved by the Chief Financial Officer within one year of appointment.

Section 9. Investment Advisor

The Chief Financial Officer, with the approval of the Cash Management Committee, may appoint an independent Investment Advisor registered with the Securities and Exchange Commission pursuant to the Investment Advisers Act of 1940 and the rules adopted thereunder, or a "Municipal Advisor" as defined by Section 975 of the Dodd-Frank Wall Street Reform and Consumer Protection Act, amending Section 15B of the Securities Exchange Act of 1934, and interpreted by the Securities and Exchange Commission in its final rules adopted September 10, 2013, to advise the Unified Government on investment activities. The Investment Advisor will be selected through a competitive process under the Unified Government's Procurement Code. The terms and conditions of such relationship shall be set out in a contract. The duties and responsibilities of the Investment Advisor at a minimum shall include the following.

1. Providing advice and analysis on the Unified Government's Investment Policy, portfolio management techniques, portfolio structures, and new investment securities and products;
2. Assistance in developing or improving and implementing cash flow modeling;
3. Providing advice on investment benchmarking and performance reporting;
4. Evaluation of the capabilities and usage of software utilized in management of and accounting for the investments;
5. Assisting in any investment related presentations to the Cash Management Committee or Board of Commissioners; and
6. Providing analysis, advice, and assistance on other investment-related matters, including investment of bond proceeds.

Section 10. Standards of Care

A. ***Prudence***

The standard of prudence to be used by investment officials shall be the "prudent person standard" and shall be applied in the context of managing an overall portfolio. Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion and intelligence would exercise in the management of their own affairs, not for speculation, but for investment, considering first the safety and liquidity of their capital and next the probable income to be derived. If outside investment professionals are retained, they shall be held to the "prudent expert standard," that is, they shall exercise the judgment, care, skill, prudence and diligence, under the circumstances then prevailing, which persons of prudence, discretion and intelligence acting in a like capacity and familiar with such matters would use in the conduct of an enterprise of like character and with like aims by diversifying the investments so as to minimize the risk of large losses, unless, under the circumstances, it is clearly prudent not to do so, and not in regard to speculation but in regard to the permanent disposition of similar funds, considering the probable income as well as the probable safety of their capital.

The Chief Financial Officer, other investment officials, and the members of the CMC, when acting in accordance with the written Investment Procedures and the Cash Management and Investment Policy, and when exercising due diligence, shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided deviations from expectations are reported in a timely fashion and appropriate action is taken to control adverse developments.

B. ***Ethics and Conflict of Interest***

Unified Government officers and employees authorized to perform investment duties shall refrain from personal business activity that could conflict with proper execution and management of the investment program, or that could impair their ability to make impartial decisions. For purposes of this Policy, "officers and employees" means voting members of the Cash Management Committee and the Cash Manager; it shall not mean elected officials.

No officer or employee shall use his or her official position or office to obtain direct or indirect personal financial gain for himself or herself, his or her family, or any business in which the officer or employee has a financial interest. Officers and employees are governed by this Policy, the Unified Government Code of Ethics, and any applicable state laws.

Investment staff shall refrain from undertaking personal investment transactions with the same individual with whom business is conducted on behalf of the Unified Government.

Officers and employees shall disclose annually to the Legislative Auditor and to the Ethics Administrator any financial interest in financial institutions with which the Unified Government conducts business or any benefit which the officer or employee obtains from any Unified Government contract or from placement of an investment of Unified Government funds. For purposes of this Policy, "financial institution" means banks, savings banks, or savings and loan associations as defined in K.S.A. 12-1675a and amendments thereto. For purposes of this Policy, "financial interest" means (a) ownership or any interest or involvement in any relationship from which, or as a result of which, a person within the past year has received, or is presently or in the future entitled to receive, more than $5,000 per year, or its equivalent; (b) ownership of such interest in any property or any business as may be specified by the Ethics Commission; or (c) holding a position in a business such as an officer, director, trustee, partner, employee, or the like or holding any position of management. Financial interest does not include household operating accounts or a depository relationship with a financial institution.

Each financial institution in which the Unified Government deposits funds and each investment manager and each consultant retained by the Unified Government shall be notified of this section of the Policy and shall conform to its provisions and shall not participate in any violation of this section or in any effort to influence any officer or employee to breach the standards of ethical conduct set forth in this section.

Section 11. Objectives
The primary objectives of the Unified Government investment activities, in priority order, shall be:

A. ***Safety***. Safety of principal is the foremost objective of the investment program. Investments shall be undertaken in a manner that seeks to ensure the preservation of principal in the overall portfolio. The objective will be to mitigate credit and interest rate risk.

1. *Credit Risk*
Credit risk, the risk of loss due to the failure of the security issuer or backer, will be minimized by:

    a. Limiting investment to the safest types of securities;
    b. Pre-qualifying financial institutions, broker/dealers, intermediaries, and advisors with whom the UG will do business; and
    c. Diversifying the investment portfolio so that potential loss on individual securities will be minimized.

2. *Interest Rate Risk*
Interest rate risk, the risk that the market value of securities in the portfolio will fall due to changes in general interest rates, will be minimized by:

    a. Structuring the investment portfolio so that the securities mature to meet cash requirements of the general operating fund, thereby avoiding the need to sell securities prior to maturity; and
    b. Investing general operating funds primarily in shorter-term securities.

B. ***Diversification.***

1. *In General*
It is the policy of the Unified Government to diversify its investment portfolio so as to protect its funds from material losses due to issuer defaults, market price changes, technical complications leading to temporary lack of liquidity, or other risks resulting from an over-concentration of assets in a specific maturity, a specific issuer, or a specific class of securities.

2. *By Institution*
Investments will be diversified so that reliance on any one issuer or financial institution will not place an undue financial burden on the Unified Government in the event of default. Accordingly, no more than 25% of the total investment portfolio shall be with the same financial institution or issuer, except US treasuries, unless it would be prudent to do so under prevailing circumstances. If the above limit is exceeded, the Chief Financial Officer will notify the CMC.

3. *By Instrument Type*

Market and credit risk will be minimized by diversification among investment types. The following are maximum limits for the percentage of Unified Government investable funds to be invested in each investment type.

a.	Certificates of deposit	100%
b.	U. S. Treasury bills, notes or bonds	100%
c.	U. S. Government agency obligations	50%
d.	Kansas Municipal Investment Pool	50%
e.	Repurchase agreements	25/100%*
f.	Bank trust department municipal pools	25%
g.	Temporary notes or no-fund warrants	10%

Because of distortion created by deposit of proceeds from the sale of temporary notes issued by the Unified Government, measurement of the maximum limits on investments by institution and by instrument type for purposes of this subsection 11.B. shall occur at least one week after the deposit of such proceeds.

* NOTE: Investments in short term securities shall be limited to 10% of investable funds, and investments in repurchase agreements shall be limited to 25% of investable funds, except as set out below. While it is not the goal to invest 100% of investable funds in either short term securities or repurchase agreements, the ability to invest the maximum limit in these two investment types is recognized as an option in certain market circumstances when these investments offer higher returns than other investment types at minimal risk. The option to invest more than the 10% or 25% limit respectively will be used only when the Cash Manager determines, with the concurrence of the Chief Financial Officer and the Unified Government's municipal advisory firm, that it is advantageous and prudent to do so.

C. *Liquidity.*

1. The Unified Government's investment portfolio will remain sufficiently liquid to enable it to meet all operating requirements that might be reasonably anticipated without incurring material losses by structuring the portfolio so that securities mature concurrent with anticipated cash needs. Since all possible cash demands cannot be anticipated, the portfolio should consist largely of securities with active secondary or resale markets.

2. The Unified Government understands the importance of having sufficient funds invested in overnight sweep accounts to meet weekly payrolls, accounts payable, scheduled debt service, and extraordinary expenses that may occur, which may range from 10% to 25% of available investment funds.

3. It is important for a county government to have the necessary funds for the scheduled tax distributions to other governmental entities. In particular, liquidity is essential for the January and June tax distributions. Therefore, it is the policy of the Unified Government that such funds be held liquid to provide assurance as to the availability and

safety of these funds held on behalf of the other governmental entities under the Unified Government's trust.

D. ***Maturity.***

1. All investments shall be made to mature in accordance with cash needs identified in regularly prepared and updated cash flow forecasts. The Unified Government recognizes that the laddering of investments is a sound approach to mitigate short-term interest rate fluctuations. Additional considerations in the structuring of investments shall include:

   a. Review of economic and financial indicators, such as Federal Reserve monetary policy position statements and the U.S. Treasury yield curve; and

   b. Input from the Unified Government's municipal advisory firm.

2. The Unified Government has adopted the following maturity target ranges for its core investment portfolio. Core investments include all operating funds of the Unified Government and exclude bond proceed funds held by a bond trustee for the purpose of project construction, debt service payments, debt reserves or other escrow requirements.

a.	0 – 12 months	30% to 60%
b.	12 – 24 months	20% to 40%
c.	24 – 36 months	15% to 30%
d.	36 – 48 months	10% to 20%

   The maturity targets are provided as a guideline. Notwithstanding the above maturity target ranges, cash flow requirements and existing interest rate markets may dictate the need to adjust the timing of investment maturities.

4. The sale of securities before maturity shall require the prior approval of the Chief Financial Officer based on the following reasons:

   a. A security with declining credit quality may be sold early to minimize loss of principal.
   b. Liquidity needs require a security to be sold.
   c. It is advantageous to the portfolio to sell such securities.
   d. Financial failure of the issuer is likely.

5. As long as this Policy continues to be approved by the State Pooled Money Investment Board, the maximum maturity for investments shall be four years. Otherwise the maximum maturity for investments shall be two years.

E. ***Return on Investment.*** The investment portfolio shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the UG's investment risk constraints, state statutes, cash flow characteristics of the portfolio, and prudent investment principles. As a benchmark for risk-free investment transactions, the U.S. Treasury Bill rate for the Unified Government's total portfolio weighted average maturity term will be the minimum standard for the portfolio's rate of return. Return on investment is the last in importance compared to the safety, diversification, liquidity and maturity objectives described above.

Section 12. Performance Evaluation and Reporting

Investment performance shall be continually monitored and evaluated by the CMC. Investment performance statistics and activity reports will be generated by the Cash Manager. Summary investment reports will be provided quarterly to the Economic Development and Finance Standing Committee of the Unified Government Board of Commissioners, with copies to the County Administrator, the Unified Government Commission, and the Cash Management Committee.

Reports shall include but not be limited to information on interest received, interest earned, investment yield, types of investments, distribution by type of investments, maturity schedule by month, weighted average days to maturity, evaluation of portfolio to selected benchmark, and any other information deemed necessary by the Chief Financial Officer or requested by the County Administrator or the Board of Commissioners.

Section 13: Eligible Financial Institutions

A. ***Minimum Qualifications for Depositories***

1. In order to ensure the safety of principal, the Unified Government shall deposit funds, including those designated for investment purposes, only in eligible financial institutions which meet the minimum criteria set forth below. Financial institutions failing to meet the minimum criteria shall not be considered eligible.

2. Financial institutions must meet the following minimum qualifications:

   a. The deposits of the financial institution are insured by the Federal Deposit Insurance Corporation (FDIC).

   b. The financial institution meets the criteria for eligibility under state law for active or idle funds as appropriate.

3. If a financial institution loses its eligibility under state law after Unified Government funds are deposited or invested, no additional funds shall be deposited in such institution. Funds shall be removed as quickly as is prudent under the circumstances, but funds invested with a prescribed time for maturity need not be withdrawn before such maturity.

B. ***Depositories for Active Funds***

1. *Security Required.* If a financial institution is designated as an official depository for active funds, before any Unified Government funds are deposited, satisfactory security must be obtained for such deposits. Satisfactory security is as described in K.S.A. 9-1402, as amended, and this Policy.

2. *Selection Criteria.* In addition to the required criteria listed above, the Unified Government may also consider the following when selecting a financial institution as a depository for active funds:

   a. Full service capabilities
   b. Submission of financial statements and availability schedules
   c. Acceptable staff experience
   d. Statement of equal opportunity employment practices
   e. Extent of reinvestment of deposits in Wyandotte County.

3. *Competitive Selection.* The Chief Financial Officer shall solicit proposals prior to the designation of one or more depositories. The Unified Government's purchasing policies shall be followed when obtaining proposals on the Unified Government's depository specifications. Selection of the depositories shall be based on the capacity of an institution to perform the services required and on the most favorable terms and conditions for handling of Unified Government funds.

4. *Governing Body Designation.* K.S.A. 9-1401, as amended, requires the governing body of the Unified Government to designate by official action the financial institution or institutions, which shall serve as depositories of its active funds.

C. ***Idle Funds***

1. *In General.* Idle funds shall be invested only in the manner set out in K.S.A. 12-1675 and 12-1677b, and amendments thereto, and in this Policy. Investment transactions shall only be conducted with:

   a. Qualified financial institutions which meet the minimum requirements contained in this Section 13 and the criteria for eligibility under state law; or
   b. Qualified primary government security dealers and broker/dealers as set out below.

2. *Certification.* In order to be qualified for investment of Unified Government idle funds, a financial institution, securities dealer, or broker/dealer must certify in writing that the person responsible for the investment has read and understood and agreed to comply with this Policy.

3. *Competitive Selection.* Investments of idle funds will be offered to all approved institutions and dealers who have requested to be on the list of interested bidders. Investments will be awarded through a competitive process involving solicitation of bids from qualified institutions and dealers.

   A list will be maintained of financial institutions authorized to provide investment services. In addition, a list will be maintained of approved primary government security dealers and broker/ dealers.

4. *Primary Government Securities Dealers and Broker/Dealers.*
Investment transactions may be conducted with primary government securities dealers which report to the market report division of the Federal Reserve Bank of New York or any broker-dealer which is registered in compliance with the requirements of Section 15 or 15C of the Securities Exchange Act of 1934 and registered pursuant to K.S.A. 17-12a401, and amendments thereto.

In order to be qualified to conduct investment transactions with the Unified Government, broker/dealers must meet the minimum requirements for credit worthiness established by the Kansas Pooled Money Investment Board, including minimum capital requirements and years of operation, and must be approved by the Cash Management Committee.

All broker/dealers who wish to become qualified for investment transactions must supply to the Chief Financial Officer on an annual basis the following items as appropriate:

a. A copy of the most recent audited annual financial statement;
b. If requested by the Unified Government, a copy of the most recent, unaudited annual financial statement;
c. Proof of Financial Industry Regulatory Authority (FINRA) certification;
d. Proof of state registration with the Kansas Securities Commission;
e. Completed broker/dealer questionnaire (non-primary dealers only);
f. Business resume of individual assigned to UG account; and
g. Notice of any regulatory action taken against the broker/dealer.

5. *Safekeeping and Custody*.
All security transactions, including collateral for repurchase agreements, shall occur on a delivery versus payment basis. This ensures that securities are deposited in the eligible financial institutions prior to the release of funds. Safekeeping and custody agreements will be maintained with third-party financial institutions. All securities, including those acquired by repurchase agreements, shall be perfected in the name of the Unified Government and shall be delivered to a third-party custodian designated by the Unified Government and evidenced by safekeeping receipts.

Section 14. Authorized Investments

A. *Idle Funds*

The investments authorized for the idle funds (those funds not immediately required for the purposes for which the moneys were collected) under this Policy shall be in conformance with K.S.A. 12-1675, K.S.A. 12-1677b, and amendments thereto, and any other applicable statutes or ordinances or resolutions and amendments thereto. As long as this Policy continues to be approved by the Kansas Pooled Money Investment Board, the investments permitted by K.S.A. 12-1677b shall be authorized investments under this Policy. For purposes of this Policy, “investment rate” means a rate which is the equivalent yield for United States government securities having a maturity date as published in the Wall Street Journal, nearest the maturity date for equivalent maturities. The 0-90 day rate shall be computed on the average effective federal funds rate as published by the Federal Reserve system for the previous week.

If for any reason this Policy is not approved by the Kansas Pooled Money Investment Board, the investments permitted by K.S.A. 12-1675 shall be the only authorized investments under this Policy until such time as this Policy obtains the approval of the Kansas Pooled Money Investment Board.

As long as this policy continues to be approved by the Kansas Pooled Money Investment Board, the following are authorized investments, pursuant to K.S.A. 12-1675 and 12-1677b. The maximum maturity for investments under this subsection shall be four years.

1. *United States Treasury and Agency Securities.* Direct obligations of, or obligations that are insured as to principal and interest by, the United States of America or any agency thereof and obligations and securities of United States-sponsored enterprises which under federal law may be accepted as security for public funds, except that such investments shall not be in mortgage-backed securities. Investments under this paragraph shall be limited to securities which do not have any more interest rate risk than do direct United States government obligations of similar maturities. For purposes of this subsection, “interest rate risk” means market value changes due to changes in current interest rates.

2. *Interest-bearing Time Deposits.* In any banks, savings and loan associations, and savings banks which have a main or branch office in Kansas.

3. *Repurchase Agreements.* With banks, savings and loan associations, and savings banks which have a main or branch office in Kansas or with a primary government securities dealer which reports to the market reports division of the Federal Reserve Bank of New York for direct obligations of, or obligations that are insured as to principal and interest by, the United States government or any agency thereof and obligations and securities of United States government-sponsored enterprises which under federal law may be accepted as security for public funds.

4. *Temporary Notes Issued by the Unified Government.*

5. *Municipal Investment Pool Fund.* The fund established in K.S.A. 12-1677a and amendments thereto and managed by the Kansas Pooled Money Investment Board.

6. *Multiple Municipal Client Investment Pools.* Managed by the trust departments of banks which have offices located in Wyandotte County or with trust companies incorporated under the laws of Kansas which have contracted to provide trust services under K.S.A. 9-2107, and amendments thereto. Moneys invested under this paragraph shall be secured as provided in K.S.A. 9-1402, and amendments thereto, and this Policy.

B. ***Local Emphasis***

1. Subject to the other requirements of this Policy, funds available for investment under this section will be offered first to eligible financial institutions with a main or branch office located in Wyandotte County. If such financial institutions cannot or will not make the investments available at interest rates equal to or greater than the investment rate as defined in K.S.A. 12-1675a, and amendments thereto, or if such financial institutions are limited from bidding on the investment by the diversification requirements of this Policy,

then the funds may be offered to other eligible financial institutions or entities permitted under this Policy.

2. Notwithstanding any other requirements of this Policy, the Unified Government will offer $235,000 to every financial institution with a main or branch office located in Wyandotte County if such financial institutions will make the investment at interest rates equal to or greater than the investment rate as defined in K.S.A. 12-1675a, and amendments thereto, at a maturity term to be determined by the Unified Government.

C. ***Investment of Bond Proceeds***

The Unified Government will invest proceeds of bonds (other than industrial revenue bonds for which the Unified Government is merely a conduit issuer) and temporary notes in conformance with K.S.A.10-131, and amendments thereto. The following lists the investments, which the Unified Government will consider, and which shall be authorized for the investment of bond proceeds:

1. Investments authorized for idle funds by K.S.A. 12-1675 and this Policy.

2. The municipal investment pool established pursuant to K.S.A. 12-1677a.

3. Direct obligations of the United States government or any agency thereof;

4. Temporary notes issued by the Unified Government.

5. Interest-bearing time deposits in commercial banks located in Wyandotte County.

6. Obligations of the Federal National Mortgage Association, Federal Home Loan banks and Federal Home Loan Mortgage Corporation.

7. Repurchase agreements collateralized by direct obligations of the United States government or any agency thereof or obligations of the Federal National Mortgage Association, Federal Home Loan Banks or the Federal Home Loan Mortgage Corporation.

8. Investment agreements with or other obligations of a financial institution, the obligations of which at the time of investment are rated in either of the three highest rating categories by Moody's Investors Service or Standard and Poor's Corporation;

9. Investments in shares of units of a money market fund or trust, the portfolio of which is comprised entirely of direct obligations of the U.S. government or any agency thereof or obligations of the Federal National Mortgage Association, Federal Home Loan Banks or Federal Home Loan Mortgage Corporation.

10. Receipts evidencing ownership interest in securities or portions thereof in direct obligations of the United States government or any agency thereof or obligations of the Federal National Mortgage Association, Federal Home Loan Banks or Federal Home Loan Mortgage Corporation.

11. Municipal bonds or other obligations issued by any municipality of the State of Kansas as defined in K.S.A. 10-1101, and amendments thereto, which are general obligations of the municipality issuing the same.

12. Bonds of any municipality of the State of Kansas as defined in K.S.A. 10-1101, and amendments thereto, which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of direct obligations of the United States government or any agency thereof or obligations of the Federal National Mortgage Association, Federal Home Loan Banks or Federal Home Loan Mortgage Corporation.

13. No moneys shall be invested in a derivative as that term is defined in K.S.A. 10-131, and amendments thereto.

D. ***Arbitrage***
The Internal Revenue Code provides that on a periodic basis the Unified Government is required to compute rebate on each bond issue. Rebate is the calculated dollar amount representing the difference between what the issuer actually earned from the investment of certain funds related to the bond issue and the amount the issuer would have earned had those same funds been invested at an interest rate equal to the yield on the bond issue. Absent an exception to rebate, the Unified Government is required to pay or "rebate" to the United States the dollar amount representing these excess earnings.

For each bond issue, rebate must be calculated and paid at least once every five years and within 60 days after the last bond of the issue is paid. Payment of rebate is a condition to maintaining the tax-exempt status of each bond issue, and failure by the Unified Government to comply with the rebate requirements may cause the interest on an issue of bonds to become taxable, retroactive to their date of issuance.

The Unified Government's investment position is to pursue the maximum yield on investments without jeopardizing the tax-exempt status of the bonds. To the extent possible, the Unified Government will seek to comply with applicable exceptions to rebate and when necessary rebate any excess earnings to the United States. The potential rebate of excess earnings will not influence the Unified Government's investment policies.

Section 15. Collateral Requirements

A. ***Full Collateralization Required.*** All Unified Government deposits shall be fully insured or collateralized at all times.

B. ***Initial Placement*.** Moneys to be deposited in financial institutions shall not be released until the financial institution has executed and adopted a security agreement and required custodial agreements.

C. ***Allowable Collateral***. Acceptable collateral for Unified Government deposits, including idle fund investments, as permitted by K.S.A. 9-1402, and amendments thereto, shall be limited to:

1. Except as otherwise set out in this subsection C.1., the financial institution may pledge or assign securities owned directly or indirectly by it, the market value of which is equal to 105% of the total deposits at any given time. The following are allowable securities:

   a. Direct obligations of or obligations that are insured as to principal and interest by, the United States or any agency thereof.

   b. Obligations including letters of credit and securities of United States-sponsored corporations which under federal law may be accepted as security for public funds, subject to the following restrictions:

      (1) The letter of credit must be in the format acceptable to the Director of Revenue.

      (2) The Unified Government must be designated as the irrevocable and unconditional beneficiary of the letter of credit.

      (3) The issuer and the depository bank must notify the Director of Revenue by certified or registered mail at least 45 days prior to the cancellation or the non-renewal of a letter of credit.

      (4) The issuer may not provide letters of credit for any one depository bank in an amount which exceeds ten percent of the issuer's capital and surplus.

      (5) If a letter of credit issued by the Federal Home Loan Bank is to be pledged as collateral, the amount of the letter of credit shall be equal to 100% of the deposits to be collateralized plus the interest expected to be received by the Unified Government upon maturity of the investment.

2. The following securities may be used as collateral only if the financial institution pledges or assigns them in an amount, the market value of which is equal to 125% of the Unified Government deposits. Not more than 5% of the Unified Government's total idle funds portfolio may be collateralized by the following securities.

   a. Bonds of any Kansas municipality which have been refunded in advance of their maturity and are fully secured as to payment of principal and interest thereon by deposit in trust, under escrow agreement with a bank, of direct obligations of, or obligations the principal of and the interest on which are unconditionally guaranteed by the United States.

b. Bonds of the State of Kansas.

c. General obligation bonds of any Kansas municipality.

d. Revenue bonds of any Kansas municipality if approved by the state bank (or savings and loan) commissioner and which are rated at least Aa by Moody's Investors Service or AA by Standard and Poor's Corporation Bonds secured by revenues of a utility which has been in operation for less than three years will not be accepted as collateral.

e. Temporary notes of any Kansas municipality which are general obligations of the municipality issuing the same.

f. Warrants of any Kansas municipality, the issuance of which is authorized by the State Court of Tax Appeals and which are payable from the proceeds of a mandatory tax levy.

g. Commercial paper that does not exceed 270 days to maturity and which has received one of the two highest commercial paper credit ratings by a nationally recognized investment rating firm.

3. For overnight repurchase agreements in which the Unified Government is the buyer, the seller shall deliver the following securities to the custodian for the Unified Government in the amount of 102% of the market value of the securities on the purchase date:

a. Direct obligations of or obligations that are insured as to principal and interest by the United States or any agency thereof, or

b. Obligations and securities of U.S. government-sponsored corporations which under federal law may be accepted as security for public funds, subject to any restrictions contained in Section C.1.b. above.

D. ***Peak Period Agreements.*** Peak-period agreements permitted under K.S.A. 9-1403 are not permitted under this Policy.

E. ***Collateral Substitution.*** Collateralized investments often require substitution, additions and/or deletions of collateral. Any financial institution requesting these actions must contact the Chief Financial Officer or the Director of Revenue/County Treasurer. Substitution of collateral shall be required whenever, in the opinion of the Unified Government Chief Financial Officer, the collateral no longer satisfies or complies with the security requirements established under this Policy.

F. ***Valuation of Collateral.*** For purposes of compliance with this section, all collateral shall be priced on a market value basis no less then monthly. Collateral requirement is defined as the outstanding amount of Unified Government funds deposited plus accrued interest thereon less federal deposit insurance coverage.

G. ***Collateral Compliance Report.*** Each financial institution with Unified Government deposits shall submit monthly to the Chief Financial Officer or the Director of Revenue/County Treasurer, or more frequently if requested, a report documenting the institution's compliance with the collateral requirements of this Policy.

H. ***Custodial Agreement.*** Each depository bank depositing securities with a custodial bank shall enter into a written custodial agreement with the custodial bank and the Unified Government for the safekeeping of the securities.

I. ***Failure to Meet Collateral Requirements.*** If a depository bank fails to meet requirements established by this Policy, the depository bank shall be offered the following options:

1. Close the account and return to the Unified Government all principal and accrued interest without penalty; or

2. Convert the deposit to a repurchase agreement under terms acceptable to the Unified Government.

CASH AND INVESTMENT POLICY ANNUALLY REQUIRED UPDATE

Economic Development & Finance Standing Committee

January 4, 2021

Presented by:

Kathleen VonAchen, Richard Mikesic and Andrea Parra

SUMMARY OF REVISIONS

Minimal Formatting Corrections

- Section 11. Objectives; D. Maturity. #2; removed duplicated (.)
- Section 11. Standards of Care; D. Maturity. #4; Indent correction
- Section 14. Authorized Investments. C. Investment of Bond Proceeds; Indent Correction

Staff Request for Commission Action

Tracking No. 20641

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

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/23/2020	Shaya Lockett	x5439	slockett@wycokck.org	Economic Development

Item Description: FOR INFORMATION ONLY: Small Business Liaison will provide an update on business efforts regarding COVID-19 and CARES Act grant funding.
Action Requested: For information only
Budget Impact: (if applicable) Amount: Source: Included In Budget: Other (explain):
Attachments List:

Staff Request for Commission Action

Tracking No. 20642

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

Date of Standing Committee Action: 1/4/21 (If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/23/2020	Juliann VanLiew	x6707	jvanliew@wycokck.org	Health Department

Item Description:
A public hearing regarding closing times for bars and restaurants in Wyandotte County, KS.

The public may request to speak by sending an email to:
clerkwest@wycokck.org no later than 5:00 pm on December 30, 2020.

Action Requested:
Receive public input on closing times

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

Attachments List:

Staff Request for Commission Action

Tracking No. 20643

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

Date of Standing Committee Action: 1/4/21
(If none, please explain):

Publication Required: No

Date:	Contact Name:	Contact Phone:	Contact Email:	Department/Division:
12/23/2020	Juliann VanLiew	x6707	jvanliew@wycokck.org	Health Department

Item Description:
Follow-up by the COVID-19 team.

Action Requested:
For information only

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

Attachments List: