

**ECONOMIC DEVELOPMENT AND FINANCE  
STANDING COMMITTEE MINUTES  
Monday, November 30, 2020**

The meeting of the Economic Development and Finance Standing Committee was held on Monday, November 30, 2020, at 5:34 p.m., remotely via Zoom. The following members were present: Commissioner Burroughs, Chairman; Commissioners McKiernan, Townsend, Johnson, Walters; and BPU Board Member Jeff Bryant. The following officials were also in attendance via Zoom: Melissa Sieben, Emerick Cross, and Alan Howze, Assistant County Administrators; Patrick Waters, Senior Attorney; Angie Lawson, Deputy Chief Counsel; Katherine Carttar, Director of Economic Development; Kathleen VonAchen, Chief Financial Officer; Debbie Jonscher, Deputy Chief Financial Officer; Reginald Lindsey, Budget Manager; Alley Porter, Commission Liaison; Shaya Lockett, Program Coordinator for Economic Development; Carol Godsil, Deputy UG Clerk; and Rocki Mayes, Program Supervisor in County Administrator's Office.

**Chairman Burroughs** said before I call the meeting to order, I 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 that you announce yourself by name and title every time you speak so 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.

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.

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

Approval of standing committee minutes from August 31, 2020. **On motion of Commissioner Walters, seconded by Commissioner Townsend, the minutes were approved.** Roll call was taken and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

Committee Agenda:

**Item No. 1 – 20523...ORDINANCE: VILLAGE EAST PROJECT AREAS 2B, 3 AND 5 (HOMEFIELD) STAR BONDS**

**Synopsis:** An ordinance authorizing the issuance of sales tax special obligation revenue bonds (Village East Project Areas 2B, 3 and 5) Series 2020, submitted by Kathleen VonAchen, Chief Financial Officer.

**Kathleen VonAchen, Chief Financial Officer,** said we are presenting three items related to the Homefield STAR bond project. This project’s been discussed on occasion. My item relates to the issuance of the STAR bonds. It asks approval to forward to the full Commission an ordinance authorizing the issuance of sales tax special obligation revenue bonds for the Village East Areas 2B, 3 and 5, Series 2020, as well as approving the execution of certain bond documents in connection with the issuance of the bonds, and authorizing other actions in connection with the issuance of these bonds.

I would like to take you to page 3 of the ordinance which (inaudible) statements outlines (inaudible) to take place prior to the issuance of STAR bonds. I did want to point out quickly that STAR bonds special unique financing method available to local governments here in Kansas. It’s unique in that it’s a partnership with the state of Kansas and ourselves where we are both contributing sales tax revenue and transient guest tax revenue towards the repayment of large bond issuances to finance infrastructure improvements that in the hopes of promoting development and namely (inaudible). This is a special financing technique available to governments in that the sales tax (inaudible).

**Chairman Burroughs** said, Kathleen, you’re really breaking up. I don’t want to interrupt, but we’re losing a lot of your conversation. **Ms. VonAchen** said thank you for telling me that. My internet’s been a little weak today. So, I did want to point out that the project plans have been approved by the Planning Commission as well and on October 1, there was a public hearing held which the project plans were approved. On November 5, a public hearing was held on the project

plans and the ordinance for the project plans were finally approved on November 5. This ordinance actually proceeds with the sale of the bonds.

At this time, I have with me Gina Riekhof, who can answer any bond questions from you. She's with Gilmore & Bell. She's our bond counsel. At this very moment, we have left the total amount of the bond sale blank because we're still working through the financing structure. Our goal is to issue the bonds beginning in December, but mainly early in January in order to comply with the construction schedule that we have proposed in the project plan. So, the reason for the—now there is one thing that I did want to share with you and that's that there's a state statute that limits the coupon or the amount that investors can earn as yield on the bonds to basically the 10-year treasury plus 3% on the tax-exempt bonds. So, today's 10-year treasury is roughly 84 basis points, or .84%, which means that the total coupon is only 3.84%. We feel that that's going to be challenging to basically entice investors to invest in this bond issue unless we offer them what we're calling a discount which would, in effect, cause the total par value of the bonds to be greater than the planned \$70M.

Right now, \$70M is the first tranche of the bond issue. There's a subsequent tranche planned in a year or two. So, right now, we are still working with the developer and the potential private placement investors to land on a suitable yield and so that is still ongoing and those negotiations are happening. I would refer any detailed questions to Gina Riekhof, our bond counsel, who has been very integral in those negotiation conversations.

**Chairman Burroughs** asked, committee, any questions? **Commissioner Walters** asked, why do you say there may not be a market for these bonds? Is that experience from other jurisdictions trying to issue bonds these days? **Ms. VonAchen** said there's a market for the bonds, but it has to compensate investors at a suitable level and so, we don't believe that 3.8% would be an appropriate yield level. **Commissioner Walters** asked, are other cities having similar problems? **Ms. VonAchen** said yes, yes, but there aren't any other cities issuing STAR bonds at the moment. Part of the issue here is, because of COVID, the Treasury reduced interest rates back in April significantly so the 10-year yield is usually around the 2 or 2.5 or 3% level. Because yields are so low right now, it's unusual.

Gina, would you like to add any comments toward his question? **Gina Riekhof, Gilmore & Bell**, said, Commissioner Walters, to your point, earlier this year—there aren't any other cities that are in the market right now with a STAR bond issue. However, earlier this year, the city of

Derby did a STAR bond issue and had a similar experience to what Kathleen is talking about. The coupon rate was lower than the yield that investors would be looking for. In that circumstance, the city of Derby did issue the bonds with a discount in order to give the investors the yield that they were looking for on the bond transaction.

I'd say, we're working with the developer and their investors to find an appropriate rate of return for the bond issue. We believe that we will settle on an appropriate rate of return to compensate investors for the kind of risk that they're taking on with this particular project. I think we have a degree of confidence that we will be able to get there with them. The point, I think, that I would keep in mind from your perspective is that as part of the development agreement and the STAR bond project plan, the first tranche of bonds to fund \$75M worth of project costs.

Typically, we fund \$75M of project costs plus we pay cost of issuance and fund the reserve. So, your principal amount of bonds that you're authorizing in your bond resolution is \$80, \$85M to accommodate all of that. But because of the original issue discount that we would need to include in the bond transaction in order to generate the yield to investors that they would need for their rate of return, we will need to issue a higher principal amount than normal. Those would be something that you don't see terribly often, but something that is just mathematically necessary in order to offer the rate of return that is necessary for a market transaction that has this rate of risk.

**Chairman Burroughs** asked, anyone else? Any other questions? I don't see any hands up and I'm trying to monitor both panelists and attendees. I do have a question and, Gina, maybe you can help me. Is it normal practice that we would leave that on page 3, as it was discussed, I believe that Ms. VonAchen pointed out, that we would leave that area blank and then go ahead and approve the resolution and the agreement and then those monies be filled in later? Is that normal practice for us?

**Ms. Riekhof** said I would say usually what we do is build in a not to exceed principal amount where we give you an estimated principal amount that we would subsequently come back and revise closer to the sale date or on the sale date for the bonds.

In this case, because the amount of discount is unknown and, frankly, a pretty high variable, depending on the spread between treasuries and whatever an appropriate rate of return that we'll ultimately negotiate with the developer would be, we didn't feel like it was appropriate to set a dollar amount in this resolution at this point, but explain instead come to you and explain that we

would bring a final principal amount to the Commission that would fund \$75M worth of project costs, per the development agreement that was approved on November 5, plus cost of issuance and any required reserves, all the normal stuff, and then plus whatever accommodations we needed to make for the original issue discount. It's that variable that we just don't know right now. It could be a sizable dollar amount and so we didn't want to guess. We wanted to explain this to you instead.

**Ms. VonAchen** said and further, we're hoping (inaudible) in time for the December 17 Commission meeting where the full Commission will be (inaudible). **Chairman Burroughs** said, Kathleen, you're breaking up. I didn't get any of that conversation on my end. I want to make sure I understand what we're doing. What I would hate to see us do is put something forward that puts us into a commitment and then we can't get to the numbers agreeable and the Commission has an issue with it. So, I'd like to do it—I want to make sure—maybe our counsel can provide us some guidance. If we're going to move this forward but we don't know the numbers, I'm not used to doing business that way.

**Patrick Waters, Senior Attorney**, said, Mr. Chairman, it is a little bit different because of the unusual circumstances. I think, as Kathleen indicated, we will be coming back with a final number. We are not just approving a blank. You will get that final number, it's just that it's not ready at this time. Is that correct? Gina. **Ms. Riekhof** said yes, that's correct. We would have the full package with the coupon rate and the yield and the principal amount but, again, knowing that this ordinance would not fund any more than \$75M worth of project costs, as you have approved.

I would say that it is extraordinarily common that you would move forward a bond ordinance without knowing the yield on a bond as of the date of the committee meeting. So, this is really no different than that situation where there might be a general obligation bond ordinance and we don't know the final rates until the day that we actually price the bonds, but that information would be completely available to you, made available to the Commission before they made a final decision.

**Chairman Burroughs** said I mean no disrespect. I would just have a higher comfort level if counsel said this is how they want to proceed. I'm not used to signing or advancing projects without some kind of data as to what the cost will be. You've given me a \$75M window. It sounds like it may be the ceiling, but yet I heard you earlier talk about the coupon being up to \$85M.

I do remember going back to the contract counsel and reading that there would be \$2 to 1, I believe, or a 60/40 participation rate on the second portion of the STAR bond project. Is that

how we're going to make up this coupon rate? I'm just trying to make sure I understand how we're coming forward in finding what it's going to cost us to participate in that bond proceeding. I'd like some clarity.

**Mr. Waters** asked, Gina, can you help on that? **Ms. Riekhof** said yes, I can. I was waiting. I didn't know if Kathleen wanted to take that. **Ms. VonAchen** said I would love to answer, but I'm a little concerned that I'm breaking up and you won't be able to hear me. So, go ahead.

**Ms. Riekhof** said so, I would say that, again, it is extraordinarily common that—it would be very uncommon at this point in the process for us to be able to tell you what interest rate we would lock in on these bonds today when it's not—the expectation is that the contract to purchase the bonds wouldn't be executed until December 16 or 17 when this ordinance is approved. So, it really is, I think, this is common practice. The only difference here is what I would refer to as bond math in terms of the original issued discount that is offered for the sale of the bonds in order to generate the yield to the investor that is acceptable given that we have a state law limitation on the coupon that we can pay. So, I guess the point that I would make is that we absolutely will not fund any more than \$75M worth of project costs plus cost of issuance and any required reserves. That's a limitation that is set by the project plan and by the development agreement that was approved on November 5.

In a world where the US Treasury—the 10-year treasury is higher is at 5%, for example, and the coupon rate that we could set on the bonds and the yield that an investor would demand, let's say it's 6% that an investor would demand as a rate of return for these types of bonds, then in order to fund \$75M worth of project costs and pay cost of issuance and the like, we'd be talking about an \$80M bond issue or thereabouts. We would come to you with this ordinance filled in saying that we want to issue bonds in a principal amount not to exceed \$80M.

Here, because state law requires us to keep the coupon low, approximately a 3.8%, and the market rate of return on a yield on a bond like this is more in the 6% range, because of that disparity, in order for the coupon to be a 380, which is required by state law and the rate of return to an investor to be at a 6% range, we have to sell the bonds at a discount. So, in order to generate \$75M worth of proceeds, because you sell those bonds at a discount, you might have to sell \$100M worth of bonds, but to fund \$75M worth of project costs. It does not change, at the end of the day, the yield on the bonds is the return that you will provide to an investor, so you will pay them back the principal plus the—the principal that was issued.

So, in my example, the \$100M plus interest at a rate of 3.8%. So, you have the sum of those two amounts. If we weren't in this world with an artificially low coupon, you would be issuing \$75M worth of bonds and repaying that \$75M plus interest at a rate equal to 6%, in my example. So, the total dollar amount that you would repay to an investor would be exactly the same in my two examples. It's just what you call what you repay someone. Is it principal or is it interest? And, is it part of the discount? Because of the state law of limitation, that is really what is causing us this challenge in terms of setting a principal amount of the bonds, and it is a situation that we just have not faced, frankly, and we need another couple of weeks to figure out what that principal amount might be. Does that help?

**Chairman Burroughs** said it does, Gina, and thank you very much. That was a very thorough explanation and I appreciate it. These things can be quite complicated and this goes back to the question that Commissioner Walters raised in reference to what's our ability to sell these bonds. We're entering into an agreement here with no cost associated. We keep talking about a \$75M issuance, but we don't know what that discount will be, plus we don't know if the market, if you can get there, if the market—well, if they're marketable.

**Ms. Riekhof** said I will say, Commissioner, that the developer has brought an investor that is ready, willing, and able to purchase these bonds at a yield that we believe is a little bit too high. We are negotiating with them right now to try and bring down that yield and reduce the cost to the Unified Government, the interest rate essentially. So, we are actively working on that right now. As you might expect, we won't be able to settle on that actual amount until we are very, very close to the date when we will sign an agreement, a bond purchase agreement, committing to purchasing those—to sell those bonds. That's very, very typical that we wouldn't lock in that rate until the day of and we would bring you that rate the day that the Commission acts.

**Chairman Burroughs** said thank you.

**Chairman Burroughs** asked, any other questions? **Commissioner Walters** said just to clarify, these bonds will not be made available to the public to purchase? **Ms. Riekhof** said that's correct. It would be a private placement with a qualified institutional buyer or accredited investor. **Chairman Burroughs** said that goes back to the person of interest that you're working with now. **Ms. Riekhof** said yes.

**Chairman Burroughs** said I also have a hand. Commissioner Townsend. **Commissioner Townsend** said considering Commissioner Walters' initial concern, and I appreciate Ms. Riekhof's summation, I still have to ask the question, with all that we don't know, why is it necessary for this committee to take any action right now if we can, to some extent, fill in the blanks on the not to exceed amount in a couple of weeks? What are we really gaining by taking action tonight as a subcommittee when maybe the next time that we have a full commission meeting later in the month, a more complete presentation could be made and some of these variables identified more specifically?

**Mr. Waters** said well, Commissioner Townsend, I think it's just the need to advance it. If you don't advance it tonight, it won't get to that full Commission hearing. So, it's just the need to advance it so that when they have the final number, it can be heard at the 17<sup>th</sup>. But, if you don't advance it tonight, we wouldn't be able to do that.

**Commissioner Townsend** said so, we could advance this without a recommendation and ask that a fuller explanation be given at the next meeting, right? I think that's been done before on similar actions because I am—I'm a little bit shy of uncomfortable because we have so many unknowns and if in a couple of weeks those knowns will be known, maybe that would be the better time for an action. I mean I have no, I guess, problem with that. I don't want to do anything more than move it. I'm not—if I don't have to make a recommendation other than just to move it forward.

**Mr. Waters** said right, sure. You can just make a motion to advance. You wouldn't have to specifically state a recommendation one way or the other. **Commissioner Townsend** said okay. Thank you.

**Chairman Burroughs** asked, any other questions, comments, concerns? (There were none.) If we didn't advance this, counsel, my understanding that the developer would like to see this move forward because of the property. Is that correct? Am I true in my summation that this sends a message to the investor that we are sincere about the property being taken control of by the developer? **Mr. Waters** said I know there's a pretty tight timeline. I don't know if Katherine or...

**Katherine Carttar, Director of Economic Development**, said yes. I think they—I don't have confirmation that they have closed, but they were scheduled to actually close on the property this week. So, I will assume having not heard that one way or the other, that that is moving forward

as scheduled and should be good. But, yes, I think the tight timeline now is that they would like to issue these bonds before the end of the year.

**Chairman Burroughs** said all right. Thank you.

**Chairman Burroughs** said, Commissioner Townsend, you had—did you have a motion that you wanted to present, or did you just want to ensure that we understood your line of questioning?

**Action:**        **Commissioner Townsend made a motion, seconded by Commissioner Walters, that we advance this item to the full committee at the next reasonable opportunity and that at that time, a fuller discussion be presented to the full body for action up or down.**

**Chairman Burroughs** said we do have a motion and a second. I would ask the Clerk if there were any comments received from the public. **Ms. Godsil** said we received no comments.

**Chairman Burroughs** said with that, a motion was made and second. I would ask the Clerk to please call roll. Roll call was taken on the motion and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

**Chairman Burroughs** said thank you, committee. I do appreciate everyone’s patience. Gina, thank you for your input.

## **Item No. 2 – 20531...RESOLUTION: HOMEFIELD INDUSTRIAL REVENUE BONDS**

**Synopsis:** A resolution approving the intent of the UG to issue industrial revenue bonds in the aggregate amount not to exceed \$100,000,000 to benefit HFS KCK, LLC, for the Homefield multi-use recreational and commercial project, submitted by Katherine Carttar, Director of Economic Development.

## Item No. 2: Resolution – Homefield IRBs

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- A resolution approving the intent of the UG to issue industrial revenue bonds in the aggregate amount not to exceed \$100,000,000 to benefit HFS KCK, LLC, for the Homefield multi-use recreational and commercial project.

**Katherine Carttar, Director of Economic Development**, said I am hopeful, I dare even say that I think the next few should be fairly straightforward. These are all procedural items so that means that they were basically items that have all been approved already in concept through the development agreement. These first two as part of the Homefield development agreement, and then the following one as part of the Lanier project agreement.

So, again, all of these already approved by this committee and the full Commission through the actual development agreement. Now, it's kind of going back and dotting the i's and crossing the t's.

**Ms. Carttar** said I would also like to mention in the last minute, I have received confirmation that the Homefield team had closed on the property and now is the brand-new owner of 200 and some acres that were formerly owned by the Henry family. Additionally, \$375,000 that was kind of the back payments that the Schlitterbahn folks had not paid as part of the Casino grant funding, that has been wired as part of the closing to the UG and will be available in future grant rounds. All good news with this project moving forward.

**Ms. Carttar** said what this first item is, is a resolution of intent to issue industrial revenue bonds.

## Item No. 2: Resolution – Homefield IRBs

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- Previously approved via the Development Agreement on Nov 5, 2020
  - Abatement of sales tax on construction materials of the Homefield core project
  - A "certainty IRB" with a PILOT payment equal to 100% of the estimated property tax for the Homefield core project.
    - Open to an application for the 100% PILOT on the multi-family in the future
    - Additional development will pay 100% property tax as assessed

This is, again, previously approved already in the development agreement as of November 5 so, this is somewhat recent that you all saw this. So, basically what this is, is an abatement or it's really an exemption on an abatement; exemption of sales tax on construction materials for the Homefield core project as well as what we call a certainty IRB. We determine what we believe 100% of the property taxes would be and then put a PILOT, which is payment in lieu of taxes, schedule together. This provides assurance, kind of certainty to both sides. The developer, who's building the project can plan, knows exactly how much in taxes they will be paying for the next 10 years, and then for the Unified Government, this provides some certainty that we know exactly how much we will be receiving from them for the next 10 years. There won't be any going to BOTAs or something like that and trying to get a lower rate, so we know exactly what we'll get.

Would also like to mention that we have received an application for a similar certainty IRB, 100% PILOT, on the multi-family that is kind of that next phase. That is the only one that we are open to doing something like this with. The rest will all be paying 100% of their property tax as is assessed.

## Item No. 2: Resolution – Homefield IRBs

### EXHIBIT 18 Homefield Project PILOT Schedule

|                                                                                                                 | Homefield Tax Certainty PILOTs |                       |
|-----------------------------------------------------------------------------------------------------------------|--------------------------------|-----------------------|
|                                                                                                                 |                                | Tax Payment<br>Amount |
| • With the PILOT schedule identified, each taxing jurisdiction has a significant positive annual rate of return | Year 1                         | \$ 370,219.07         |
| • Part of a larger amount of revenue generation of entire project buildout:                                     | Year 2                         | \$ 373,921.26         |
|                                                                                                                 | Year 3                         | \$ 377,660.47         |
| • Total property tax revenue at buildout is \$3.9 million annually                                              | Year 4                         | \$ 381,437.08         |
|                                                                                                                 | Year 5                         | \$ 385,251.45         |
| • Sales tax revenue at buildout (Dedicated Sales Tax Fund & EMS Fund) is \$150,000 annually                     | Year 6                         | \$ 389,103.96         |
|                                                                                                                 | Year 7                         | \$ 392,995.00         |
|                                                                                                                 | Year 8                         | \$ 396,924.95         |
|                                                                                                                 | Year 9                         | \$ 400,894.20         |
|                                                                                                                 | Year 10                        | \$ 404,903.14         |

\*Excludes capital outlay mills not subject to IRB.

So, as you can see, this was part of the development agreement. This is kind of the PILOT schedule that has been agreed to. Again, we did a cost-benefit analysis, as we always do with these types of projects. All the taxing jurisdictions have a significant positive annual rate of return. These numbers work into the revenue generation that we went into in greater detail as part of the full project. Once the entire project is built out, this money in terms of their tax payment, their PILOT, as well as the, as I mentioned, 100% of the other tax revenue, will get us to almost about \$4M annually from this property, again, when it's completely built out as well as some significant sales tax for the Dedicated Sales Tax Fund.

That's all I have for this one.

**Chairman Burroughs** asked, any questions, committee? (There were none.)

**Action:**        **Commissioner Johnson made a motion, seconded by Commissioner McKiernan, to approve as submitted.**

**Chairman Burroughs** said there's been a motion and a second. I would ask the Clerk if we received any comment from the public. **Ms. Godsil** said no comments were received.

**Chairman Burroughs** said hearing none, we have a motion and a second. I would ask the Clerk to please call roll. Roll call was taken on the motion and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

### **Item No. 3 – 20533...ORDINANCE: SCHLITTERBAHN CID TERMINATION**

**Synopsis:** An ordinance terminating the Schlitterbahn Community Improvement District and repealing Ordinance No. O-23-13, submitted by Katherine Carttar, Director of Economic Development.

#### Item No. 3: Ordinance – Schlitterbahn CID Termination

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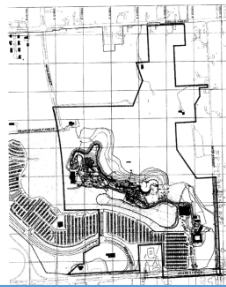
- An ordinance terminating the Schlitterbahn Community Improvement District and repealing Ordinance No. O-23-13.



**Katherine Carttar, Director of Economic Development,** said this ordinance is terminating the Schlitterbahn community improvement district that was put in place in 2013.

### Item No. 3: Ordinance – Schlitterbahn CID Termination

- An ordinance terminating the Schlitterbahn Community Improvement District as part of the Homefield Development Project
- Current CID is set up to fund improvements to Schlitterbahn, which is no longer operational and no longer necessary



You can see this old map of what that contains. Really, this was part of the Homefield development project. There is no need to have a CID, or this CID I should specify, in place. CIDs have very specific budgets and uses that are laid out when that petition is approved. This is so that you all know when you are approving a CID, you know exactly what that is going to pay for. So, a lot of the things that were kind of specified with this CID are very specific to Schlitterbahn, and as that is no longer operational, this CID is no longer necessary.

**Chairman Burroughs** said wonderful. Pretty straightforward. Any questions, committee. (There were none.) This is an action item so I would take a motion.

**Action:**        **Commissioner McKiernan made a motion, seconded by Commissioner Johnson, to approve as submitted.**

**Chairman Burroughs** said we do have a motion and a second for approval. I would ask the Clerk if there was any public comment. **Ms. Godsil** said no comments received.

**Chairman Burroughs** asked the Clerk to please call roll. Roll call was taken on the motion and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

### **Item No. 4 – 20532...RESOLUTION & ORDINANCE: LANIER UNITED, LLC DOWNTOWN DEVELOPMENT IRBs AND TGT FUNDS**

**Synopsis:** Request consideration of the following actions regarding the Lanier United, LLC downtown development project, submitted by Katherine Carttar, Director of Economic Development.

- Resolution of intent to issue IRBs, not to exceed \$23,260,000 (sales tax exemption only)
- Ordinance authoring Transient Guest Tax funds

**Chairman Burroughs** said we have two action items dealing with this issue this evening. Both will require separate votes.

#### Item No. 4: Resolution & Ordinance – Lanier United Downtown Development IRBs and TGT Funds

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- Request consideration of the following actions regarding the Lanier United, LLC Downtown Development Project:
  - Resolution of Intent to issue IRBs, not to exceed \$23,260,000 for the purpose of sales tax exemption
  - Ordinance authorizing Transient Guest Tax Funds

**Katherine Carttar, Director of Economic Development**, said there are two separate items. Again, similar to the ones that you just voted on. This is a procedural item.

#### Lanier United Downtown Project

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- Development Agreement approved on March 26, 2020
- TIF Project Plan approved on July 30, 2020
- Project Components (\$23 million):
  - Multi-Family Apartments
  - Fitness Center
  - Retail
  - Reardon Center

Both of these items have been agreed to in concept already through the development agreement and the TIF project plan that the full Commission approved back in March and July, respectively, of this year.

Just a little reminder, as it's been a little longer than the Homefield one, since you all have heard this one. A quick reminder. This is a combination of multi-family apartments, a fitness center, a retail, as well as the brand-new Reardon Center for meeting space, about \$23M,



here on the corner of 5<sup>th</sup> & Minnesota.

### Lanier United Downtown Project

- Items defined and approved in the Development Agreement:
  - Resolution of Intent to issue IRBs, not to exceed \$23,260,000 for the purpose of sales tax exemption on construction materials
  - Ordinance to authorize the use of funds held in the TGT funds to pay the TGT Grant in an amount of up to one million dollars to reimburse Developer for certain Project costs related to the Reardon Center

So, there are two items, again, items that have been defined and approved as part of the development agreement. The first is just a sales tax exemption on construction materials. So, different from the last IRB that you approved this evening. That resolution of intent had a whole PILOT schedule for payment in lieu of taxes. In terms of the property tax, this one is solely sales tax exemption on construction materials. Again, their construction is anticipated at just over \$23M. That is the first one.

I'll keep going and then—**Chairman Burroughs** said just do them both. **Ms. Carttar** said okay, great. Then, the second item is an ordinance to authorize the use of funds that are part of the transient guest tax. This is to pay a grant in the amount up to \$1M to reimburse the developer for certain project costs very specifically related to the new Reardon Center. As you may recall, the idea was to take some of those funds that the city had already kind of put away in terms of what we would plan to do for kind of the renovation of our current Reardon Center. Now seeing that that renovation and the significant investment needed to kind of bring that up to kind of the state-of-the-art level that we would like to be providing in our downtown is no longer going to be needed as we will be demolishing that and building a brand-new Reardon Center. Really, this is a

kind of movement of those funds to assist to make sure that that Reardon Center is everything that we feel it should be.

**Chairman Burroughs** asked, committee, any questions? Any comments? (There were none.) Katherine, I just want to talk about transient guest tax. I'm not real pleased to see this transient guest tax go toward this project because we didn't maintain the original Reardon Center to the extent that we, as a responsible government, should do to one of our public buildings. So, this million dollars that is going into this project was really a savings to us by not having to raze the former Reardon Center and/or put any investment into that Reardon Center.

So, now what we're doing, we avoided that cost but now we're pulling it out of the transient guest tax money. That can be used for economic development. I understand that. I just want to—I would hope that the commissioners understand that those dollars are limited. With the impact of COVID to our community, those dollars are going to be greatly impacted moving forward and those transient guest taxes are an opportunity for us to invest in projects that are for economic development. In this particular case, it was related to not only the razing of the Reardon Center, but the fact that we didn't put any money into the Reardon Center to maintain it to the extent it should have and that's the HVAC, new carpet, and the other areas that the building needed.

So, I made my public statement. With that, I'd entertain a motion.

**Action:** **Commissioner McKiernan made a motion, seconded by Commissioner Johnson, to approve as submitted. Patrick Waters, Senior Attorney, asked, Mr. Chairman, could we—are we doing the resolution of intent first? Commissioner McKiernan said thank you, Mr. Waters. I move to approve the resolution of intent to issue industrial revenue bonds as submitted. Commissioner Johnson seconded the motion.**

**Chairman Burroughs** said thank you, commissioners, and I apologize, commission. I thought we were going to do them separately, as I stated at the beginning just for clarity. We do have a motion and a second. I do want to ask the Clerk if we had any public comment. **Ms. Godsil** said no comments received.

**Chairman Burroughs** said with that, we have a motion and a second. I would ask the Clerk to please call roll. Roll call was taken on the motion and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

**Chairman Burroughs** said the second part of the action on this item this evening is the use of the transient guest tax funds to the project, the Willie Lanier project. With that, I would entertain a motion.

**Commissioner McKiernan** said, Mr. Chair, I do see that Commissioner Townsend has her hand raised. **Commissioner Townsend** said, Mr. Chairman, with regard to the remarks you made about the use of the \$1M. We see these projects over such a long period of time that you if not forget come up and become a little bit cloudy, I’ll say I do, on some of the details. I thought that this was money, the \$1M, that was specifically earmarked for the use of the Reardon Center and couldn’t be used for any other purpose. Please let me know if I’m wrong. Ms. Carttar, wasn’t there an amount that otherwise would have been or could have been used only for renovations for the Reardon Center?

**Ms. Carttar** said so, this was certainly money that had been earmarked over the past many years for that specific use. I would need a legal opinion about whether that was really legally tied in; what would be needed to use that for other items. I can tell you that that was the intent of those funds was to go to the renovation of the Reardon Center.

**Patrick Waters, Senior Attorney**, said I believe in the development agreement we had two different sources. One—I see our outside counsel, Todd LaSala, is on the line. He may be able to correct me if I’m wrong. But we had the dedicated Reardon Center fund as well as the transient guest tax fund. I don’t know if he can speak to where this specific—if this was a dedicated source or if this is from the more just the general transient guest tax.

**Chairman Burroughs** said, Mr. Waters, you state Mr. LaSala is on the line. **Todd LaSala** said I am, Commissioner. I’m sorry for the delay. Patrick, I believe you are correct. There was this dedicated fund that was there and the pledge of ongoing TGT is something separate and distinct. So, what you said is correct.

**Commissioner Townsend** said okay. That clarifies it for me. Thank you. Thank you, Commissioner Burroughs, for your remarks because it’s good to know exactly what the situation is, so I appreciate the clarification from all the parties.

**Kathleen VonAchen, Chief Financial Officer**, said I just want to point out that the funds—a \$1M figure that was set-aside for improvements to the Reardon Center is currently pending or sitting in the Special Asset Fund, not in the Transient Guest Tax Fund. That’s a separate funding source aside from the TGT, as Patrick mentioned.

**Chairman Burroughs** said if I may, Katherine, that’s why I made the comment in reference to it was a cost avoidance for us not putting the dollars, those set-aside dollars into the Reardon Center and/or paying to have the Reardon Center razed or remodeled whatever the Commission chose to do. So, this transient guest tax is new dollars. Basically, we have just saved a million dollars in the city’s budget and chose to take it from the transient guest tax as an economic development incentive. I guess that’s the quickest way I can boil it down to and if that’s wrong, please correct me.

**Commissioner McKiernan** said I do believe that you are correct in your assessment of the situation, but given the fact that we, as a Commission, have previously approved the development agreement that had allocated these monies in this fashion, I do believe that at this point in time, I have no objections to moving forward with it and would be glad to offer a motion to approve the ordinance for the use of transient guest tax if the opportunity presented itself.

**Chairman Burroughs** said thank you, Mr. McKiernan, and the purpose of that was just to ensure that this has been out here a while and we hadn’t had a chance to retrace some of the discussion, but I did want to ensure that as your chairman, that we put this information forward so that we all know collectively moving forward what we’re charged with doing here. So, thank you for that.

Any other questions or comments? Seeing none, I would entertain your motion, Mr. McKiernan.

**Action:** **Commissioner McKiernan made a motion, seconded by Commissioner Johnson, to approve the ordinance for the use of transient guest tax funds as submitted.**

**Chairman Burroughs** said we do have a motion and a second. Again, I would ask the Clerk if we have any public comment. **Ms. Godsil** said none were received.

**Chairman Burroughs** said with that, I'd ask the Clerk to please call roll. Roll call was taken on the motion and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

**Chairman Burroughs** said thank you, committee. I appreciate your work and your attentiveness on that.

**Item No. 5 – 20534...RESOLUTION: LEGENDS APARTMENTS AND GARAGE DEVELOPMENT AGREEMENT AMENDMENT AND ASSIGNMENT & ASSUMPTION AGREEMENT**

**Synopsis:** A resolution adopting the amended and restated development agreement for the Legends Apartments and Garage project and related assignment and assumption agreement, submitted by Katherine Carttar, Director of Economic Development.

**Chairman Burroughs** said this is another one of those that's been around a while and even before my time serving as your chair of this committee. I would ask that Katherine Carttar, once again, present this evening.

Item No. 5: Resolution –  
Legends Apartment & Garage Development  
Agreement Amendment and Assignment &  
Assumption Agreement

- A resolution adopting the amended and restated development agreement for the Legends Apartments and Garage project and related assignment and assumption agreement

**Katherine Carttar, Director of Economic Development,** said the final item I have for you tonight is another one. It's kind of an interesting—all of the projects today were kind of you've seen in previous iterations. This one we'll get into kind of the history, but this was first approved by the Commission, the development agreement, for the Legends Apartments and garage back in 2015. There's been a couple of different iterations over the years. We feel really good about where we are with this one. With that, I am actually going to, before we get into the specific project terms, going to turn it over to Bob Becker, with Draily Construction and Patricia Jensen.



**Patricia Jensen, with Rouse, Frets Law Firm, 4510 Belleview, Kansas City**, said here today on behalf of Legends 267, LLC, and Bob Becker is with Beck Cal and Luke Drailey Construction. Before Katherine goes into the details of what the agreements are and what they cover, we want to give you a description of the project that we're proposing as well as Bob's experience and why he's different and will make this project happen.

I want to first say we've been—we've really enjoyed working with the Unified Government to bring this to a reality. So, we're looking forward to moving on to the next step.



Here is an overall rendering of the project. I want to note that we've submitted the zoning application. I'm sure some of those renderings will get fine-tuned as we move through that approval process.

PROJECT DESCRIPTION

## Legends 267

**PROJECT**

- 267 Units of Class A Urban Style Luxury Apartments
- One & Two Bedroom High End Market Units
- Parking Garage – Fully Covered



**AMENITIES**

- Clubhouse with coffee bar
- Zero Entry Pool – Cabanas
- Firepits
- Grill Stations
- Bar and Sky Lounge
- Gym Facility
- Yoga Studio & Sauna
- Poolside TVs
- Cross-courtyard indoor / outdoor entertainment area
- Pet Park and wash station
- Conference / Study workspace
- Outdoor Courtyard Games Space

BECH CAL

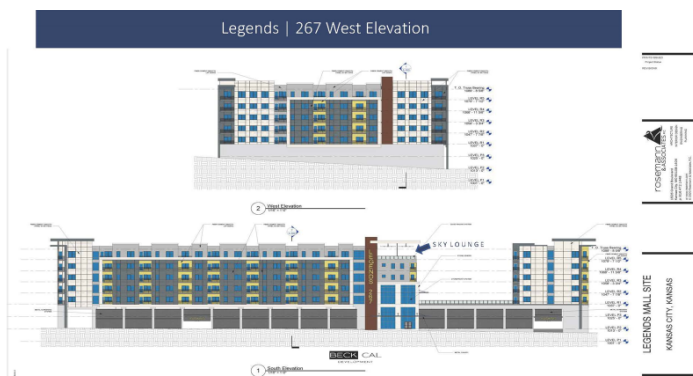
The next slide and to describe the project, it is 267 units of Class A urban style luxury apartments. They are one- and two-bedroom high-end market rate units. There is a parking garage that is fully covered. There are many amenities for this project and it's pretty unique in the Unified Government. You can see all of the amenities we've highlighted.



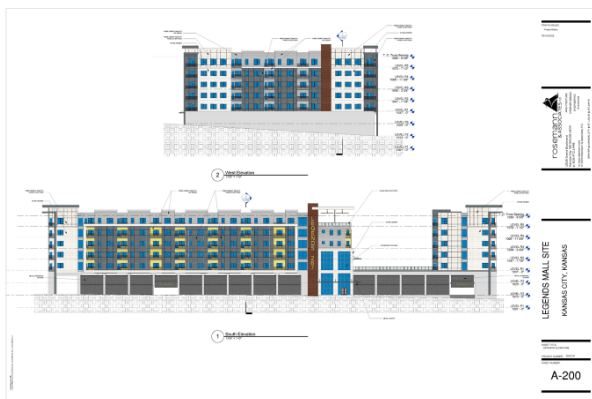
This is really where the project fits in conformance with what we're talking about. So, Legends 267 is right up here next to the Residence Inn, but all of the projects that the Unified Government has been instrumental in moving forward are highlighted on this screen. We believe this project is really the next step of bringing additional residents to the Unified Government.



This is an aerial picture of the project site.



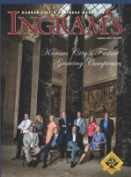
Katherine, you can flip through these. These are a bunch of perspectives of what we're proposing to build.



November 30, 2020



You keep flipping. There's like five of them.


**DEVELOPMENT TEAM**

**BOB BECKER**

Bob is the President & Founder of Luke Draily Construction Co., Inc. which he started in 1997. Luke Draily is a commercial construction company specializing in Design-Build, Construction Management, and General Contracting services for Commercial, Industrial, Mixed-Use, Multi Family and Senior Living (multifamily) Projects around the city, as well as nationally. Luke Draily proudly sits at the forefront of the commercial construction industry in quality and professionalism, recently being heralded as the **2018 6th fastest growing company in Kansas City area by Ingram's Business Magazine**. He is also principal founding member of Development.

Bob graduated from University of Central Missouri with a B.S. in Construction Engineering. He funded his own education by working summers as a supervisor running multiple projects and crews of men twice his age. He has extensive knowledge of estimating as well as management. Since Bob began Luke Draily Construction, the company has built over \$500,000,000 worth of construction projects. Even though Luke Draily continues to grow exponentially, Bob's standards for his company remain the same, and his hands-on approach ensures this vision.

Most recently Bob has been involved with the development and / or construction of close to 1000 Class A apartment units and 750 Class A senior living units.

Bob is particularly enthused by the opportunity to build Class A luxury living in Wyandotte County to bring growth & excitement to the area while maintaining its beauty and charm.

**BECK CAL**

And then a little bit about the development team and I'm going to ask Bob to highlight his experience. So, Bob Becker is the President and Founder of Luke Drailey Construction. He is a commercial, which is a commercial construction company specializing in design build, construction management, and general contracting. He's built many projects throughout this area. We're going to highlight a few and he is very, very excited about the opportunity to build this project in the Unified Government.

**November 30, 2020**

Bob, are you on?

**Bob Becker, President and Founder of Luke Drailey Construction**, said I am on. **Ms. Jensen** asked, do you want to add some information? **Mr. Becker** said yes. So, again, thanks for everybody's time tonight. We're super excited about being a part of this project and with the UG's commitment to the future. It's probably one of the biggest reasons that we're doing this project. We're pumped about the Schlitterbahn and Urban Outfitters, Amazon, we're super excited about it.

What we're doing, guys, is we're planning on building a 510,000 sq. ft. monster, 8-story, 267 units with 350+ parking spaces. We feel, sincerely feel the stunning appearance will draw attention from miles away. I think honestly this is going to add a lot of value to the overall Legends area. Our focus is 70% on one bedrooms, 25% on two bedrooms, and we're looking to target the young professional. We're bringing a lot of cool amenities.

I don't know if you all been to the Chicken N Pickle down in North Kansas City, but our interior courtyards, where the zero-entry pool is, is going to have a lot of that concept, indoor/outdoor entertainment. You can close the garage doors. I know this is a lot of information, but we're bringing the, I'm going to call it the urban style concept to the suburbs so kind of picture maybe a two, like downtown, except a little bit of a smaller version of that. That's 20+ stories; this is 8 stories. This thing will be a monster. It will be the second largest tallest building in the Legends area; Cerner being the tallest. We're one story below the Cerner.

So, we're super excited about it. We have financing in place. We kind of consider—we're kind of down to the 10-yard line ready to score a touchdown.

**Class A Apartment Living**

bumped up a notch.

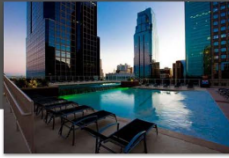
"Luke Drailey takes Quality & Safety very seriously, as evidenced by their stellar record."  
-Dave Radin, Owner Progressive Environmental & Safety

We are well versed in handling the complex needs of *luxury* commercial projects; realizing we are creating spaces for individuals - from top to bottom. Controlling development cost, communication and build-out success is a great source of pride for us. Uncompromising quality, craftsmanship and safety performance is our goal, garnering platinum status from OSHA.

Luke Drailey has completed and / or has under construction more than \$150 million worth of **Luxury Class A Multi Family & Mixed Use** apartment home living. For EACH of these projects, we have been hired during the pre-construction phase to help owners control cost and quality and provide direction as a trusted partner with our customary accountability and transparency. Experience is good - the RIGHT experience is crucial.

Our quality is A+.

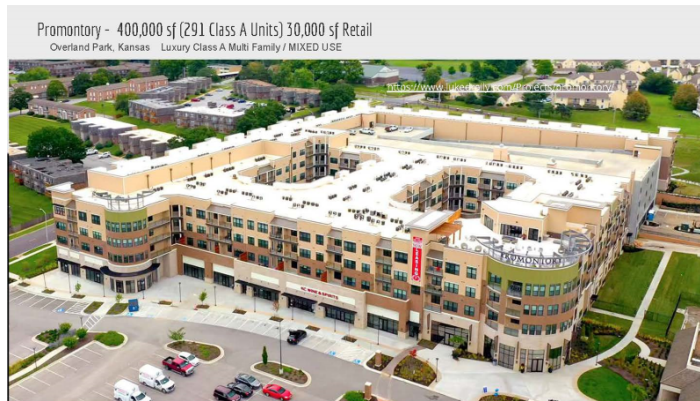
Close collaboration with owner, architect and our team brings about the most beautiful, masterful results.

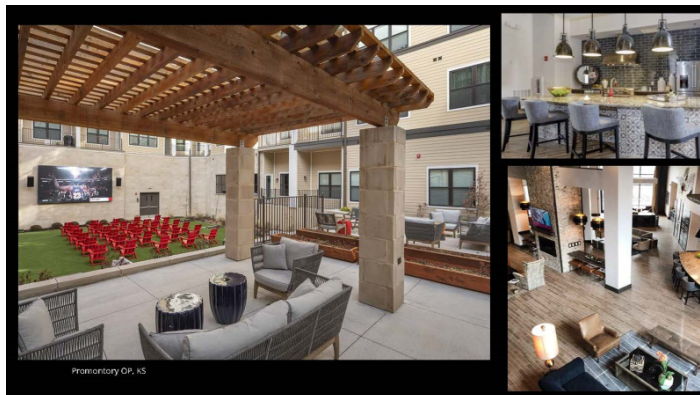
Obviously, we've got to dot a few i's, cross a few t's. With your approval—if we get your approval, then we will break ground sometime in March.

**November 30, 2020**

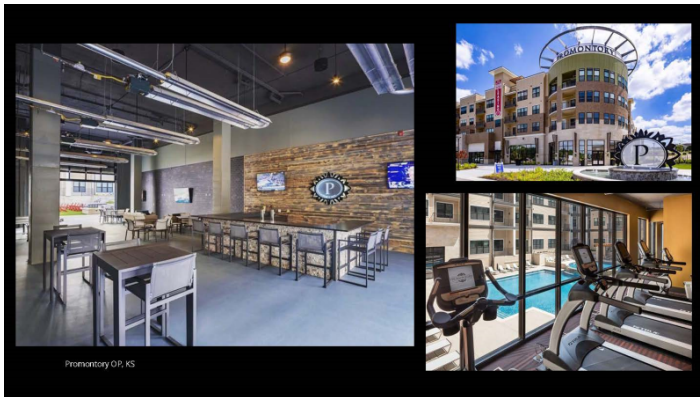
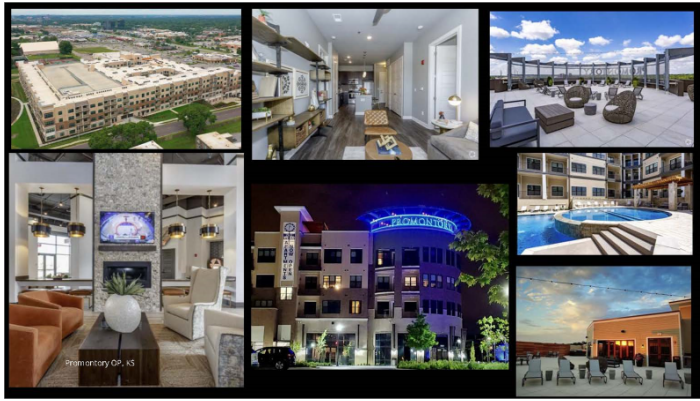
Just to kind of go back through a little history of Luke Draily Construction, we spoke about this about a week and a half ago. We've been around since 1997, 23 years. Prior to that, I worked for a large commercial contractor and then I formed my own company in '97. Obviously, I felt like I had a better way to do things. As of today, we've come a long way from building multi-family projects to large office complexes to retail to industrial, the whole nine yards.



Here's a project right here that's called the Promontory. We talked about a week and a half ago. That's 291 units with a parking garage wrap which is towards the back. In the front here, you've got 30,000 sq. ft. of retail with 291 apartments sitting on top of it. It's got that top sky lounge, which we're going to have a sky lounge at our project. They have two enclosed courtyards.

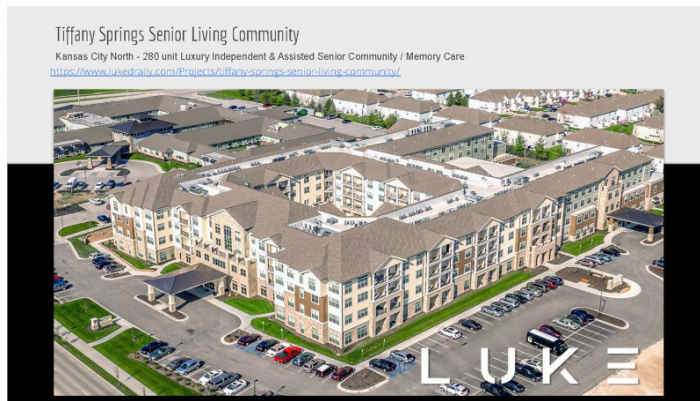


Ours is one big open courtyard. Okay, here's a view of one of the courtyards with a big screen. We'll have big screens like that in this project. You might flip through some more pictures here, Patricia.

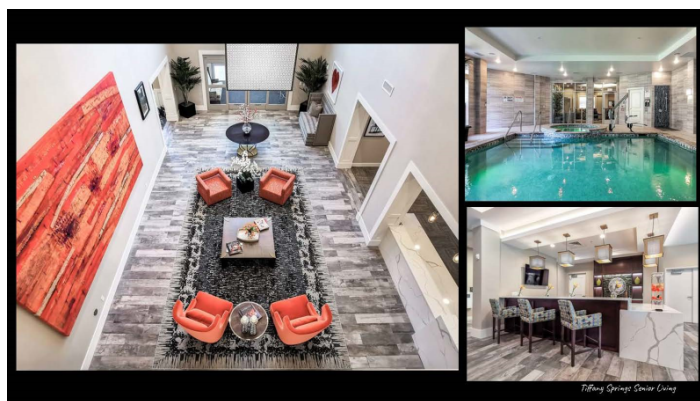


Obviously, there's an exterior elevation at night. So, there's a—we call that the man-cave at the Promontory, so we will have a similar feel on this project. This right here, if you can see, you've got garage doors there in the distance. You can close those during the wintertime and still have a place to entertain your people. We will have a top-of-the-line workout facility.

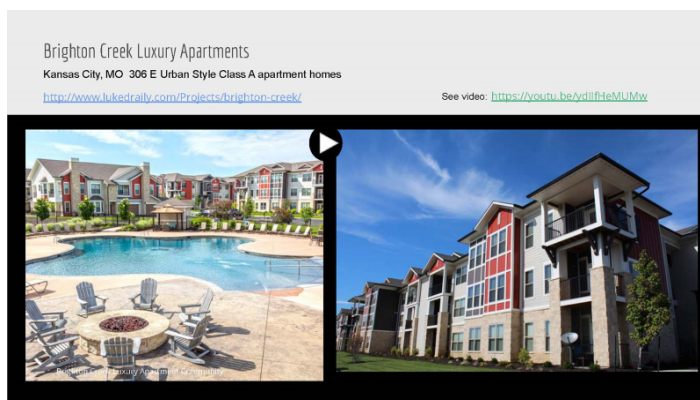
With this new normal, guys, with this COVID, we felt like we needed to add some more amenity space, which the Promontory does not, obviously. This is prior to the COVID. We've increased the amenity space to create workstations. I don't want to mention Starbucks, but it's going to have a little bit of a Starbucks feel to it.



To kind of sum this thing up is,

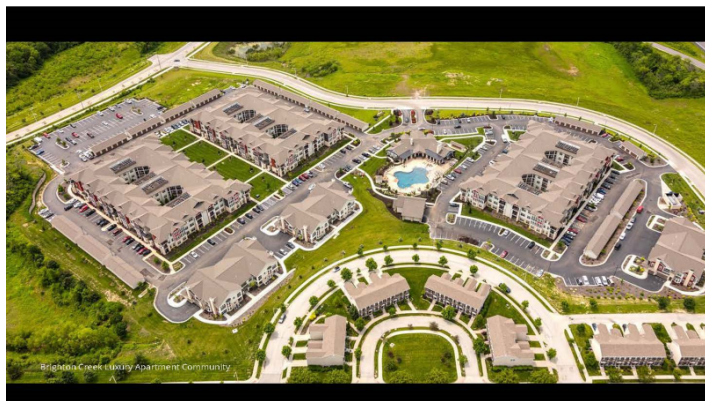


oh, here's a picture of a project we did with Tutura Group. We just finished a \$100M construction program with those guys. We built the Mission Chateau at 83<sup>rd</sup> & Mission Road.



This is up north. Here's Brighton Creek. This is a project that we developed a couple of years ago.

November 30, 2020



That's an aerial view of Brighton Creek.

We've got—we're kind of a jack of all trades, right? Anyway, with our vast knowledge in construction, this is not a typical developer project. Nothing against developers, love them to death. We do business with developers, but sometimes they can't see how this thing is going to get built. I think that's one of the reasons that have scared a lot of people off back when this thing got approved originally a couple of different times.

So, we looked at it hard. We just finished a similar project at the Promontory and we've made changes to this compared to what we did at the Promontory. A typical developer is not going to see the things that we're going to see. As you guys know, in the development game, 80% of the risk is in the construction. Since we are a construction company at heart that has the ability to develop, we just don't go out and develop projects just for the heck of it. We're kind of picky. We love the Legends area. It's 10 minutes from my house. I live just north of there. Obviously, we love the excitement that's been generated with who I mentioned earlier about Amazon, Schlitterbahn, and what have you. So, we're super excited about this project from that standpoint.

Just a couple of other things. If you look right above the garage there, that's kind of on the third floor, I guess. We have one—the garage has one story below grade, two stories above. That's a glass handrail right there. That's where the pool is. That's a zero-entry pool that's going to be looking directly to the south. You'll be able to see the ball stadium. You'll be able to see the baseball stadium, the soccer stadium, the racetrack.

If you guys get a chance, what you might do is drive up to the top floor of the existing garage and that will give you a view of the height of the first level of apartments along with the zero-entry pool and what have you. You can look up top there on your left, that sky lounge. I don't know, Patricia, if you could point to that or not. So, that's going to be catered to all the residents. It will have a big screen TV, a grill, firepits, what have you. Then back on the lower

level where the pool is, you're going to have Bocce Ball, you're going to have Pickleball, you're going to have big screen TVs, you're going to have yoga studios in the workout facility which is just to the left of the glass wall. You'll have workout facilities, yoga studios, your workstations.

We put a lot of thought into this and spent a lot of time and a lot of money to make sure what we were doing was going to work. It's not about quantity; it's about quality with us. That's why you guys don't see us out there every day working with other cities. We like the UG's cooperation working with us to date. They've been awesome.

A couple of things, kind of from a timing standpoint, is we've got everybody teed up. We plan on breaking ground April 1 at the latest. We turned the architect loose on most everything. We do have meetings with our precaster this week to get that kicked off so we are all in. Also, to add to that, me and my partner, Chuck Calvert, and our wives are going to personally guarantee the construction of this project. That's how sold we are on this area and this project itself.

So, (inaudible) a little bit. We're kind of down to the 10-yard line and we want to score a touchdown with you guys. That's kind of the project in a nutshell. Are there any questions?

**Ms. Carttar** said I will go into—before we get quite to questions, thanks so much, Bob, and Patricia for that explanation of the project.

## Legends Apartments and Garage Project Restatement and Amendment

- Original Development Agreement with the UG on this project was entered into on November 20, 2015 with Legacy KCK Westside Venture, LLC (affiliated with the Legends Outlets Shopping Center)
- The Development Agreement was amended in 2018 when a CID was formed and bonds issued
- Most of the CID proceeds for the apartments/garage are in an escrow account waiting for project to materialize
- Luke Draily Construction Co. has agreed to take over the project from the original developer and take assignment of the Development Agreement
- Legacy KCK Westside Venture, LLC will be released from obligations on the original development agreement

I'll go into a bit, a little bit of the history and then some of the deal terms that are part of this restated and amended development agreement, and then I'd recommend going into some questions.

As I mentioned, at the top, this was a project originally devised back in 2015 with Legacy Development, who's affiliated with the Legends Outlet Shopping Center, of course. Then kind of moved a couple of years later and the project morphed a little bit and we had our first amended

development agreement in 2018. That was also when the CID was formed and bonds were issued. Those bonds are just kind of sitting there in escrow waiting for this project to materialize.

We are really excited because a couple of different things with what you have in front of you today very much of kind of core project has remained intact since the previous development agreement. With that, we don't feel like we have lost anything. Luke Draily Construction Company and Bet Cal their kind of development arm will be kind of taking the assignment from the original developer, being Legacy. So, Legacy will no longer have any obligation. They will be selling the property to Bet Cal and Luke Draily Construction and then we will have our deal. If this moves forward, this would be specifically with this assignment and the development agreement with the new entity.

## Legends Apartments and Garage Project

### Project Details:

- Newly-constructed first-class apartment complex and structured parking garage
- \$53.7 million overall project budget (approximately \$13.3 M of improvements are to be paid for with the CID bonds)
- 267 units (original Development Agreement called for no less than 265 units)
- 620 parking spaces
  - 350 must be public spaces
- Parking Garage completed by March 1, 2022
- Apartment building completed by August 1, 2024
- Additional public benefit:
  - Vehicular bridge connection to current parking garage
  - Sidewalk construction in the vicinity

So, to go into and just kind of reiterate a couple of the things that Patricia and Bob mentioned, this will be newly constructed first-class apartment complex with structured parking garage. It's almost a \$54M project. We are looking at just over \$13M of improvements to be paid with those CID bonds that were previously issued a couple of years ago.

The number of units are 267. The original development agreement called for no less than 265. The previous kind of iteration said that maybe they would go up to 300, but we really felt like you were still being kind of true to the original project as long as we kept with that no fewer than 265 units and so at 267, they are staying consistent with that.

The number of parking spaces has remained consistent. So, 620 parking spaces, again, it was in previous development agreements that at least 350 of those must be free and open to the public. So, this really is looking to the previous parking garage which on days where you have a lot of people shopping at the Legends, you have maybe a Sporting game, some other things that can definitely fill up so, this will add another 350 public spaces. There will be a vehicular bridge

that will connect the two parking garages which, I think, will be a good amenity for those looking for parking in the area.

As Mr. Becker mentioned, the schedule is very fast, which is exactly what we like to see. So, we want to get this thing moving. As he mentioned, their goal is to break ground here in just a few months in March and April at the very latest with that parking garage being completed by March 1, 2022, and then the apartment building completed by August 1, 2024.

Additionally, there will be some sidewalk construction that was part of the original agreement that they have agreed to as well.

## Legends Apartments and Garage Project

### Project Deal Terms:

- CID bond proceeds of approximately \$13.3 M that can be used to pay eligible expenses (land, sidewalks, and the Parking Garage)
- Industrial Revenue Bond financing
  - 10 year, 100% PILOT based on a projected per unit value of \$65,000 (equal to \$1,317.89 annual PILOT per door)
  - Starts at \$351,877 annual PILOT with a 1% annual escalator
  - UG will collect a total of \$3.7 million in PILOT over 10 years
  - LBE/MBE/WBE goals are in place with a 1% annual penalty and a reduction of \$400,000 in CID proceeds available to the developer if not met
- Developer will provide for a guaranteed maximum price and payment and performance bonds for the Improvement

Then just kind of quickly going into some of the deal terms. Again, very consistent with previous development agreements. You have the CID bond proceeds that would be approximately \$13.3M to be used to pay, again, very specific eligible expenses: land, sidewalks, and primarily the parking garage is the big one there.

And then, industrial revenue bond financing. So, this would be similar to what we saw previously tonight, 10 years. Again, this is much more of a certainty industrial revenue bond so what was calculated at the previous development agreement was with the value per unit of approximately \$65,000 what would be those property taxes on that building. So, we used that same per door PILOT number to come up with what you see in front of you. So, it starts at about \$351,000 annual PILOT with a 1% annual escalator. So, over the course of 10 years through this payment in lieu of taxes, we will be getting almost \$4M.

Additionally, there is LMW; I'm sorry, LBE/MBE/WBE goals in place. If those are not met, there'll be an additional 1% added onto that escalator of that PILOT as a penalty as well as a reduction of \$400,000 in CID proceeds available to the developer.

Then, just kind of reiterating what Mr. Becker said, I do think it is really important because of the timeframe and because they're trying to get this project moving quickly to take advantage, full advantage of the CID funds. The developer has stated that he and the co-developer will be providing a personal guarantee as well as the maximum price and payment and performance bond for the improvements. So, we wanted to make sure and they were on board with as soon as a dollar was spent of the CID, that we would be pretty well guaranteed that this project is moving forward and will be done to completion.

With that, I would open it up to any questions.



**Chairman Burroughs** said thank you, Katherine, and Mr. Becker, thank you for your explanation and slides. Ms. Jensen, did you have anything else you wanted to add? **Ms. Jensen** said no, I did not. That's the presentation. There is a recommendation letter from Mayor Rose in Riverside at the end of our presentation based on her experience. We would request that you move forward.



June 21, 2019

To Whom It May Concern,

I am writing to express my support of Luke Draily Construction. Bob Becker, owner of Luke Draily Construction, and his company have been valued members of the Riverside business community for over 10 years. In the time that they have been located in Riverside, they have remodeled their location as well as worked on several other construction projects within the City that have helped to advance the long term goals and vision of the City.

Luke Draily Construction just completed a project in Riverside that created an opportunity for a long time, metro area business to expand and increase its ability to serve customers over a wider area. The City regularly explores opportunities to partner with Bob and his team to support quality development. Riverside is fortunate to have Luke Draily in our community.

Best regards,

  
 Mayor Kathleen L. Rose  
 City of Riverside, Missouri

**November 30, 2020**

**Chairman Burroughs** asked, committee, questions/comments? I did see a hand up.

**Commissioner Townsend** said with what Ms. Carttar just mentioned in terms of the anticipated completion of the apartments in 2024, this may be premature, however, I asked Mr. Lanier over a year ago a similar question with regard to the anticipated rental cost for these units once completed. Now, I know there may be some fluctuation between now and 2024, but for the current moment, what do you anticipate the rental cost would be for these units?

**Mr. Becker** said great question. I apologize for not covering that earlier. The rental rate is going to be very similar to the Village West, which is about a mile to the west of our proposed location. So, it's going to be very similar. Now, obviously, like you said, three years from now, we're not for sure where everything's going to be, but you're going to look at a range from \$1,000 to \$1,600, depending on what one bedroom you're going to take or what two bedroom, but minimum, a \$1,000, max \$1,600.

**Commissioner Townsend** asked will the cost of parking be additional to that or will it be included and applied to the rent? **Mr. Becker** said it will be additional to the rent. **Commissioner Townsend** asked what about utilities? **Mr. Becker** said the resident will pay their own utilities. **Commissioner Townsend** said okay. Thank you very much.

**Chairman Burroughs** asked, any other comments or concerns? (There were none.) I would ask the Clerk, was there any public comment or question? **Ms. Godsil** said no public comments were received.

**Chairman Burroughs** said I do have a question for Legal. This goes back to the acquiring of property to another facility we owned in Wyandotte County. I believe it was the former T-Bones ball stadium. There were some questions the public raised in reference to fees that weren't paid when there was a transfer—the property was made. I remember that being an issue. So, I would ask staff, what is our policy on transferring property that has any delinquencies and/or liens against them or anything like that? Do we have—what's our policy on that?

**Ms. Carttar** said yes. If there are any liens, all of that would be paid at the time of the property sale. So, the Unified Government would be whole; would be made whole with the sale. **Chairman Burroughs** asked, would it be the same with any delinquent fees, taxes, anything like that? **Ms. Carttar** said correct.

**Chairman Burroughs** said, Mr. Becker, I want to thank you for being not only an investor in our community and a developer but being a member of our community. I really do sincerely appreciate that. It's nice to have those that want to invest in our community and be part of our community at the same time. I look forward to a very class project in that area. So, again, I just want to say thank you for the presentation. If this place looks anything like these renderings, I'm sure it will be a first-class facility. **Ms. Jensen** said thank you. **Mr. Becker** said well, we appreciate that, Commissioner. We're looking forward to doing more projects with the Unified Government. This won't be our first. Again, we appreciate it.

**Chairman Burroughs** said, committee, I would entertain a motion.

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

**Ms. Jensen** said thank you all very much. Commissioner Townsend, it's nice to hear your voice again. Commissioner Townsend and I went to law school many, many years ago together. **Commissioner Townsend** said okay. You said enough. I thought that was you. **Ms. Jensen** said I'm not going to identify the number of years. **Commissioner Townsend** said you said enough but it's so good to see you. Go UMKC. **Ms. Jensen** said thank you all. **Commissioner Townsend** said we'll have to get together. **Chairman Burroughs** said two very strong and successful ladies. **Commissioner Townsend** said thank you, Commissioner. **Chairman Burroughs** said you're welcome, Commissioner. It's absolutely my pleasure. **Commissioner Townsend** said I will say this, I did let the man cave comment slide earlier so, I will come back and ask for a spa on that other one. Thank you. **Chairman Burroughs** said nice catch.

#### **Item No. 6 – 20520...RESOLUTION: SALE GO BONDS, TEMPORARY NOTES & PBC BONDS**

**Synopsis:** A resolution authorizing the offering for sale of Municipal Temporary Notes and General Obligation Bonds (Bonds 2021-A and Notes 2021-1) and requesting the Public Building

Commission to issue its leasehold revenue bonds, submitted by Debbie Jonscher, Deputy Chief Financial Officer.

**Chairman Burroughs** said I don't believe this is an action item. Oh, it is. I take that back.

**Debbie Jonscher, Deputy Chief Financial Officer**, said this is a resolution for the sale of bonds and temporary notes for the—the sale will occur in February of 2021. I do have a small, short presentation.



**2021 BONDS & TEMPORARY NOTES  
SALE RESOLUTION**

*Unified Government of Wyandotte County & Kansas City, Kansas*

**ED/F Standing Committee  
November 30, 2020**

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**2021 SALE RESOLUTION**

**Resolution: Sale of Municipal Temporary Notes & General Obligation Bonds**

Resolution: Authorizing the offering for sale of General Obligation Temporary Notes and General Obligation Bonds of the Unified Government of Wyandotte County/Kansas City, Kansas; requesting the Public Building Commission (PBC) of the Unified Government of Wyandotte County/Kansas City, Kansas to issue leasehold revenue bonds.

| Project Amounts by Revenue Source                     |                |
|-------------------------------------------------------|----------------|
| Governmental Tax Levy Projects (City Projects)        | \$ 57,608,500  |
| Enterprise Fund Projects                              | \$ 100,550,000 |
| Public Building Commission Projects (County projects) | \$ 4,475,000   |

**Each project can only have debt up to the amount approved.**

Restricts total debt of each project for the life of the project.

Takes into account:

- previous bonding
- + current financing
- + potential future bonding

So, the resolution is authorizing the offering of sale of general obligation temporary notes and general obligation bonds, and also requesting the Public Building Commission to issue lease revenue bonds. So, what I've done here is listed out on this slide the projects by revenue source. These items are the same totals that are listed in your sale resolution that was attached with the item. So, we have the tax levy project, which are the city projects for a total of \$57.6M; Enterprise Fund projects, which are the sewer and stormwater projects, at \$100.5M; and Public Building Commission projects, which are the county building projects, at \$4.475M.

I will just note that each project can only have debt issued up to the amount that has previously been approved. The amount could be—these could be included projects that are already ongoing that have current temporary notes issued on them or there could be new financing.

**Chairman Burroughs** said thank you, Debbie. Something happened, I lost my screen. I apologize to the committee. Committee, you do have in your handout, you should have all of those items that are listed under the bond request. **Ms. Jonscher** said yes. The resolution should contain all the projects that make up these amounts.

**Chairman Burroughs** asked, any questions, any comments? Does any member of the committee have questions or comments? (There were none.) Clerk, I would ask if a member of the public had any comments? **Ms. Godsil** said no comments received.

**Ms. Jonscher** asked, are you able—you're not able to see my screen? Is that what you said? **Chairman Burroughs** said no. I can't see your screen. **Ms. Jonscher** said okay. I've actually got a couple more slides to go through if that's okay. **Chairman Burroughs** said I might have to get off and come back in. For some reason, I've lost everything. **Ms. Johnson** said I do believe the presentation was sent out and if you have any questions later, you can always feel free to give me a call.

| 2021 SALE RESOLUTION RECONCILIATION                  |                    |                  |              |
|------------------------------------------------------|--------------------|------------------|--------------|
| Sale Resolution Reconciliation                       | Governmental Funds | Enterprise Funds | Total        |
| 2020 Sale Resolution                                 | 49,083,000         | 88,550,000       | 137,633,000  |
| 2020 - GO Temporary Notes                            | 26,583,481         | 23,347,281       | 49,930,762   |
| 2020 - GO Bonds                                      | 15,125,000         | 31,420,000       | 46,545,000   |
| Total                                                | 41,708,481         | 54,767,281       | 96,475,762   |
| Projects Authorized but not issued                   | 7,374,519          | 33,782,719       | 41,157,238   |
| 2020 - Temporary Notes                               | 26,583,481         | 23,347,281       | 49,930,762   |
| Add: 2020 Projects Authorized but not issued         | 7,374,519          | 33,782,719       | 41,157,238   |
| Add: 2020 Reimb Resolutions funded                   | 500,000            | 1,500,000        | 2,000,000    |
| Add: 2020 Amended CMIP increase                      | 4,048,000          | 4,500,000        | 8,548,000    |
| Add: 2021 Approved CMIP                              | 23,558,500         | 24,350,000       | 47,908,500   |
| Add: Project funds approved prior to 2021 not issued | 2,994,000          | 88,470,000       | 91,464,000   |
| Subtract: 2021 Reimb Resolutions                     | (2,050,000)        | (4,200,000)      | (6,250,000)  |
| Subtract: Funds not included in sale resolution      | (5,400,000)        | (71,200,000)     | (76,600,000) |
| Total 2021 Sale Resolution (GO Bonds/Temp Notes)     | 57,608,500         | 100,550,000      | 158,158,500  |

My next slide—can everyone else see the screen? **Ms. Godsil** said yes. **Ms. Jonscher** said the next slide was just a reconciliation from the 2020 sale resolution, which was approved last December before we issued the 2020 bonds. There's just a reconciliation of the projects that were—the sale resolution that we approved, the actual issuance of 2020 temporary notes and bonds

and then also the amounts that were authorized that we didn't actually issue. Then I reconciled all of that on how we get to the 2021 sale resolution.

We include not only the temp notes that were issued, but we also include the amounts that were authorized but we didn't issue. We add in any projects that were reimbursement resolutions, and I have another slide on those, as well as I'm including projects that were approved in a prior year, prior to the 2021 budget, but that could potentially be financed that weren't financed in a prior year. Then, I've also subtracted out the funds that were not included in the sale resolution to get us to the total that we have for the Tax Levy Fund and the Enterprise Fund.

# REIMBURSEMENT RESOLUTIONS

- Reimbursement resolutions are issued for projects where locations are unable to be determined ahead of time. No money is financed. Usually for annual or emergency type projects.
- Once work is identified, the description is amended and the debt financing reimburses for costs incurred.

| 2020 Reimbursement Resolutions Authorized – included in Financing |              |
|-------------------------------------------------------------------|--------------|
| ADA Modifications, 2020                                           | \$ 100,000   |
| Priority Traffic Signal Repl, 2020                                | \$ 400,000   |
| Sewer System Capacity Upgrades, 2020                              | \$ 1,500,000 |
| 2021 Reimbursement Resolutions Authorized – not Financed          |              |
| Annual R/R Crossing Improvements, 2020                            | \$ 150,000   |
| Annual Emergency Bridge Repair, 2021                              | \$ 300,000   |
| ADA Modifications-UG Facilities, 2021                             | \$ 100,000   |
| ADA Pedestrian Handicap Ramps, 2020 & 2021                        | \$ 800,000   |
| Elevator Upgrades, 2021                                           | \$ 500,000   |
| Fairfax Industrial Improvements, 2021                             | \$ 100,000   |
| Neighborhood Street Repair, 2021                                  | \$ 100,000   |
| Sewer System Capacity Upgrades, 2021                              | \$ 3,500,000 |
| Stormwater Enhancements, 2021                                     | \$ 500,000   |
| Stream Bank Stabilization Improvements, 2020 & 2021               | \$ 200,000   |

The next slide just has details of the projects that were reimbursement resolutions. We have three projects that were reimbursement resolutions last year so we approved the projects but we didn't issue any financing because at the time they weren't sure of the work that was going to be done and we couldn't identify it so, we didn't issue it. But, those three projects are being financed in the 2021 issue and they total \$2M.

Then we have \$6.25M in the 2021 reimbursement resolution. These projects are all authorized but they're not being issued currently. Most of these are annual projects or emergency projects. They're not identified until a project is actually brought forward. So, we're not issuing the funds on these, but they are authorized and they do have the budget authority to complete the project if it comes up.

| Project Budget not funded in Sale Resolution (\$77.2M) |                |
|--------------------------------------------------------|----------------|
| <b>Governmental Projects</b>                           | <b>\$ 5.4M</b> |
| City Hall Structure Project                            | \$ 1.5M        |
| Fire Station 2021                                      | \$ 3.3M        |
| Priority Traffic Signal Replacement, 2021              | \$ 0.6M        |
| <b>Sanitary Sewer Projects</b>                         | <b>\$71.2M</b> |
| Kaw Point BioSolids Digestion                          | \$ 52.0M       |
| Relocation of Sewer Maintenance Facility               | \$ 3.0M        |
| Pump Stations Upgrades                                 | \$ 0.5M        |
| Wolcott Expansion/Conner Creek                         | \$ 15.7M       |
| <b>Public Building Commission Projects</b>             | <b>\$ 0.6M</b> |
| West Annex                                             | \$ 0.2M        |
| Annex Parking Lot Improvements                         | \$ 0.4M        |

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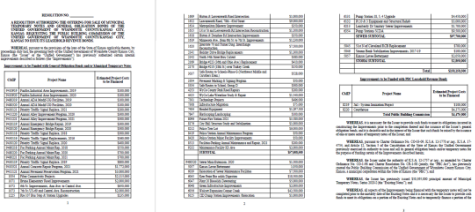


The next slide shows the project budgets that are not included in the sale resolution and between the tax levy project, the enterprise project, the Enterprise Fund project, and the Public Building Commission project, there's \$77.2M that is not included. I did just want to note that when I say they're not included in the sale resolution, we're not removing the budget or debt authorization, we are simply just not funding them in this next bond issuance because we don't believe the funds will be spent within the next 12 months.

All of these projects have their authority so that they can enter into contract and we are issuing some of the funding for these projects with the exception of the two Building Commission projects. All of the other projects do have some funding within the 2021, but the amounts that are shown here were previous budget amounts that were authorized but they just haven't got to the point of spending all of the funding yet.

As you can see, the governmental projects, which are the city debt, there's \$5.4M. For the sanitary sewer projects, there's \$71.2M. The largest of those two being the Kaw Point Biosolids Digestion Project and the Wolcott Expansion/Conner Creek project.

The Public Building Commission projects, we have the two annex projects that we have not included. They were not ready to move forward with those projects. If they determine within the next year that they are ready to move forward, then we would bring back a separate sale resolution for those two projects.

| UG Commission Action                                                                                        |  |  |
|-------------------------------------------------------------------------------------------------------------|--|--|
| <p>Approve resolution</p>  |  |  |

So, we are asking for approval of the sale resolution tonight. As I said earlier, the bonds will be sold in February 2021. That's the end of my presentation. I'd open up for any questions.

**Commissioner McKiernan** said it does not appear that Commissioner Burroughs has rejoined us yet. So, at this point if I might facilitate on behalf of the group. Commissioner Townsend has a question.

**Commissioner Townsend** said I have one question about one of the slides that you showed and it had to do with 2021 money, specifically, with regard to Fairfax, \$100,000. **Ms. Jonscher** asked, the reimbursement resolution? **Chairman Burroughs** said yes. **Ms. Jonscher** asked, on this slide? **Commissioner Townsend** asked, could you put that slide back up? **Ms. Jonscher** asked, this one here? This one does have the reimbursement resolution with Fairfax Industrial for \$100,000. **Commissioner Townsend** said that's the one.

On the handout that I have, I have two that are identified for 2019 and 2020 funds that are supposed to be part of the bonds, but you're saying this particular one or item for 2021 is not part of the bond, but there is money in the budget for this? Because I know this is an annual amount that Fairfax expects to see.

**Ms. Jonscher** said yes. We're issuing a 20—a reimbursement resolution on only the 2021 funding. The 2019 and 2020, which are each \$100,000, are in this current sale resolution to be included as temporary notes or bonds in this next issue.

The 2021 fund, when we requested the information for funding, they didn't have the project identified yet for this funding. So, if we issue the reimbursement resolution so that once the money is spent, we can come back and reimburse ourselves with a future issue. So, we're not taking—they're not losing the funding. We're just doing a reimbursement resolution and not financing the

2021 funding at this time, but we are funding the 2019 and 2020. 2019 and 2020 were issued as reimbursement resolutions in previous years. Now that they're ready to finance those projects, we're adding them to the next issue.

**Commissioner Townsend** said okay, because I can assure you if you talk to FIA Fairfax now, they could enumerate a list of projects that would gobble that \$100,000 up. Just wanted to be clear on that. Thank you.

**Ms. Jonscher** said right. They're not losing the funding, we're just choosing not to include it in the financing, but we could reimburse ourselves with future financing later. **Commissioner Townsend** said all right. Thank you.

**Chairman Burroughs** said thank you, Commissioner McKiernan. I appreciate you guiding the committee. Was having some technical difficulties. Are there any other questions for Ms. Jonscher in reference to the funding? (There were none.) Do we have any comments, Clerk, from the public? **Ms. Godsil** said no public comments.

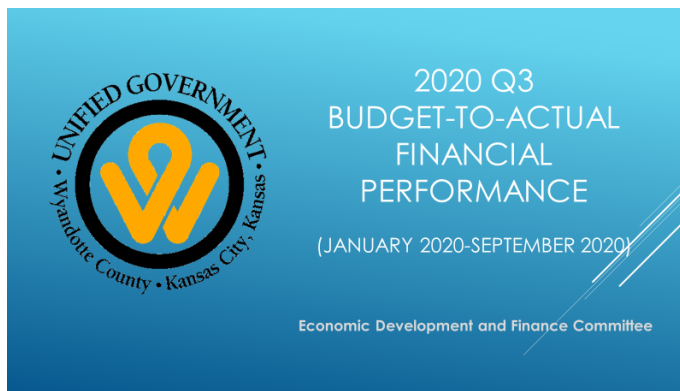
**Chairman Burroughs** said, committee, I'd entertain a motion. This is an action item.

**Action:** **Commissioner Johnson made a motion, seconded by Commissioner Townsend, to approve.** **Chairman Burroughs** said a motion has been made and seconded. I would ask the Clerk to please call the roll. Roll call was taken on the motion and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

#### **Item No. 7 – 20530...PRESENTATION: THIRD QUARTER BUDGET TO ACTUALS REPORT AND CARES PPI SUMMARY**

**Synopsis:** Presentation on the Third Quarter Budget to Actuals Report and CARES PPI summary, submitted by Kathleen VonAchen, Chief Financial Officer; and Reginald Lindsey, Budget Director.

**Chairman Burroughs** said this will be for information only. I believe the remainder of the items this evening will be for information only.



**Debbie Jonscher, Deputy Chief Financial Officer**, said I'm going to step in for Kathleen. She was having Wi-Fi issues. I'm going to go ahead and talk about the revenues for the Third Quarter Budget to Actuals Report.

| CONSOLIDATED GENERAL FUND |            |             |             |             |             |             |  |
|---------------------------|------------|-------------|-------------|-------------|-------------|-------------|--|
| numbers in 000's          | FY 2019    |             |             | FY 2020     |             |             |  |
|                           | Budget     | 3rd Qtr YTD | % of budget | Budget      | 3rd Qtr YTD | % of budget |  |
| Revenues                  | \$ 216,843 | \$ 174,808  | 80.6%       | \$ 202,109  | \$ 171,400  | 84.8%       |  |
| Expenditures              | \$ 220,488 | \$ 156,399  | 70.9%       | \$ 214,869  | \$ 147,927  | 68.8%       |  |
| Net Alloc & Transfers     | \$ 285     | \$ 155      | 54.5%       | \$ 1,910    | \$ 686      | 35.9%       |  |
| Net Change                | \$ (3,359) | \$ 18,564   |             | \$ (10,850) | \$ 24,158   |             |  |
| Balance, Start of Year    | \$ 25,785  | \$ 26,853   |             | \$ 23,494   | \$ 27,963   |             |  |
| Balance Year-to-Date      | \$ 22,425  | \$ 45,418   |             | \$ 12,644   | \$ 52,121   |             |  |

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

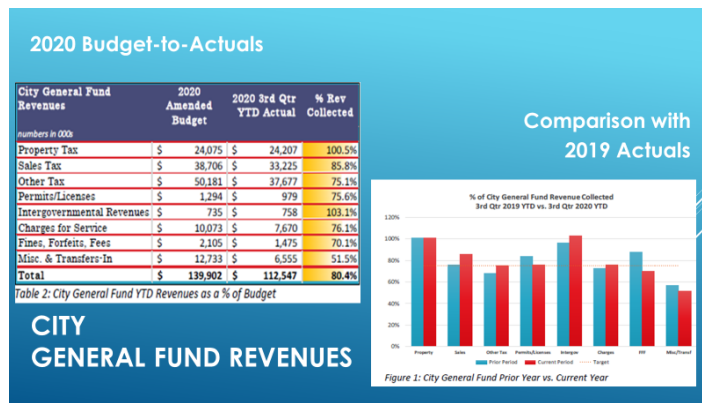
**CONSOLIDATED GENERAL FUND OVERVIEW**

So, we'll start with this first slide which is an overview of the Consolidated General Fund. It shows third quarter year-to-date budget versus actual for both 2020 in comparison with 2019.

**Commissioner McKiernan** said, Debbie, you have just gone on mute. **Ms. Jonscher** asked, can you hear me now? **Commissioner McKiernan** said now you're back. **Ms. Jonscher** said okay. I'm not quite sure how I got on mute.

So, this is the Consolidated General Fund showing the third quarter year-to-date budget to actuals for 2020 in comparison to fiscal year 2019. For 2020 revenues, we received 84.8% of budget through the third quarter. In 2019, at the same period, we were at 80.6% collected for revenues.

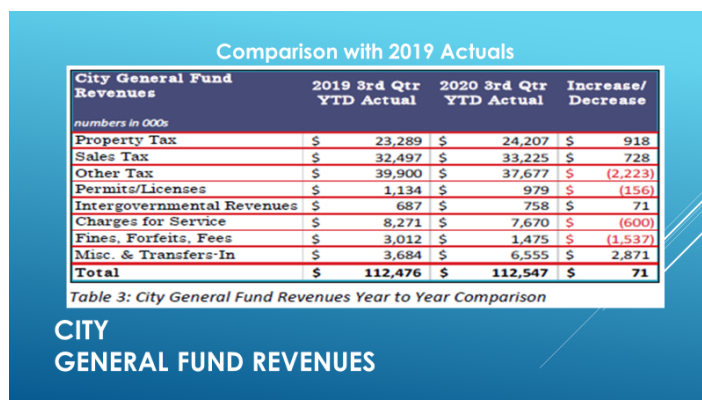
On the expenditure side, for 2020, we're at 68.8% and for 2019, we were at 70.9%. The transfers in and out are netted together so it's a little more difficult to see what those (inaudible) the transfers in, the transfers out are netted together for that.



So, for the next slide, this is showing the detail on the City General Fund revenue. On the top left, we have listing out all of the different revenues showing the third quarter actuals compared to our 2020 amended budget. In the lower right is showing the actual revenue collected, the percentage of revenue for the third quarter comparing 2020 and 2019.

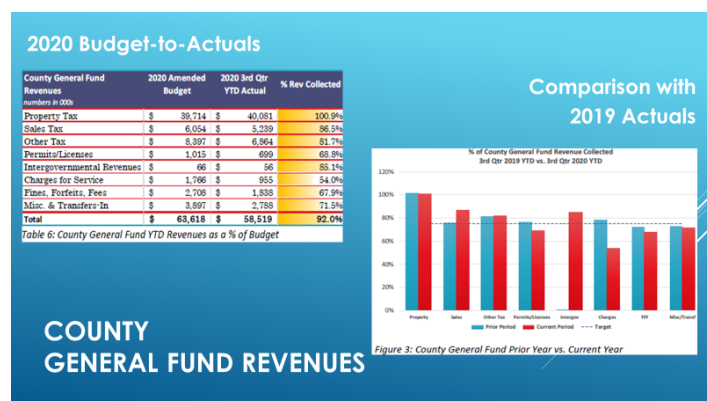
I will just note so, looking at the graph on the top left, property tax, we have collected 100% of our property tax. Sales tax, we're at 85.8%. Intergovernmental revenues, we're a little over 100%, and most of the others, with the exception of the miscellaneous and transfers in, we're at about 70-75%, which is where we would typically expect to be in the third quarter. Some revenue, such as the property tax, the biggest distributions are in January and June so, by the end of June, we have usually collected about, I think, 75-80% of the property tax revenue. Now that we're at the end of the third quarter, we have collected 100% of that. Overall, we're at a total of 80.4% for the City General Fund.

Down at the bottom it just shows the actual 2020 is in red and 2019 is in blue. Then there's a target showing, a dotted line showing where we would be if we were at 75%, which would be three-quarters of the year.



On the next slide, it just shows the same information comparing the actual revenues for 2020 and 2019 for each one of the different revenue line items. As you can see, we're third quarter 2020 actuals are almost identical to third quarter 2019 revenues, with just a slight increase from what we had over the third quarter in 2019.

**Chairman Burroughs** said, Debbie, question. Are the miscellaneous transfers in, is any of that money the COVID dollars? **Ms. Jonscher** said I'm sorry. I didn't quite get that. **Chairman Burroughs** asked, are any of the dollars being presented here, any of the revenue, is that any of the CARES Act money? **Ms. Jonscher** said no, I believe all of the CARES Act money was recorded. We put that into a separate grant fund. I think Reggie can probably confirm that, but my understanding was that all the grant revenue went to a separate fund that we set up specifically to track those revenues. **Chairman Burroughs** said great. Thank you.



**Ms. Jonscher** said the next slide is the—the next couple of slides are the same information for the County General Fund. So, we're showing here the detail for all the different revenue types for the County General Fund. As you can see, the property tax, once again, we have collected 100% of the property tax. For sales tax, we are at 86.5%. We've got 81% for other taxes. I think most everything is pretty much in range. Intergovernmental revenues are at 85%. I believe most of the intergovernmental revenues are grants, state or federal revenues. Overall, for the County General Fund, we've collected 92% of our total 2020 amended budget.

The graph on the lower right shows the same information, just a percentage of revenue collected comparing third quarter 2020 with third quarter 2019. The dotted line represents 75%, which would be three-quarters of the year.

| Comparison with 2019 Actuals |                         |                         |                   |
|------------------------------|-------------------------|-------------------------|-------------------|
| County General Fund Revenues | 2019 3rd Qtr YTD Actual | 2020 3rd Qtr YTD Actual | Increase/Decrease |
| <i>numbers in 000s</i>       |                         |                         |                   |
| Property Tax                 | \$ 38,341               | \$ 40,081               | \$ 1,740          |
| Sales Tax                    | \$ 5,094                | \$ 5,239                | \$ 144            |
| Other Tax                    | \$ 7,719                | \$ 6,864                | \$ (855)          |
| Permits/Licenses             | \$ 802                  | \$ 699                  | \$ (103)          |
| Intergovernmental Revenues   | \$                      | \$ 56                   | \$ 55             |
| Charges for Service          | \$ 1,398                | \$ 955                  | \$ (443)          |
| Fines, Forfeits, Fees        | \$ 2,225                | \$ 1,838                | \$ (388)          |
| Misc. & Transfers-In         | \$ 3,161                | \$ 2,788                | \$ (373)          |
| <b>Total</b>                 | <b>\$ 58,740</b>        | <b>\$ 58,519</b>        | <b>\$ (221)</b>   |

Table 7: County General Fund Revenues Year to Year Comparison

**COUNTY  
GENERAL FUND REVENUES**

The next slide just shows the detail showing the actual dollar amounts collected. As with the City General Fund, we are very close to the third quarter actuals for 2019 on the county side also with only a \$221,000 difference. So, just slightly below the 2019 level.

So, with that, I'll turn it over to Reginald Lindsey to talk about the expenditures.

| 2020 Budget-to-Actuals         |                     |                         |              |
|--------------------------------|---------------------|-------------------------|--------------|
| City General Fund Expenditures | 2020 Amended Budget | 2020 3rd Qtr YTD Actual | % of Budget  |
| <i>numbers in 000s</i>         |                     |                         |              |
| Personnel                      | \$ 112,421          | \$ 75,894               | 67.5%        |
| Services                       | \$ 22,151           | \$ 15,977               | 72.1%        |
| Supplies                       | \$ 5,031            | \$ 2,884                | 57.3%        |
| Grants, Claims                 | \$ 4,758            | \$ 3,443                | 72.4%        |
| Misc. & Transfers-Out          | \$ 1,325            | \$ 342                  | 25.8%        |
| Capital Outlay                 | \$ 1,414            | \$ 1,173                | 82.9%        |
| <b>Total</b>                   | <b>\$ 147,100</b>   | <b>\$ 99,713</b>        | <b>67.8%</b> |

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

| Comparison with 2019 Actuals   |                         |                         |                   |
|--------------------------------|-------------------------|-------------------------|-------------------|
| City General Fund Expenditures | 2019 3rd Qtr YTD Actual | 2020 3rd Qtr YTD Actual | Increase/Decrease |
| <i>numbers in 000s</i>         |                         |                         |                   |
| Personnel                      | \$ 80,507               | \$ 75,894               | \$ (4,613)        |
| Services                       | \$ 17,388               | \$ 15,977               | \$ (1,411)        |
| Supplies                       | \$ 3,802                | \$ 2,884                | \$ (918)          |
| Grants, Claims                 | \$ 3,375                | \$ 3,443                | \$ 68             |
| Misc. & Transfers-Out          | \$ 520                  | \$ 342                  | \$ (178)          |
| Capital Outlay                 | \$ 1,675                | \$ 1,173                | \$ (502)          |
| <b>Total</b>                   | <b>\$ 107,266</b>       | <b>\$ 99,713</b>        | <b>\$ (7,553)</b> |

Table 5: City General Fund Expenditures Year to Year Comparison

**CITY  
GENERAL FUND EXPENDITURES**

**Reginald Lindsey, Budget Manager**, said so, we have on the screen here are the 2020 expenditures for the City General Fund. We've got two different views. We have the budget comparison in the upper left corner and then in the bottom right corner, we have year-over-year actual comparisons. So, things that we're looking here for in these two charts are we want to make sure that the expenditures are no more than 75% since we are reporting on the third quarter.

As we look at the chart in the upper left-hand corner, we're kind of comparing the budget to what has actually been spent. So, we've got six different expenditure categories which are personnel, services, supplies, grants and claims, capital outlay, and miscellaneous transfers in and out. The magic thing that we're looking for is the percent of budget. We don't want to see anything that's over 75%.

So, we can see in the personnel category, which consists of salaries, pension, and overtime, that we're like 67.5%. Just kind of compare to last year, last year at this same point in time, we

were at 72% in the personnel category. Also, one of the things that we have here, one of the things you've been asking about, Commissioner Burroughs, we did have like \$4.8M in personnel expenses that was reimbursed for CARES dollars. That's about 4% of that budget. The difference between I talked about 72% last year and 67.5% this year. That's about 4%. Trying to see that did help us out there. Kind of give you in comparison last year's personnel budget was \$113M and this year it's \$112M.

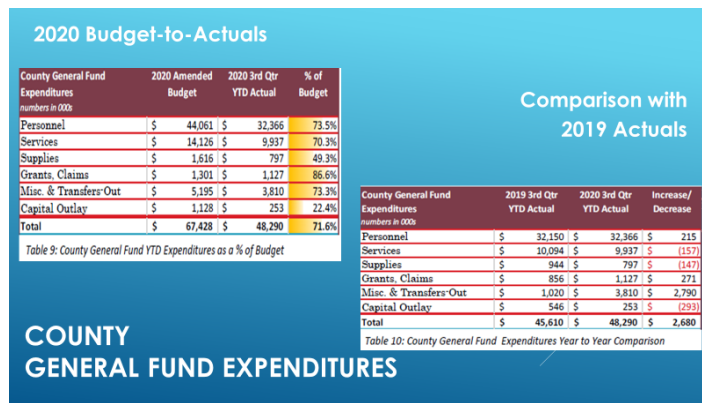
The next category is services, consists of transient, trash contract, and also city jail expenses. Last year that budget was like a \$23.5M budget and what you can see this year it's a \$22M budget. We got like 72% of that that has been spent this year. In comparison last year, we were at like 74%. We did have like \$192,000 that was reimbursed for CARES dollars.

Kind of jumping down at the bottom line, kind of see where like a 67% of just total expenditures within the City General Fund. Then, if we look at the bottom right-hand chart, we can kind of compare last year's third quarter year-to-date to this year's third quarter year-to-date and we can see we're about \$4.6M down in the personnel category. So, that's about 6% less money than we spent last year. Services were down about 8% and supplies were down about 24%. As you kind of look at the bottom line, you see overall, we're down 7% so, we're looking pretty good at this point in time. Again, we do have like some of the CARES money that was pulled out within the City General Fund.

**Chairman Burroughs** said, Reggie, if I may, the budget, while it still shows that we're down \$7.5M, we are on track if we look at our actuals. We look like we are on track to meet our 2019 actuals in the third quarter or year-to-date. I'm sorry, year-to-date. It looks like we can beat that number as we move forward because if the CARES dollars went into the personnel and other items, we may very well come to a near push. Property taxes are up, valuations are up, and sales taxes are up. So, I'm just looking—just throwing this out as how we may be seeing, or some of us may be seeing this information.

**Mr. Lindsey** said you're absolutely correct. So, we are \$7.5M down and that's \$7.5M less that we have spent in the 2020 third quarter compared to the 2019 third quarter. We definitely are tracking in the City General Fund. Right now, we're tracking about 4% below like what we set the budget at, and that's definitely lower than we came in at last year, the City General Fund.

**Chairman Burroughs** said, Reggie, please go ahead.



**Mr. Lindsey** said current slide here is the County General Fund. It's the same information. We've got two different views. One of them is showing the budget compared to actuals. That's the upper left-hand corner and the bottom right-hand corner, we're looking at year-over-year. Again, here, we're looking for expenditures to be below 75%.

So, looking at the chart in the upper left-hand corner, we can see we got the five different categories as we did on the previous slide. We can see we're in personnel, which is our largest category, we're at 73.5%. We did have \$490,000 of this reimbursement for personnel there, and that's like 1% of that particular budget. We did receive some help up there. Also, in personnel, just some of the expenses are salaries, pensions, and payouts.

Again, in services, we were trending about 70%. That's inmate, medical, and farmout. Then we can also see, kind of jump down to miscellaneous transfers out, we're like 73%. Jumping over to the chart in the bottom right-hand corner, kind of do a comparison of year-to-date for the 2020 third quarter compared to 2019. We can see that we're up about 1% there in personnel compared to last year.

Services, we're down about 2%. Supplies, we're down about 16%. But, overall, we're up about 6% compared to last year in the County General Fund.

**Chairman Burroughs** asked, questions, anyone, as we move along? Please don't hesitate to raise your hand. Staff is willing to answer any of the questions. Okay, Reginald, please.

| Tax Levy Funds                 | REVENUES<br>numbers in 000's |                   |              | EXPENDITURES<br>numbers in 000's |                   |              |
|--------------------------------|------------------------------|-------------------|--------------|----------------------------------|-------------------|--------------|
|                                | 2020 Amended                 |                   | % of Budget  | 2020 Amended                     |                   | % of Budget  |
|                                | Budget                       | YTD Actual        |              | Budget                           | YTD Actual        |              |
| City General Fund              | \$ 139,902                   | \$ 112,547        | 80.4%        | \$ 147,100                       | \$ 99,713         | 67.8%        |
| City Bond & Interest           | \$ 34,238                    | \$ 31,118         | 90.9%        | \$ 38,994                        | \$ 34,892         | 89.0%        |
| County General Fund            | \$ 63,618                    | \$ 58,519         | 92.0%        | \$ 67,428                        | \$ 48,290         | 71.6%        |
| Cons. Parks General Fund       | \$ 5,866                     | \$ 5,042          | 85.9%        | \$ 5,707                         | \$ 3,946          | 69.1%        |
| County Bond & Interest         | \$ 4,938                     | \$ 4,190          | 84.8%        | \$ 7,577                         | \$ 4,152          | 54.8%        |
| Aging                          | \$ 1,914                     | \$ 1,784          | 93.2%        | \$ 1,870                         | \$ 1,186          | 63.4%        |
| Developmental Disabilities     | \$ 371                       | \$ 354            | 95.3%        | \$ 614                           | \$ 271            | 44.1%        |
| Elections                      | \$ 1,349                     | \$ 1,304          | 96.7%        | \$ 1,611                         | \$ 1,088          | 67.5%        |
| Health                         | \$ 3,381                     | \$ 2,752          | 81.4%        | \$ 3,410                         | \$ 2,083          | 61.1%        |
| Mental Health                  | \$ 631                       | \$ 620            | 98.2%        | \$ 674                           | \$ 498            | 73.9%        |
| <b>Total UG Tax Levy Funds</b> | <b>\$ 266,208</b>            | <b>\$ 218,228</b> | <b>85.2%</b> | <b>\$ 274,985</b>                | <b>\$ 195,918</b> | <b>71.2%</b> |

**ALL UNIFIED GOVERNMENT TAX LEVY FUNDS**

**Mr. Lindsey** said the current slide is a snapshot of our seven tax levy funds outside of the City and the County General Fund. On the left-hand side of the page are the revenue financials. On the right side of the page are the expenditure financials. What we're looking for for our revenues to be over 75% and for our expenditures to be over or be below the 75%. As we can see here on revenues, most all the revenues definitely are over the 75% threshold, and over on the expenditure side, we do have one expenditure fund that is over the 75%, that is our City & Bond Interest Fund. What generally happens there is we pay some of that upfront so that's why we're at 89%. You can see all the other funds are definitely below the 75%.

| Other Funds                  | 2020 Amended      |                   |              | 2020 Amended      |                   |              |
|------------------------------|-------------------|-------------------|--------------|-------------------|-------------------|--------------|
|                              | 2020              |                   | % of Budget  | 2020              |                   | % of Budget  |
|                              | Budget            | YTD Actual        |              | Budget            | YTD Actual        |              |
| Alcohol                      | \$ 457            | \$ 311            | 68.1%        | \$ 1,070          | \$ 352            | 32.7%        |
| Clerk Technology             | \$ 45             | \$ 36             | 79.2%        | \$ 182            | \$ 16             | 11.8%        |
| Court Trustees               | \$ 415            | \$ 288            | 69.4%        | \$ 584            | \$ 283            | 48.4%        |
| Dedicated Sales Tax          | \$ 9,297          | \$ 7,795          | 83.8%        | \$ 9,549          | \$ 4,741          | 49.6%        |
| Emergency Medical Services   | \$ 10,139         | \$ 8,088          | 79.8%        | \$ 10,340         | \$ 6,633          | 63.9%        |
| Environmental Trust          | \$ 1,088          | \$ 824            | 75.8%        | \$ 1,930          | \$ 1,057          | 54.8%        |
| Jail Commissary              | \$ 55             | \$ 23             | 42.0%        | \$ 100            | \$ 14             | 13.8%        |
| Parks & Recreation           | \$ 457            | \$ 309            | 67.6%        | \$ 561            | \$ 412            | 73.4%        |
| Public Levee                 | \$ 337            | \$ 257            | 76.3%        | \$ 412            | \$ 246            | 59.7%        |
| Register of Deeds Technology | \$ 175            | \$ 145            | 83.0%        | \$ 130            | \$ 118            | 90.9%        |
| Sewer System                 | \$ 42,719         | \$ 28,071         | 65.7%        | \$ 56,484         | \$ 27,887         | 49.4%        |
| Special Assets               | \$ -              | \$ -              | -            | \$ 850            | \$ -              | 0.0%         |
| Stadium                      | \$ 548            | \$ 368            | 67.1%        | \$ 2,048          | \$ 439            | 21.4%        |
| Stormwater                   | \$ 4,110          | \$ 2,664          | 64.8%        | \$ 4,509          | \$ 2,959          | 65.6%        |
| Street & Highway             | \$ 6,565          | \$ 5,323          | 81.1%        | \$ 7,549          | \$ 4,967          | 65.8%        |
| Sunflower Hills Golf Course  | \$ 682            | \$ 646            | 93.3%        | \$ 670            | \$ 513            | 76.6%        |
| Travel & Tourism             | \$ 2,236          | \$ 1,828          | 81.8%        | \$ 6,832          | \$ 3,902          | 42.5%        |
| Treasury Technology          | \$ 45             | \$ 36             | 79.2%        | \$ 45             | \$ 11             | 24.2%        |
| Wyandotte County 911         | \$ 840            | \$ 671            | 79.6%        | \$ 1,053          | \$ 805            | 76.4%        |
| <b>Total Other Funds</b>     | <b>\$ 80,218</b>  | <b>\$ 57,680</b>  | <b>71.9%</b> | <b>\$ 104,564</b> | <b>\$ 56,363</b>  | <b>53.9%</b> |
| <b>Total Funds</b>           | <b>\$ 336,426</b> | <b>\$ 275,908</b> | <b>82.0%</b> | <b>\$ 379,539</b> | <b>\$ 252,271</b> | <b>66.5%</b> |
| County Library               | \$ 3,257          | \$ 3,236          | 99.4%        | \$ 3,366          | \$ 3,071          | 91.2%        |
| <b>Total ALL Funds</b>       | <b>\$ 339,683</b> | <b>\$ 279,144</b> | <b>82.2%</b> | <b>\$ 382,905</b> | <b>\$ 255,342</b> | <b>66.7%</b> |

**ALL OTHER & TOTAL UG FUNDS**

The current slide is a snapshot of our 19 other funds. They consist of Special Revenue Funds, the Enterprise Funds, and, again, like the previous chart, the revenues are on the left and the expenditures are on the right. If the revenues are over 75%, we're tracking well, and if the expenditures are below 75%, again, we're tracking well.

So, one of the things we have going on with the revenues on the left side of the page, we do have seven funds that have not met forecast at this point in time. The first one we have is the Alcohol Fund. One thing that can happen here is that all the revenue for the third quarter hadn't come in we reported this so there is a good chance we could recognize that number.

**November 30, 2020**

Next fund that has not met is Court Trustee Fund that's almost 70%. The one thing that happens here it could be impacted by the economy about as far as people not being able to pay into the Court Trustee Fund. Then another fund is the Sewer System, which could be impacted by a lag in payments coming in and then also could be impacted by the economy also. Then the Stadium Fund. Could have both a lag there and the impact could be part of the economy, and the same with the Stormwater Fund.

Over on the expenditure side, we do have some funds that they're not meeting the 75—that are over the 75% and that is the Emergency Medical Fund. The one thing that happens here, we do pay for things upfront as far as buying vehicles and things like that. So, that's one of the reasons that EMS could be over.

Any questions on this slide?

**Chairman Burroughs** asked, committee, questions? Seeing none, please proceed, Reginald.

**Mr. Lindsey** said I'm going to bring up another PowerPoint that kind of touches on the CARES funding a little bit more.

CARES Act  
Approved  
Plan



**Public Service Announcement**  
 Unified Government CARES Act Working Group  
 701 N. 7<sup>th</sup> Street  
 Kansas City, Kansas 66101  
Crystal Sprague, CARES Act Planning Team Manager (913) 573-8268

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**FOR IMMEDIATE RELEASE** **September 15, 2020**

**Wyandotte County's CARES Act Direct Aid & Reimbursement Plan Approved**  
More than \$9 million in direct aid will go to local organizations

The Unified Government (UG) is excited to report that the State Office of Recovery has reviewed and accepted Wyandotte County's CARES Act Reimbursement and Direct Aid submission. Notification of acceptance was provided to the UG on September 7.

The Wyandotte County Board of Commissioners approved the allocation of \$37,330,934 in CARES Act funding to combat the COVID-19 pandemic provided by the State of Kansas' Office of Recovery on August 10.

The \$37,330,934 of approved CARES Act funding was across three focus areas:

1. **Public Health** - \$12,572,604
2. **Cities/County** - \$18,458,302
3. **Education & Non-profit** - \$6,300,028

So, back in July, Mayor Alvey formed a committee that included Commissioner Markley, Commissioner Philbrook, and Commissioner Bynum and internal management from the city of Bonner Springs and Edwardsville and the Unified Government. The committee's priority was to distribute funding among taxing entities and non-profits and small businesses in Wyandotte County.

On September 7, the State Office of Recovery accepted the Unified Government's CARES Act reimbursement and direct aid submission. You can see down here that that amount that was

accepted was \$37M and it was broken out into those three pots: public health, cities & counties, and education & non-profits.

## UG CARES Reimbursement

| By Department                 | Reimbursement Amount | By Category          | Reimbursement Amount |
|-------------------------------|----------------------|----------------------|----------------------|
| Community Programs            | \$213,582            | Commodities          | \$584,829            |
| Department of Appraiser       | \$536                | Contractual Services | \$507,812            |
| Dept of Community Corrections | \$5,470              | Personnel Costs      | \$4,456,156          |
| District Attorney             | \$10,516             | <b>Grand Total</b>   | <b>\$5,548,796</b>   |
| District Courts               | \$1,336              |                      |                      |
| Emergency Management Dept     | \$14,360             |                      |                      |
| Finance Department            | \$1,576              |                      |                      |
| Fire Department               | \$2,489,169          |                      |                      |
| General Services              | \$2,909              |                      |                      |
| Health Department             | \$498,115            |                      |                      |
| Historical Museum             | \$1,900              |                      |                      |
| Human Resources Department    | \$3,786              |                      |                      |
| Municipal Court Dept          | \$3,619              |                      |                      |
| Neighborhood Resource Center  | \$17                 |                      |                      |
| Office of the Mayor/CEO       | \$12,665             |                      |                      |
| Parks & Recreation Department | \$6,955              |                      |                      |
| Police Department             | \$2,201,952          |                      |                      |
| Public Works                  | \$39,315             |                      |                      |
| Sheriff                       | \$33,455             |                      |                      |
| Transit                       | \$6,508              |                      |                      |
| Wyandotte County Coroner      | \$1,055              |                      |                      |
| <b>Grand Total</b>            | <b>\$5,548,796</b>   |                      |                      |

This current slide breaks down 21 departments within the Unified Government that were reimbursed for unbudgeted COVID expenses that would have hit certified funds. So, we kind of see the 21 funds and the total was \$5.5M. Then, off to the right, you can kind of see the different categories as far as commodities and contractual services and personnel costs. See how that money was broken out between those categories and spent in those 21 departments.

| UG CARES Direct Aid Budget | By Department                 | 2020 Direct Aid Budget |
|----------------------------|-------------------------------|------------------------|
|                            | Chief Knowledge Office        | \$1,256,008            |
|                            | Court Trustees                | \$19,711               |
|                            | Department of Administration  | \$35,094               |
|                            | Department of Appraiser       | \$6,294                |
|                            | Dept of Community Corrections | \$10,229               |
|                            | District Attorney             | \$39,213               |
|                            | District Courts               | \$102,452              |
|                            | Economic Development          | \$825,000              |
|                            | Emergency Management Dept     | \$3,396,135            |
|                            | Finance Department            | \$124,582              |
|                            | Fire Department               | \$925,482              |
|                            | Health Department             | \$10,072,716           |
|                            | Historical Museum             | \$4,397                |
|                            | Human Resources Department    | \$27,904               |
|                            | Municipal Court Dept          | \$61,311               |
|                            | Parking Control Enforcement   | \$3,657                |
|                            | Parks & Recreation Department | \$1,780,777            |
|                            | Police Department             | \$68,138               |
|                            | Public Works                  | \$578,613              |
|                            | Sheriff                       | \$44,605               |
|                            | Unified Legal Department      | \$36,333               |
|                            | <b>Grand Total</b>            | <b>\$19,418,651</b>    |

This next slide is a break down of the UG CARES direct aid budget. This is funding that was not reimbursed but money that came forward to help us improve adaptability during COVID times and provide robust public health response to the community and also direct aid for risk mitigation while we do business here at the Unified Government.

So, again, we have 21 departments. Between those 21 departments, \$19M was received.

## Direct Aid Transfers - External Organizations

### Top Three Direct Aid Transfers

| ORGANIZATION                         |    | Award Amount |
|--------------------------------------|----|--------------|
| Kansas City Kansas Community College | \$ | 900,000.00   |
| City of Bonner Springs               | \$ | 780,400.00   |
| Kansas City Kansas Public Schools    | \$ | 580,000.00   |

Total Direct Aid Transfers: \$6,547,049

Consist of 47 Organizations

Here we have direct aid transfers that went to taxing entities and non-profits within Wyandotte County. There was a total of 47 organizations that received \$6.5M. On the screen, we see the top 3 as far as a dollar amount that went out.

## Direct Aid Programs - External Organizations

### Top Three Direct Aid Programs

| Organization                           |    | Award Amount |
|----------------------------------------|----|--------------|
| United Way of Greater Kansas City      | \$ | 1,245,000.00 |
| Avenue of Life                         | \$ | 660,014.00   |
| Wyandotte Economic Development Council | \$ | 350,000.00   |

Total Direct Aid Programs: \$3,424,675.00

Consist of 20 Organizations

Also, we had Direct Aid Program that went out to 20 non-profit organizations within Wyandotte County totaling \$3.4M. That consisted of 20 organizations. On the screen we can see the top 3 out of those 20 organizations as far as dollar amount that was received.

Were there any questions about current slides I just went through?

**Chairman Burroughs** asked, committee, questions? Reggie, you're revisiting of the CARES funds, I do appreciate it. I know the main question I got was the community college receiving their \$900 and Bonner Springs and Edwardsville receiving less. I know that the initial dollars were divided by population, but I don't—the question I couldn't answer was, why the community college was able to draw down the amount of money they did versus the city of Edwardsville and Bonner Springs.

**Mr. Lindsey** said I don't know the answer to that. That's something I would have to find out for you.

**Alan Howze, Assistant County Administrator**, said the answer is that they were drawing from different pots. So, the community college was drawing from the pot that was allocated for educational institutions. The three cities so, Kansas City, KS, Bonner Springs, and Edwardsville were, as you noted, allocated by population from the amount that was set-aside specifically for local governments.

**Chairman Burroughs** said thank you, Alan. Any other questions, committee? Seeing none, Reginald, Debbie, thank you so very much for the presentation. **Mr. Lindsey** said I'm also going to turn it over to Shaya within Economic Development. She has some more information related to CARES that she wants to share tonight also. **Chairman Burroughs** said okay.



**Shaya Lockett, Program Coordinator for Economic Development**, said we wanted to come before you all this evening to give an update specifically regarding the small business and the COVID-19 assistance that they received.



We'll provide a quick funding overview. We just wanted to give a synopsis of the three different types of funding we provided to small businesses in our community. The first is our Economic Development Department grant, which is annually budgeted in our general budget. It's \$50,000.

If you all recall, we came before the Commission in March immediately following the stay at home orders and asked for revisions to our normal grant program so that we could provide COVID assistance to those businesses immediately and we were able to provide that \$50,000 awarded in April.

The second is our WYCO Loves Local Grant Program which was funded through CARES Act. That allowed us \$825,000 to issue to businesses in Wyandotte County. And the third is through our partnership with ALT-CAP. We were able to get \$266,000 in loans to businesses through PPP loans that they administered and the KC Region Relief & Recovery.

| UNIFIED GOVERNMENT SMALL BUSINESS GRANTS |              |                               |              |
|------------------------------------------|--------------|-------------------------------|--------------|
| Business                                 | Award Amount | Business                      | Award Amount |
| Dotte Barbershop                         | \$5,000      | On Demand Employment Services | \$5,000      |
| gimMee Oils, LLC                         | \$5,000      | Precise Physical Therapy      | \$5,000      |
| Jayhawk Cleaners                         | \$5,000      | The Altar, Inc.               | \$5,000      |
| Kristi's Academy of Dance                | \$5,000      | Thunderlight Work Boots       | \$5,000      |
| Marquez Boots                            | \$5,000      | Totally Unique Hair Salon     | \$5,000      |

I wanted to share with you all the businesses that received the small business grant with that initial \$50,000 that we had in March and issued in April. These are the ten businesses that were able to receive \$5,000 grants at that time.

| WYCO LOVES LOCAL APPLICATION PROCESS                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                                       |  |
|--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|--|
| <ul style="list-style-type: none"> <li>• \$825K in CARES funding approved September 15<sup>th</sup></li> <li>• Staff created an online application               <ul style="list-style-type: none"> <li>• Grants can be used to reimburse for revenue loss or COVID related expenses.</li> <li>• Businesses with 25 or fewer employees are eligible for \$10,000</li> <li>• Businesses with more than 25 employees are eligible for \$20,000</li> </ul> </li> <li>• Applications opened September 17<sup>th</sup></li> <li>• Applications were closed on October 7<sup>th</sup></li> </ul> |  |

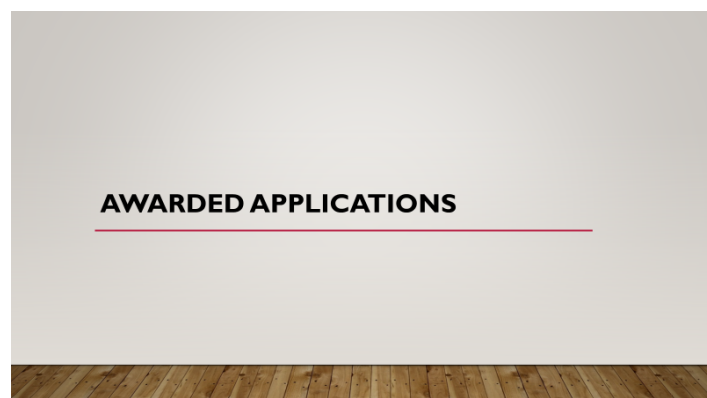
So, the WYCO Loves Local application was created through the CARES Act Fund. We got official notification that we were approved for the \$825,000 to be spent on September 15. That's the approval from the state. Prior to that time, our staff worked on creating an application, an online application, that allowed grants to be used to reimburse for revenue loss and/or COVID

related expenses. The perimeters that were set were businesses with 25 or fewer employees were eligible for \$10,000, and businesses with more than 25 employees were eligible for \$20,000. We opened our applications on September 17. This was done via press release as well as using social media and we rely heavily on our business resource partners to share this information with the businesses that they work closely with.

On October 7, we closed our application after receiving an influx of applications and knowing the limited amount of funds that we had received, we had already received enough applications that we knew we had far exceeded the amount of money we were able to distribute.

| REVIEW AND SCORING                                                                              |                                                                         |       |        |
|-------------------------------------------------------------------------------------------------|-------------------------------------------------------------------------|-------|--------|
|                                                                                                 | Answers                                                                 | Score | Weight |
| How much revenue has been lost from March 1- September 1 compared to the same period last year? | 0-10%                                                                   | 10    | 25%    |
|                                                                                                 | 11-25%                                                                  | 20    |        |
|                                                                                                 | Greater than 25%                                                        | 30    |        |
|                                                                                                 | Business was not open for this period last year                         | 0     |        |
|                                                                                                 |                                                                         | 0     |        |
| How many employees does your business have?                                                     | 10                                                                      | 30    | 15%    |
|                                                                                                 | 25                                                                      | 20    |        |
|                                                                                                 | 500                                                                     | 10    |        |
|                                                                                                 | 500 over disqualified                                                   |       |        |
| Was your business forced to close due to stay at home order?                                    | Yes we were required to close due to stay at home order                 | 30    | 30%    |
|                                                                                                 | We were not required to close but chose to close as a health precaution | 20    |        |
|                                                                                                 | No, we remained open during the stay at home order                      | 10    |        |
|                                                                                                 |                                                                         |       |        |
| Are you able to provide documentation currently or in the future for the use of funds?          | a. Yes, I can attach receipts to this application                       | 30    | 15%    |
|                                                                                                 | b. Yes, I can provide receipts in the future.                           | 20    |        |
|                                                                                                 | c. No, I will not be able to provide documentation                      | 0     |        |
|                                                                                                 |                                                                         |       |        |
| Has your business received any other COVID-19 related assistance?                               | Yes                                                                     | 10    | 15%    |
|                                                                                                 | NO                                                                      | 30    |        |

Just to give an overview on how these applications were reviewed and scored, we really wanted to focus on making sure we helped the businesses that were forced to close due to the stay at home orders and that had experience a significant revenue loss. Another key factor is those businesses, on a national and local level, a lot of our smaller businesses had a difficult time obtaining federal dollars through the PPP Program as well as other loans that were available to small—to what's determined a small business on a federal level. So, we wanted to make sure that these funds were available for them as well.



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| Business Name                                 | Award Amount | Business Name                                            | Award Amount |
|-----------------------------------------------|--------------|----------------------------------------------------------|--------------|
| Ms R's Café                                   | \$8,244.00   | Fireman Transport                                        | \$10,000     |
| KADG Performing Arts                          | \$5,000      | Kansas City Catering, Inc.                               | \$10,000     |
| Simmons Lawn Company                          | \$8,715      | Club 403 Enterprises LLC                                 | \$10,000     |
| Marquez Boots                                 | \$5,000      | Ms. Lyndas Dance & Acrobats                              | \$10,000     |
| Jalisco Auto Sales                            | \$10,000     | MeMa's Bakery                                            | \$10,000     |
| gimMee Oils, LLC                              | \$5,000      | Shree Madhava Management Inc                             | \$10,000     |
| Si se puede Auto Sales                        | \$10,000     | El Taquito Tortilleria                                   | \$10,000     |
| Excel Lighting & Sign                         | \$10,000     | Club Sparks                                              | \$10,000     |
| Display Studios, Inc                          | \$10,000     | Karen's Country Kitchen                                  | \$10,000     |
| Steven D. Pendleton DDS PA                    | \$10,000     | El Tenedor K.C. LLC                                      | \$10,000     |
| S&W Sports Enterprises LLC DBA Varsity Sports | \$10,000     | Borberg Pizzeria Inc. DBA Chiusano's Brick Oven Pizzeria | \$10,000     |
| New West Presentations, Inc.                  | \$10,000     | Gina's Braiding Lounge                                   | \$10,000     |
| Flores Ruiz Porraz, LLC                       | \$10,000     | J. Oliver Construction LLC                               | \$10,000     |
| MK Hair & Nail                                | \$10,000     | Teresa's Hair Salon                                      | \$10,000     |
| Beautiful Outdoors                            | \$20,000     | Exploring Minds Academy                                  | \$10,000     |
| Byrd's Dance and Gymnastics                   | \$10,000     | Project Central, LLC                                     | \$6,983      |

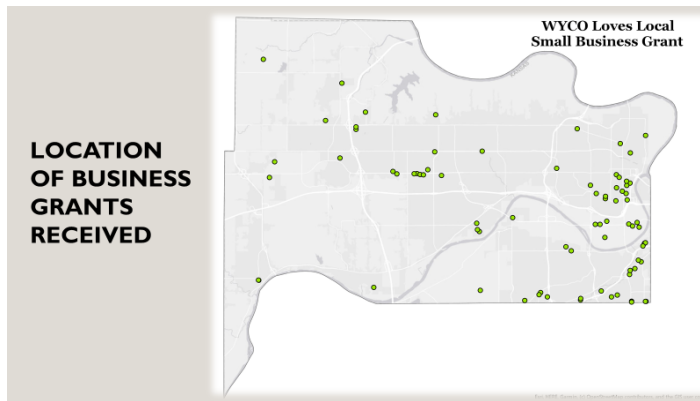
On the next few slides, you will see a list of the 85 businesses that were awarded grant funds.

| Business Name                                         | Award Amount | Business Name                   | Award Amount |
|-------------------------------------------------------|--------------|---------------------------------|--------------|
| Beautiful Beginnings Early Childhood Education Center | \$10,000     | Cano's Barbershop               | \$9,690      |
| Voler Thieves of Flight                               | \$10,000     | John's Java & Jazz              | \$10,000     |
| Rosie's Dance Academy                                 | \$6,897      | Infusion Designs                | \$10,000     |
| Kansas City Testing and Engineering                   | \$20,000     | HT's Barber and Beauty Salon    | \$6,100      |
| Backstage Barbershop, Inc                             | \$10,000     | Seal of Fun Daycare             | \$8,000      |
| Avenues Classics LLC                                  | \$10,000     | Coreslab Structures Kansas, Inc | \$10,000     |
| Turner Dental Group                                   | \$10,000     | L & B Breit Inc                 | \$10,000     |
| Amazing Smiles of Kansas City, LLC                    | \$10,000     | Vada's Little Lamb              | \$10,000     |
| Wise Writers and Speakers                             | \$10,000     | Rental City, Inc.               | \$10,000     |
| ThermaRoll Leaf, Inc                                  | \$10,000     | Elevate Bar and Grill           | \$10,000     |
| KC Bowl, Inc                                          | \$20,000     | Sportsman Barbershop            | \$10,000     |
| Free Parking, LLC                                     | \$10,000     | Colonial Club LLC               | \$10,000     |
| Eds Trophies & Awards                                 | \$10,000     | The McLaughlin Law Firm         | \$2,100      |
| Schultz Bros. Electric Co., Inc.                      | \$10,000     | LED Direct LLC                  | \$10,000     |
| EvapTech, Inc.                                        | \$20,000     | Hydeman Company                 | \$10,000     |
| Keyimpact Studios                                     | \$10,000     | Avis Rental Car KC, LLC         | \$10,000     |

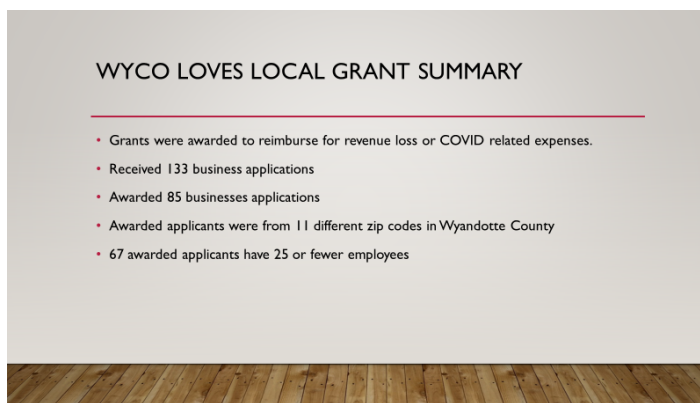
We have a wide range of businesses from everything from restaurants to daycares, dance studios, entertainment venues,

| Business Name                            | Award Amount | Business Name                        | Award Amount |
|------------------------------------------|--------------|--------------------------------------|--------------|
| Quality Litho, Inc.                      | \$5,000      | Gunter Construction Company          | \$10,000     |
| Empire Candle Co., LLC                   | \$10,000     | Plastic Packaging Technologies, LLC  | \$10,000     |
| CAPO Group LLC dba Image 360             | \$10,000     | PMC, Inc. dba KC Scaffold            | \$10,000     |
| MJ Design and Parts LLC                  | \$10,000     | Best Harvest Bakeries                | \$10,000     |
| Smallwood Lock Supply, Inc               | \$1,925      | Contable Inc                         | \$5,000      |
| D Rocky Holdings, Inc dba Eagle Products | \$10,000     | KS Granite House, LLC                | \$6,838      |
| RampUp Labor LLC                         | \$10,000     | Missouri Door Company                | \$10,000     |
| Joe's Kansas City Bar-B-Que, Inc         | \$10,000     | Design Mechanical, Inc.              | \$10,000     |
| SureShow, Inc.                           | \$5,000      | Italian Delight of Kansas City, Inc. | \$10,000     |
| Delaware Highlands Assisted Living, LLC  | \$10,000     | AirFixture, LLC                      | \$10,000     |
|                                          |              | Southern Care Daycare                | \$2,400      |

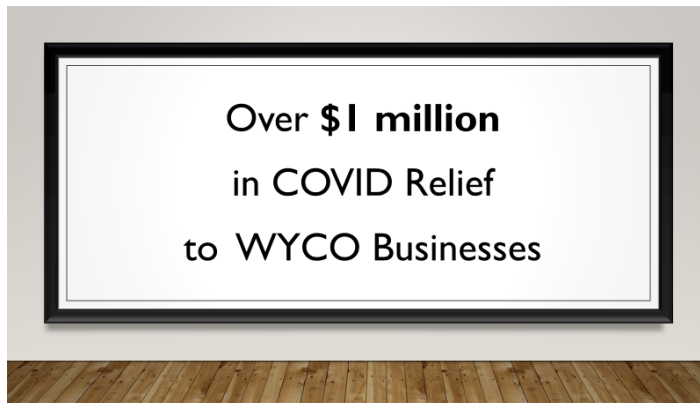
and a variety of industries were represented through this loan program.



Our next slide shows you the distribution and the location of where these businesses were located in our community. It was all of Wyandotte County. There were businesses in Bonner and Edwardsville that received the grant funds as well. This is just the highlight, the locations of the businesses that did receive the funds.



To summarize, the grants were awarded to reimburse for revenue loss and/or COVID related expenses. We received 133 applications and awarded 85 of those applications. They were from 11 different zip codes in Wyandotte County and 67 of those awarded applicants have 25 or fewer employees, which goes back to that population that we were really trying to target, those that had a more difficult time receiving the funds through other channels.



One of the things that we were most excited about is that through these programs that we implemented through Economic Development as well as our partnership with ALT-CAP, we were able to provide over \$1M in COVID relief for Wyandotte County businesses. We understand that there's still a huge need for funding and we've tried, and continue to try, to stretch the fundings that we have available as best as possible, but I will say that we do feel very confident if more funding becomes available, we have created a system that will allow us to streamline the process and get the funds to the businesses that may be in need in an expedited manner.



Before I conclude, I just want to say thank you to the Economic Development Department CARES Act team, Purchasing, Accounting Department, and all of our business resource partners and staff who assisted through this process. As we all know, this isn't what we expected this year, but together, we were able to have a huge impact on the businesses in our community and have helped some of them keep their doors open.

**Chairman Burroughs** said, Shaya, thank you. I think that information is extremely important to be shared. I wish there was a way we could get it out to the community as a whole so that those businesses, small businesses, know that they have an attentive government under these most trying of times that is there to assist.

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Shaya, might I ask, do we know the amount of money. There were 87 grants approved. Do we know the amount of dollars needed to have fully funded the entire 130 some requests? **Ms. Lockett** said I don't know it. It's \$1.5. It's around \$1.5M, but I don't know the exact number. **Chairman Burroughs** said great. Thank you. With the minimal amount of dollars that we had available; it looks like we were quite efficient in getting them out. So, I really appreciate you sharing that information.

**Chairman Burroughs** asked, committee, are there any questions for any of our three presenters this evening? I don't see any hands at this particular time. Let me make sure. I see no hands. This was for information only. There's no action necessary.

**Action:** For information only.

**Item No. 8 – 20527...PRESENTATION: THIRD QUARTER BUDGET REVISIONS GREATER THAN \$10K**

**Synopsis:** Presentation on the Third Quarter budget revisions greater than \$10K, submitted by Reginald Lindsey, Budget Manager.

**Reginald Lindsey, Budget Director**, said when departments request to shift funds greater than \$10,000 or have money added to their budget for contingencies, a request is sent to the County Administrator's Office. This last quarter, we had three different budget revisions, one from Parks & Rec for athletic field improvements, then we also had one from the Sheriff's Department for clothing purchases, and also, we had one within Transit, dispatch software. So, all these budget revisions were done within the departments and the total for all of them was \$101,000.

**Chairman Burroughs** asked, do we know which items—Reginald, you didn't have a slide. Which item was the most over the 10? **Mr. Lindsey** said athletic fields for Parks & Rec was \$50,000. **Chairman Burroughs** said thank you for that.

**Chairman Burroughs** asked, questions, committee? This is something that we had requested earlier on when I became your chairman. I wanted to ensure that this information continues to get shared. If we have no questions, there's no action necessary. This is not an action item.

**Action:** For information only.

**Item No. 9 – 20528...PRESENTATION: FOURTH QUARTER BUDGET REVISIONS GREATER THAN \$50K**

**Synopsis:** Presentation on the Fourth Quarter budget revisions greater than \$50K, submitted by Reginald Lindsey, Budget Manager.

**Reginald Lindsey, Budget Director**, said one of the things that we have within our budget policy is that if we have a budget revision over \$50,000 that is done for emergency purposes or just to sustain operations within the Unified Government, is approved by our County Administrator and Mayor Alvey, it needs to come to the next standing committee. So, we have two of those that have happened within the fourth quarter. One was within Public Works in the sewer system, and one was within the Police Department. They're both a total \$315,000.

**Chairman Burroughs** asked, any questions, committee? Clerk, have we had any public comment or questions related to the last two items? **Ms. Godsil** said, no, sir. No comments received. **Chairman Burroughs** asked, committee, any other questions, comments? (There were none.) Reggie, I want to thank, again, for your presentation, the overview.

**Action:** For information only.

**Chairman Burroughs** said that is all I have on my agenda for this evening. You've all been very attentive. I sincerely appreciate that. I know our constituents appreciate it very much. With that, that concludes our meeting for the... **BPU Board Member Bryant** said, Commissioner Burroughs, Commissioner Townsend had her hand up. **Chairman Burroughs** said I'm sorry. I didn't see it. I still don't see it.

**Commissioner Townsend** said just one quick question. On the system sewer enterprise, Kaw Point Plant remodel. Was this not a budgeted item or we're saying we went so over the amount? The amount revised was \$255,000? **Mr. Lindsey** said yes. So, the amount actually is expenses being reclassified. They were moving to another object code. It was being done out of the operating budget by the department. We thought we needed to reclass it to actual capital dollars. So, they had

the funding for it. They did not go over cost. It's just we're reclassifying the expense from. **Commissioner Townsend** said okay. Thank you.

**Chairman Burroughs** said if I may, Reggie, if you could relate this back to the CARES committee, the CARES Act money, the question I had earlier in reference to Bonner Springs and Edwardsville share of the CARES Act versus the community college, is there—it may be a benefit to, again, restate why those dollars were the way they were. I think it's important that our local government partners understand why that formula was established the way it was. There have been questions raised in reference to myself a number of times and I just want to ensure that they have all the pertinent information necessary.

**Mr. Lindsey** said I may ask Alan. He did have a nice comment when he came on before. Alan, could you speak to that please?

**Mr. Howze** said, Commissioner, are you asking if we provide that as kind of a refresher back to our local government partners as to the allocation, how the funds were allocated and the amounts for those various buckets? **Chairman Burroughs** said yes, particularly dealing with the community college, Alan, as well as, I think, part of the information, I think, would be pertinent too is how much money we went into the small businesses throughout the community too. I think it's just important that our other elected officials that are partnering cities within the county have that refresher information so they can once again be able to communicate that to their constituents.

**Mr. Howze** said we can certainly do that. **Chairman Burroughs** said thank you. I would appreciate that very much.

**Chairman Burroughs** said, again, I'll ask, any more comments or questions? Seeing none, meeting adjourned.

Public Agenda:

No items

Adjourn

**Chairman Burroughs** adjourned the meeting at 8:02 p.m.

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