



Economic Development and Finance
Standing Committee Meeting Agenda
Monday, August 9, 2021
Immediately upon adjournment of earlier
committee

Location:

You are invited to a Zoom webinar.

When: Aug 9, 2021 05:00 PM Central Time (US and Canada)

Topic: NCD/EDF Standing Committee Meetings

Please click the link below to join the webinar:

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Name

Absent

Commissioner Tom Burroughs, Chair

☐

Commissioner Brian McKiernan

☐

Commissioner Gayle E. Townsend

☐

Commissioner Harold Johnson

☐

Commissioner James Walters

☐

Jeff Bryant, BPU Member

☐

I. Call to Order/Roll Call

II. Revisions to August 9, 2021 Agenda.

III. Approval of standing committee minutes from January 4, 2021 (corrected) and March 1, 2021.

IV. Committee Agenda

Item No. 1 - REVIEW: OTHER POST-EMPLOYMENT BENEFITS (OPEB) TRUST

Synopsis: Review of the Unified Government's Other Post-Employment Benefits (OPEB)

retiree healthcare benefits liability, its impact on the financial statements, and how formation of an OPEB Trust will reduce the unfunded long-term liability, presented by Kathleen VonAchen, Chief Financial Officer, and Renee Ramirez, Human Resources Director.

Information provided for Commission review with a presentation to follow next month.

Tracking #: 21895

Item No. 2 - RESOLUTION: ELIGIBLE FINANCIAL INSTITUTIONS AND DESIGNATING AUTHORITY

Synopsis: A resolution designating Unified Government (UG) depositories and eligible institutions for purposes of receiving UG funds for investment and receiving requests for bids for investment of its idle funds, submitted by Rick Mikesic, Director of Revenue/County Treasurer; and Andrea Parra, Deputy County Treasurer.

Tracking #: 21963

Item No. 3 - PRESENTATION: SECOND QUARTER 2021 CASH AND INVESTMENTS REPORT

Synopsis: Second Quarter 2021 Cash Investment Report, submitted by Rick Mikesic, Director of Revenue/County Treasurer; and Andrea Parra, Deputy County Treasurer.

For information only.

Tracking #: 21962

Item No. 4 - REQUEST: SBA COMMUNITY NAVIGATORS GRANT PARTNERSHIP WITH KCMO

Synopsis: The Economic Development and Procurement Department are interested in exploring the possibility of participating as a consultant to the City of Kanas City, MO, in the SBA Community Navigator Pilot Program entitled "City of Entrepreneurs Navigator," submitted by Shaya Lockett, Program Coordinator of Economic Development; Katherine Carttar, Director of Economic Development; and Sharon Reed, Director of Procurement & Contract Compliance.

Tracking #: 21966

Item No. 5 - RESOLUTION: SETTING A PUBLIC HEARING DATE TO CONSIDER ADVISIBILITY OF CREATING THE LEGENDS HOTEL CID

Synopsis: A resolution setting a public hearing date of September 16, 2021, to consider the advisability of creating the Legends Hotel CID, submitted by Katherine Carttar, Director of Economic Development; and Patrick Waters, Deputy Chief Counsel.

Tracking #: 21965

Item No. 6 - RESOLUTION: 4TH AMENDMENT TO THE DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT

Synopsis: A resolution adopting the 4th amendment to the Downtown Campus Development

Agreement which better defines some requirements, reduces the square footage of the Reardon Center, prioritizes the distribution of CID proceeds, and extends the drop dead date, submitted by Katherine Carttar, Director of Economic Development.

Tracking #: 21970

Item No. 7 - RESOLUTION: THE 4TH AMENDMENT TO THE KC FOODIE PARK DEVELOPMENT AGREEMENT

Synopsis: A resolution approving the 4th amendment to KC Foodie Park Development Agreement to primarily extend planning and construction deadlines, submitted by Katherine Carttar, Director of Economic Development.

Tracking #: 21971

Item No. 8 - REVIEW: 2020 YEAR-END FUND BALANCES

Synopsis: Review of 2020 Year-End Fund Balances and Target Minimum Reserves, presented by Kathleen VonAchen, Chief Financial Officer.

For information only.

Tracking #: 21964

V. Public Agenda

VI. Adjourn

**ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES (CORRECTED)
Monday, January 4, 2021**

The meeting of the Economic Development and Finance Standing Committee was held on Monday, January 4, 2021, at 6:32 p.m., remotely via Zoom and on-site. 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: Melissa Sieben, Emerick Cross and Alan Howze, Assistant County Administrators; Misty Brown, Acting Chief Counsel; Alley Porter, Commission Liaison; Lynn Melton, Assistant to the Mayor's Office; Jud Knapp, Interim Land Bank Manager; Katherine Carttar, Director of Economic Development; Angie Lawson, Deputy Chief Counsel; Wendy Green, Assistant Counsel; Debbie Jonscher, Deputy Chief Financial Officer; Rick Mikesic, Director of Revenue/County Treasurer; Shaya Lockett, Program Coordinator for Economic Development; Stephanie Moore, Management Analyst for Economic Development; Carol Godsil, Deputy Clerk; and Allie Facio, UG Clerk'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 they are 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 a current guidance from the Kansas Attorney General.

Due to COVID-19 requirements, in person public comments have 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 all members were present as shown above.

Chairman Burroughs said we do have one revision this evening to our agenda. Item No. 8 has been added, which is a resolution adopting the second amendment to the Downtown Campus Development Agreement.

Approval of Standing Committee minutes from September 28, 2020. **On motion of BPU Board Member Bryant, seconded by Commissioner Johnson, the minutes were approved.** Roll call was taken and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

Committee Agenda:

Item No. 1 – 20634...RESOLUTION: SECOND AMENDMENT TO MULTI-SPORT STADIUM SPECIFIC VENTURE AGREEMENT

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

Deborah Jonscher, Deputy Chief Financial Officer, said this is the second amendment to the multi-sport stadium agreement. I have a short presentation.



As I said, this is the second amendment to the Multi-Sport Stadium Specific Venture Agreement. This is the Sporting KC ticket tax. The second amendment will increase the ticket tax on Sporting KC tickets from the current rate of \$2.25 to \$3.50.

Multi-Sport Stadium Specific Venture Agreement

- **2010**
 - The Unified Government and Kansas Unified Developer LLC, entered into the Multi-Sport Stadium Specific Venture Agreement (SVA)
 - Ticket Tax set at \$1.00
- **2011**
 - CID (0.1%)
 - TDD (0.9%)
- **2015**
 - First Amendment to the SVA
 - Ticket Tax increased to \$2.25
- **2021 (recommendation)**
 - Second Amendment to the SVA
 - Ticket Tax set at \$3.50

Just wanted to give a little bit of history here on what's been done in the past. In 2010, the Unified Government entered into the agreement. At that time, the ticket tax was set at \$1.00. In 2011, there was also a community improvement district created at .1% and a transportation development district at .9%. In 2015, we had the first amendment to the agreement, and that amendment increased the ticket tax from \$1.00 to \$2.25. Now we have in 2021, we have a recommendation for the second amendment that would increase the ticket tax to \$3.50.

Revenue Collections 2011-2020			
Year	Revenue	Expenses	Balance
2010	\$ -	\$ 117,000	\$ (117,000)
2011	\$ 459,667	\$ 795,049	\$ (452,383)
2012	\$ 594,807	\$ 1,083,675	\$ (941,251)
2013	\$ 606,481	\$ 1,083,475	\$ (1,418,244)
2014	\$ 619,311	\$ 1,083,175	\$ (1,882,109)
2015	\$ 651,703	\$ 1,081,425	\$ (2,311,830)
2016	\$ 941,621	\$ 1,110,056	\$ (2,480,265)
2017	\$ 963,919	\$ 1,110,794	\$ (2,458,705)
2018	\$ 979,457	\$ 1,109,731	\$ (2,588,979)
2019	\$ 834,619	\$ 1,112,531	\$ (2,866,891)
2020	\$ -	\$ 623,506	\$ (3,490,397)

2019 Revenues: (\$834k)

- CID (0.1%) \$12,763
- TDD (0.9%) \$117,881
- Ticket Tax (Currently \$2.25) \$703,975

2019 Expenses: (\$1.1M)

- Debt Annual Parking Lease (\$350,000/year)
 - CPI Increase for 2021
- Amortization of Debt (\$750,000/year)
 - Refinanced in 2020

Deficit to be collected over the remaining life of the bonds. (Maturity in 2031)

We put together a little graph just showing kind of where we are right now showing the revenues that we have collected from 2010 to 2020. Along this, the expenses that we have. Over off on the right-hand side, I've listed out, for instance, the 2019 revenues, we collected \$834,000. That's

broken down to just under \$13,000 for the community improvement district tax, \$117,000 for the TDD, and the ticket tax collected was \$703,000.

The expenses that this revenue goes to cover are debt expenses related to the parking improvements for Sporting. It covers the annual parking lease, which is currently \$351,000. It adjusts every five years for a CPI, and there is a CPI increase set for 2021. We haven't determined that rate yet, but we will probably be doing that here in the next couple of weeks. Then, the amortization of the debt that was issued for the improvements on the parking lot. They've been currently at about \$750,000 per year. We did refinance this issue in 2020, that did lower, as you can see on this graph or on this table, the expenses have been, since 2012, have been around \$1 million to \$1.1 million per year. You see that in 2020, the payment dropped to \$623,000 and that is directly related to the refinancing. 2020 and 2021, the payments dropped to around \$600,000, and then in 2022, they do pick back up closer to \$1 million. But as you can see, as of the end of 2020, we are at about just under \$3.5 million in a deficit for collections, revenue collections, to cover the debts.

So, we are proposing that we increase the ticket tax by \$1.25. Based on our projections, that deficit would be collected over the remaining life of the bonds. The bonds are set to mature in 2031, and our projection is that deficit would be made up by the time the bonds are paid off.

Commission Action

- Approve resolution

RESOLUTION NO. R____-21

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

WHEREAS, the Unified Government and Kansas Unified Developer, LLC ("Developer") previously entered into the Multi-Sport Stadium Specific Venture Agreement, dated January 18, 2019 (the "SVA"), and

WHEREAS, on April 8, 2021 the Parties entered into that certain First Amendment to Multi-Sport Stadium Specific Venture Agreement (the "First Amendment to SVA");

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

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

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

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

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

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

ATTEST:

Unified Government Clerk

(Seal)

So, there is Commission action for tonight, and it's to approve the resolution. I did just want to note, we have had conversations in 2020 with officials from Sporting, and they are in agreement and have signed off on the increase. Any questions?

January 4, 2021

Chairman Burroughs asked, does any of the members of the committee have any questions? I'll ask the Clerk if any comments were received from the public. **Ms. Godsil** said no public comments were received.

Chairman Burroughs said, Debbie, one question I might have. That's a ten-year cycle to retire the deficit with the new increase to \$3.50 at this time, correct? **Ms. Jonscher** said that's correct. That takes us to the end of the current maturity on the bonds.

Chairman Burroughs said having no questions, does any member have any other comments? Seeing none, I'd entertain a motion. This is an action item.

Bridgette Cobbins, Interim Assistant County Administrator, said it looks like Gayle Townsend has her hand up, sir. **Chairman Burroughs** said I'm sorry, I didn't see that. Let me pull that part of my screen up. I apologize, Commissioner Townsend.

Commissioner Townsend said I just have one question for clarification. I went through this. The language appeared to me to state that, I guess several years ago we anticipated an increase. So, from what I'm hearing Ms. Jonscher say tonight, if we make the increase sought tonight, that should be sufficient for the rest of the life of this bond? **Ms. Jonscher** said that is correct, based on our projections that we've done. However, if there are — I know we're not receiving — we are going to be receiving a payment from Sporting in 2020, but it's only about 10%, I think, of what we received in 2019, and obviously that was due to a shortened season and restrictions on the seating capacity. If that continues into the future, that could affect our projections, but as of right now, we're projecting that if we return to normal in 2021, we would collect enough by the time the bonds pay off to cover all of the expenses. We do plan to monitor it over the next several years to see how our projections are performing.

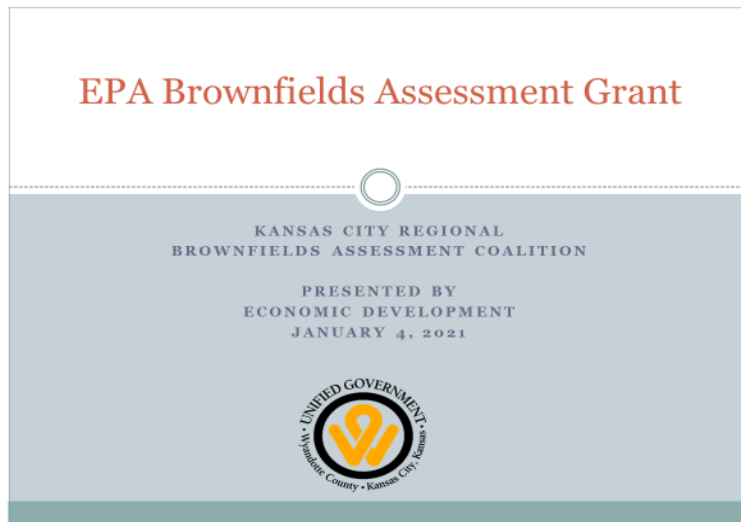
Commissioner Townsend said okay. Hopefully, this will take care of the debt but it will still continue to be monitored. **Ms. Jonscher** said right.

Chairman Burroughs asked, any other questions from committee? I don't see any other hands at this time. I'd entertain a motion.

Action: Commissioner Walters made a motion, seconded by Commissioner Townsend, to approve. Roll call was taken and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

ITEM No. 2 – 20636...RESOLUTION: BROWNFIELDS COALITION GRANT

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



Stephanie Moore, Management Analyst for Economic Development, said this is the Brownfields presentation. In your packet, you would have received the MOA that we’re going to talk about with the resolution to approve this.

Kansas City Regional Brownfield Assessment Coalition Members

- Mid-America Regional Council (*Lead Member*)
- City of Kansas City, Missouri
- Jackson County, Missouri
- Unified Government of Wyandotte County/KCKS

So, the coalition has four coalition members: Mid-America Regional Council is the lead member, they're our fiscal agent, and then the city of Kansas City, Missouri, Jackson County, and the Unified Government.

What is a Brownfield?

- Property, expansion, redevelopment or reuse of which may be complicated by the presence or potential presence of a hazardous substance, pollutant, or contaminant.

So, Jud kind of talked about a Brownfield in his previous one. Basically, that's any property that may have or the presence of potential hazardous materials like drums on the site or maybe underground storage tanks.

Why assess a Brownfield?

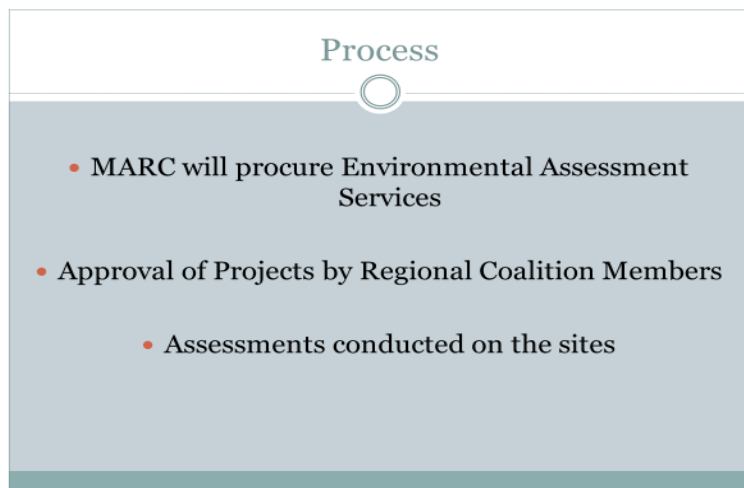
- Testing to determine if hazardous substances, materials, pollutants or contaminants are present on or within a property.

This grant is to assess and do those assessments to find out and confirm or deny if there are pollutants on this site.

Award

- May 2020: EPA awarded \$600,000 to MARC for implementation of the Brownfield Coalition Assessment grant
- At least \$400,000 of the grant funds will be used to conduct environmental assessments on at least 10 properties during the three-year grant
- Equally divided between the four regional members for coalition approved projects

So, the award we got, you may remember back, I think, in June, we had a big press conference. We applied for this almost a year ago, no, it's been December of last year when we applied, and we were successful. Our award is \$600,000. Now, we don't get all of that. Some of that money will go to the admin of Mid-America Regional Council, get some of that as our fiscal agent, and then \$400,000 of that will be used on at least ten sites throughout the three-year grant period. Then, we'll get those equally divided between the coalition members.



So, here's a little bit of the process. Mid-America Regional Council, they'll do the procurement, they'll also do the reporting to the EPA. Then, those four coalition members approve the projects, and then assessments would be done and conducted on the sites.



This is how a site — we already have three priority sites already approved in the grant. If we wanted to apply for additional sites, this is the process here. So, we would get at least two more, possibly three, if the coalition approves that, and the EPA would have to approve what site we're looking at. Each site is capped at \$100,000. That would be a majority vote from the coalition members, and they post those public meetings with public comments.



Then, one of our — the priority site we put in the grant is 1726 Quindaro for that northeast co-op grocery store. It used to be a hardware store. So, we want to make sure that is safe for the community.



So, what I would need tonight is your guys' approval to move this on to the full Commission on the 28th, and then the Mayor would sign that memorandum of agreement. You have any questions? **Chairman Burroughs** asked, committee, any questions?

Commissioner Townsend said, Ms. Moore, a question. The priority sites, there were three mentioned, one of which happens to be in my district. According to the material I've read, \$100,000 is the maximum to be spent on these three sites, is that correct? **Ms. Moore** said no, ma'am. It'd be \$100,000 per site. It would be capped at that. Not everybody's going to get that

kind of money and not every site will need that. The grant just won't work for that, so we would keep tabs on our budget. They're capped at that so that each project can get a little bit of funding. You would see these other sites. In Grandview there's a site and I believe in Kansas City, Missouri, they listed out their locations.

Commissioner Townsend said right, maybe that's the wrong question. \$100,000, would that be the uppermost limit? Would the Brownfield inquiry into 1726 Quindaro be the uppermost limit to that? **Ms. Moore** said it doesn't appear that we're going to need that type of money because it was not — there's no drums on the site with materials in it, no gasoline or anything, underground storage tanks. So, this one should be a rather, I wouldn't say easy, because nothing's easy in Brownfields, but it should not be that upper limit of cost.

Commissioner Townsend said okay, but that is the upper limit for these properties, correct? **Ms. Moore** said that is the max across the board. All the projects are capped at that \$100,000. **Commissioner Townsend** said okay.

The next thing, is there any other entity that will have to make application for the Quindaro site or these other two? These three are going to be investigated without any further action by any other organization, is that correct? **Ms. Moore** said yeah, we're already partnering with the owner with Project Valley and Pride and Northeast Energy. They're already part of our partners currently before we even applied for the grant.

Commissioner Townsend said I just wanted to make sure in my mind that there was no other application process for the persons who are intimately involved in that site. Thank you.

Chairman Burroughs said I see no other hands raised, so I'll ask the Clerk, are there comments from the public? **Ms. Godsil** said no public comments were received. **Chairman Burroughs** said with that, this is an action item. I would entertain a motion.

Action: **Commissioner Walters made a motion, seconded by Commissioner Townsend, to approve.** Roll call was taken and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

ITEM No. 3 – 20637...RESOLUTION: KCKCC STUDENT HOUSING PROJECT IRBs

Synopsis: Intent to issue industrial revenue bonds in the amount not to exceed \$20,000,000 to finance the costs of acquiring, constructing, improving, and equipping a student housing facility for the benefit of the Kansas City Kansas Community College Foundation, submitted by Katherine Carttar, Director of Economic Development. (sales tax exemption only)

Economic Development & Finance
Committee

January 4, 2021

Item 3:
Resolution

A resolution of intent to issue
Industrial Revenue Bonds in an
amount not to exceed \$20 million for
the KCKCC student housing project
(Sales tax exemption ONLY)

Katherine Carttar, Director of Economic Development, said this is a resolution of intent that you all are voting on tonight for industrial revenue bonds in the amount not to exceed \$20 million for the Kansas City Kansas Community College Student Housing Project.

KCKCC Student Housing Project

- Student Housing Facility on the KCKCC main campus
 - Approximately 100,000 square feet
 - 260 bedrooms
- Construction Costs \$20,000,000
- Facility to open to students in August 2022
- Project will be funded by student housing system revenue bonds of KCKCC
- IRBs will be used for sales tax exemption only

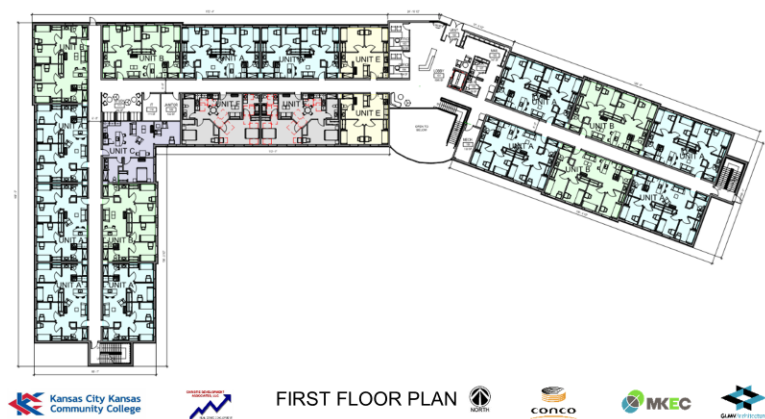
This is for sales tax exemption only. So, just a little bit about the project. This is a student housing facility on their main campus. They went through an RFP process over the last year to determine the builder and how the financing and all of that would work. They're looking at approximately 100,000 square feet with 260 units. The construction cost is just right around \$20 million. They're anticipating that the facility will open to students in August of 2022. This project will be funded by student housing system & revenue bonds, that KCK Community College are providing. As I mentioned, this will not be a property tax abatement; this will be solely a sales tax exemption.



So, going through a few of the pictures just to give you an idea of what this looks like. Also, Michael Beach, the CFO of the community college, is on the line if you have additional questions. I can give a very cursory review of some nice pictures so you know kind of what they're planning.



Here you can see the location on their campus. They are planning to have quite a lot of amenities, so this will be kind of more than your normal student housing. As you can see, they have a lovely patio, firepits, hammock groves, basketball courts, and amphitheater, etc. It should be really very lovely.



Here's kind of a floor plan.



January 4, 2021



WEST ELEVATION



EAST ELEVATION



You can see what the elevations look like.



VIEW LOOKING NORTH



VIEW LOOKING SOUTH



And then a couple of pretty renderings. So, if you have any questions, I'm happy to answer or I believe Mr. Beach is also available.

January 4, 2021

Item 3: Resolution

A resolution of intent to issue Industrial Revenue Bonds in an amount not to exceed \$20 million for the KCKCC student housing project (Sales tax exemption ONLY)

Chairman Burroughs asked committee, any questions?

Commissioner McKiernan asked, Katherine, could you go back to the overhead view, the map view? I just want to verify that I know where this is. This is immediately southwest of the majority of their campus buildings, right? Is that the police academy facility that is to the right of this picture? **Ms. Carttar** said I believe so, no?

Michael Beach, KCKCC CFO said so, the police academy is the building that you can see in the very lower end of the screen, directly south of the amphitheater. The buildings to the east are the current Royal Ridge Apartments that the college leases for the existing student housing. **Commissioner McKiernan** said perfect. I knew that building wasn't set far enough off the road to be the police academy building, but I was having a hard time figuring out. This is exactly where I thought it was. That's all I needed. Thank you.

Mr. Beach said actually for clarification, that actually — that section on the lower end of the screen is actually the parking lot to the police academy building, not the actual police academy building itself.

Chairman Burroughs asked, any other questions? Good question, Commissioner McKiernan. Any other questions from the committee? Seeing none, Katherine, I just have one small question. These IRBs you said for a sales tax exemption, these are sales tax exemption on just the construction items, right? The materials? **Ms. Carttar** said correct. Yeah, so this would be a very short-term. They would be about a two-year, basically until they finish their construction and then that would... **Chairman Burroughs** said very good. Thank you for that clarification.

Chairman Burroughs said, if no other questions from the committee, I would ask the Clerk if there was any members of the public wishing to speak. **Ms. Godsil** said no public comments were received. **Chairman Burroughs** said thank you. With that I would ask — this is an action item. We will need a motion.

Action: **Commissioner Johnson made a motion, seconded by Commissioner McKiernan, to approve.** Roll call was taken and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

ITEM No. 4 – 20510...PRESENTATION/RESOLUTION: CASH AND INVESTMENT POLICY

Synopsis: Presentation of the Unified Government’s Cash and Investment Policy and consideration of a resolution adopting said policy, submitted by Rick Mikesic, Director of Revenue/County Treasurer; and Andrea Parra, Deputy Treasurer.

Rick Mikesic, Director of Revenue/County Treasurer, said typically Andrea would be here with us tonight. She sends her apologies, she had a death in the family and so she’s not with us tonight, but I’ll do my best to serve in her absence. **Chairman Burroughs** said please pass along the Commission’s condolences, please. **Mr. Mikesic** said I certainly will do that, yes.

CASH AND INVESTMENT POLICY ANNUALLY REQUIRED UPDATE

Economic Development & Finance Standing Committee

January 4, 2021

Presented by:

Kathleen VonAchen, Richard Mikesic and Andrea Parra

The Cash Management and Investment Policy is required to be reviewed annually by the Cash Management Committee, and then approved by the Board of Commissioners on an annual basis. That’s part of the policy itself. If there are changes necessary by the Cash Management

Committee, we have to come to the Board of Commissioners for the approval. Over the past couple of years, there have been some changes made to the Cash Management and Investment Policy, and this year we really have very very little to change.

SUMMARY OF REVISIONS

Minimal Formatting Corrections

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

In fact, it is simply just some formatting changes, so this is it right here. Very quick, three formatting changes that were listed – just a replacing or correcting an extra period and some indentations, that’s really the only change. Nothing significant in regard to the policy or what we’ll be doing or anything like that. So, I’m happy to answer any questions, but we really don’t have much here because we really hammered it pretty well, I think, over the last couple of years.

Chairman Burroughs said, Mr. Mikesic, thank you for the presentation. At this time I’d open it up to the committee. Committee, any questions for the County Treasurer? Sorry, let me make sure nobody’s got their hand up. I see no questions. With that, I would ask the Clerk if any comments were received from the public. **Ms. Godsil** said no public comments were received. **Chairman Burroughs** said thank you. With that, if there’s not any other questions, this is an action item. I would entertain a motion.

Action: **Commissioner Walters made a motion, seconded by Commissioner Johnson, to approve.** Roll call was taken and there were six “Ayes,” Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

ITEM No. 5 – 20641... UPDATE: BUSINESS EFFORTS REGARDING COVID-19

Synopsis: Update on business efforts regarding COVID-19 and CARES Act grant funding, submitted by Shayla Lockett, Small Business Liaison.

Shaya Lockett, Small Business Liaison, said I am here to provide an update on our small business COVID-19 efforts.



We will go ahead with the funding overview. We had three separate sources of funding for businesses in our community. The first is our Economic Development Department grants that we have annually, the \$50,000. In April, we awarded those. We previously went before the Commission to seek revisions so that those grants could be used as a COVID-19 response. Our second source of funding is our WYCO Loves Local grant, which was awarded through CARES Act funding, and that one we issued grants for over a million dollars. Then a third is through our partnership with ALT-CAP, and we had roughly \$266,000 between the PPP loans and the KC Regional Relief Recovery Loan Fund that went to businesses in Wyandotte County.

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

On this screen, these are the individuals who received the department grants. The Economic Development Department small business grants, they were for \$5,000 each. These are the 10 businesses that were able to receive those funds.

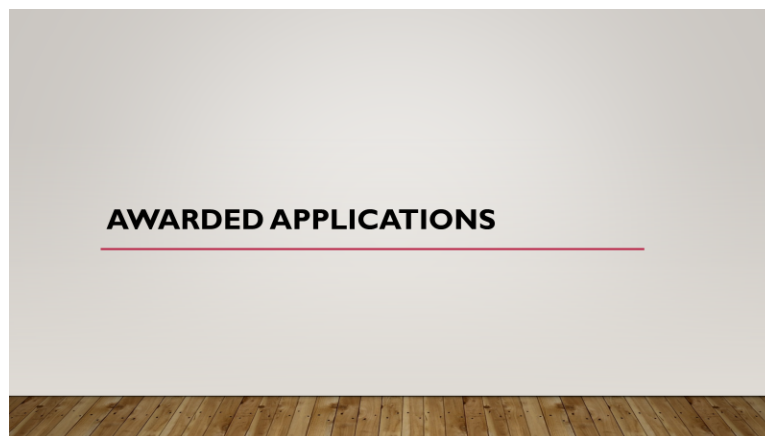
WYCO LOVES LOCAL APPLICATION PROCESS

- \$825K in CARES funding approved September 15th
- Staff created an online application
 - Grants can be used to reimburse for revenue loss or COVID related expenses.
 - Businesses with 25 or fewer employees are eligible for \$10,000
 - Businesses with more than 25 employees are eligible for \$20,000
- Applications opened September 17th
- Applications were closed on October 7th
- \$191K in CARES Funding was reallocated to support Small Businesses on December 4th
 - Staff reached out to eligible businesses that had previously applied but were not awarded grants or not awarded the total amount eligible

WYCO Loves Local application process, which is the grants, we originally received \$825,000 in CARES Act funding. That was approved on September 15th. Our staff created an online application and the grants could be used to reimburse revenue loss and/or COVID related expenses. Businesses with 25 or fewer employees are eligible for \$10,000 and those with more than 25 employees were eligible for \$20,000. We opened our applications on September 17th, and due to receiving an excess of applications than we had funding available for, applications were closed October 7th. An additional \$191,000 in CARES Act funding was reallocated to support small businesses on December 4th. At that time, we reached out to eligible businesses that had previously applied, but were not awarded grants or were not awarded their total amount eligible.

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
		0	
How many employees does your business have?		10	15%
		25	
		500	
	500 over disqualified		10
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	

This is just an overview of how we scored our applications. A big part of what we wanted to do was make sure we had a significant impact on those businesses that had a more difficult time receiving funds from the Federal and/or State level. So we looked at businesses that were closed due to the stay-at-home order, and businesses that lost revenue between — because of COVID, and also those businesses that had a smaller number of employees. Nationally, those are the businesses that had a more difficult time receiving those funds.



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. Lyndzs 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 KC 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

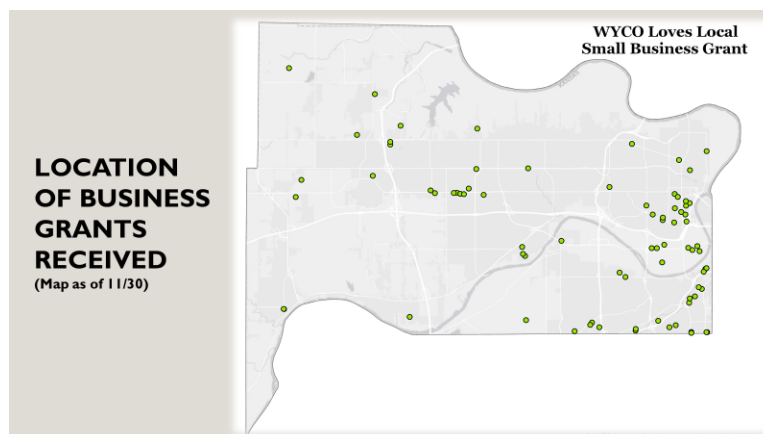
January 4, 2021

Then our next couple screens show us the list — these are the list of businesses that were able to receive the grant funds. As you can see through this list, there are numerous industries represented.

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	\$20,000
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

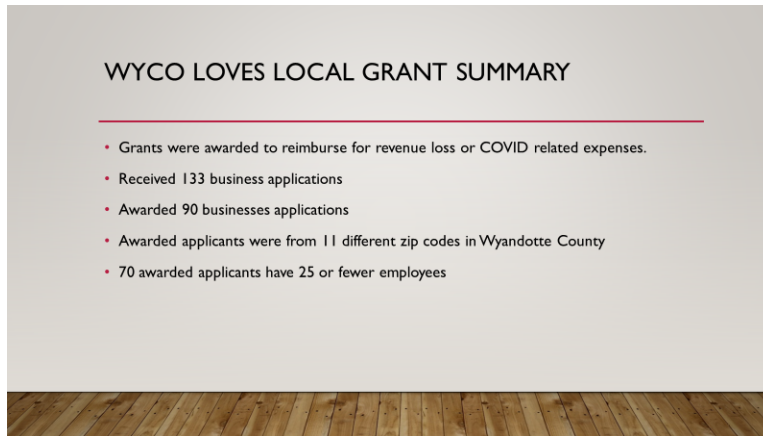
Business Name	Award Amount	Business Name	Award Amount
Quality Litho, Inc.	\$10,000	Gunter Construction Company	\$20,000
Empire Candle Co., LLC	\$20,000	Plastic Packaging Technologies, LLC	\$20,000
CAPO Group LLC dba Image 360	\$10,000	PMC, Inc. dba KC Scaffold	\$20,000
MJ Design and Parts LLC	\$10,000	Best Harvest Bakeries	\$20,000
Smallwood Lock Supply, Inc	\$1,925	Contable Inc	\$10,000
D Rockey Holdings, Inc dba Eagle Products	\$20,000	KS Granite House, LLC	\$10,000
RampUp Labor LLC	\$20,000	Missouri Door Company	\$20,000
Joe's Kansas City Bar-B-Que, Inc	\$20,000	Design Mechanical, Inc.	\$20,000
SureShow, Inc.	\$10,000	Italian Delight of Kansas City, Inc.	\$20,000
Delaware Highlands Assisted Living, LLC	\$20,000	AirFixture, LLC	\$20,000
Money Talks, Inc	\$10,000	Southern Care Daycare	\$2,400
Litzis Fashion and Boots	\$2,000	First Round, Inc	\$1,000
De Leon Furniture, Inc.	\$10,000	KC Presort, LLC	\$10,000

We have everything from restaurant industries to childcare, law firms, entertainment venues, and they're both smaller and larger companies that received these grant funds. This is the full list of businesses that received grant funding through CARES.

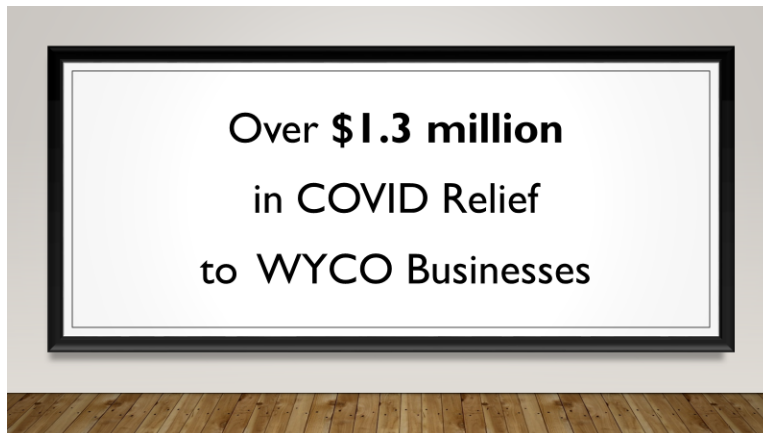


January 4, 2021

This map here shows the location of the businesses that were able to receive those grant funds, and it shows how they were distributed throughout the county.



So in summary, the grants were awarded to reimburse for revenue loss or COVID-related expenses. We received 133 applications. We were able to award 90 business applications. The awarded applications were from 11 different zip codes in Wyandotte County. Seventy of those awarded applications had — applicants had 25 or fewer employees.



We were able to distribute over \$1.3 million in COVID relief to Wyandotte County businesses through these grant funds: the department grant funds, the CARES Act funding, and our partnership with ALT-CAP.



As I said before, this was a true team effort. So, we want to thank all those individuals who assisted in this process and helped us help our businesses in our community.

Chairman Burroughs said, Shaya, thank you for that overview. I think it's extremely fortunate that we have the individuals looking at those requests, those grant requests to help alleviate some of the concerns our small businesses in our community are dealing with in reference to the COVID-19 pandemic. So thank you and all of those involved. I do appreciate the overview this evening. That's a lot of money to put back into our local economy. That money had to be distributed by the end of the year, if I remember correctly. **Ms. Lockett** said that's correct. **Chairman Burroughs** said thank you for that.

Chairman Burroughs asked, any questions from the committee?

Commissioner Townsend said, Ms. Lockett, good evening. Good to see you. I'll say hopeful new year to all of us, that things are better. I think Commissioner Burroughs may have answered my question with the reminder that a certain number of these funds had to be used by the end of 2020. So my current question is, is there any funding still available? What about the small grant loans that the UG usually had, the \$50,000 pot? Where are we right now with that type of money or funding or resources? Someone looking tonight may ask that question, some small business.

Ms. Lockett said so we — there is no CARES Act funding currently at this time. We do still have money allocated for the Small Business Grant though I believe we would have to take it back before Commission to get approval to use it for COVID expenses if that's the direction we take for 2021. **Commissioner Townsend** said okay, all right. If you could just verify that for me, I'd

appreciate it. You can send me an email that — or to all of the committee just so we know in case we're asked by our constituents.

Katherine Carttar, Director of Economic Development, said Commissioner, just to add a little more into that. Shaya is exactly right, as it currently stands four days into the year – into the new fiscal year. That \$50,000 has reverted back to its normal, kind of small business process. However, that is something that we can certainly look into, kind of using that as additional COVID relief. I will say the ALT-CAP funds, now those are loans; not grants. There are still significant amounts of money. I think the loans go up to \$100,000 and are very low interest. I think the first year is 0% interest for those loans that are eligible, and there's a priority for Wyandotte County businesses. **Commissioner Townsend** said okay. If one of these businesses wanted to make application, could we refer that entrepreneur to your office then for guidance to ALT-CAP and how to contact them? **Ms. Carttar** said yes; contact Shaya. **Commissioner Townsend** said all right, thank you.

Alan Howze, Assistant County Administrator, said, Commissioner, if I might add, we're also kind of awaiting additional guidance from the Federal stimulus that was passed right at the end of the year, that contained, I believe, from news accounts, additional support for small businesses and paycheck protection. The details, I think, are still pretty much to be determined. So, as soon as we find that information out, we certainly can post it as we did earlier this year to the information on our COVID page. So, I know that's also something the team will be looking at as we get more information. **Commissioner Townsend** said thank you, Mr. Howze. Good point. We'll keep an eye on that as well. Thank you.

Chairman Burroughs said I see no other hands, committee. With that, I'd ask the Clerk if we — **Bridgette Cobbins, Interim Assistant County Administrator**, said we do have a hand up of a Stacy Damron that's in attendance, Mr. Chair. **Chairman Burroughs** said okay, Stacy, welcome to the committee.

Stacy Damron said I'm trying to talk to you. I've never done this before. My question is, how can you guys shut the small bars and businesses down like Coach Lite Club, which I own? There's

no money coming to us. **Chairman Burroughs** asked, Mr. Damron, are you scheduled to speak at the next item on the agenda, which is the public hearing referencing the closing times to bars? **Mr. Damron** said I am one of those, but I thought that was this one too. I'm not understanding how you guys can close the bars down, but yet we have no money come to us. We're too small. We do not get your PPA. We don't get no money to us at all. I just spent three months shut down, and I just spent two more months shut down at 10 o'clock, and there's no money coming to us whatsoever.

Chairman Burroughs said, Mr. Damron, I believe that we have people online that can answer the question. Those grants just don't go to businesses without an application process. I would assume that you had filled out an application. Staff, did we lose him? **Mr. Damron** said so the ones that are hurting is those little, small mom and pop bars. We're not getting no revenue at all but yet I got to pay my mortgage. I got to pay my electric. I got to pay my money to my taxes. But yet, we get no revenue of any kind. How do you expect us to pay those?

Chairman Burroughs said, Mr. Damron, I, again, I'm going to ask, did you apply to the grant process? **Mr. Damron** said I did. I was told I was too small. You guys ran out of money before I got there. **Chairman Burroughs** asked, Shaya, does anyone want to answer Mr. Damron's comment or comment to Mr. Damron?

Ms. Carttar said I'm not familiar with his application, but they're too small is not a thing on small businesses; but his last comment is very likely. As you saw from Shaya's presentation, there was a huge response. So, I think it is highly likely that we ran out of funding prior to him completing his application. **Chairman Burroughs** said thank you for that.

There was a second round that went through. The dollars that had been returned that weren't utilized the first round, I believe I heard Ms. Lockett say that there was a second round, and those businesses were contacted for consideration on the second round.

So, Mr. Damron, I don't have your specifics, but I would encourage you, again, to reach out to the local unit of government should we have additional dollars coming from the federal government, and at that time, that is uncertain at this particular time. Thank you for your comments.

Madam Clerk, any other comments from the public? **Ms. Godsil** said no public comments were received.

Chairman Burroughs said this was for information only. This was not an action item.

Action: For information only.

Chairman Burroughs said, that will lead us then into Item No. 6, which I believe Mr. Damron stated he wanted to visit, but we heard him in Item No. 5.

ITEM No. 6 – 20642...PUBLIC HEARING: CLOSING TIMES FOR BARS & RESTAURANTS

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

Chairman Burroughs said this is the public hearing in reference to closing times for bars and restaurants. This is a – I, as well as my fellow commissioners, have been contacted by numerous constituents about the 10 p.m. closing time. We want to afford this opportunity for individuals to have their voices heard in a public setting such as this.

At this time, I'll open the public hearing and ask the Clerk to please read the names who have signed up to speak. We ask that you state your name and city of residency for the record. You will be given up to three minutes to state your comments. Should you go to the two-minute mark, the Clerk will announce that you have one minute remaining. I will as the clerk to announce the first speaker. **Ms. Godsil** said our first speaker is Melissa Nead. She is the co-owner of The Dotte Spot Bar & Grill.

Chairman Burroughs said and since this is a public meeting, I do want to remind everyone that — please hold your comments. We ask that you state your name and city of residency again for the record. You will be given up to three minutes to state your comments. I would ask the Clerk at the end of the three minutes to advise the speaker that their time has expired. So with that, I would ask that — I believe Melissa Nead is our first speaker. Welcome Melissa.

Melissa Nead said I am a resident of Kansas City, Kansas. I am the co-owner of The Dotte Spot Bar & Grill. We are located at 82nd and Parallel here in KCK. We are a woman-owned business

and we've been in business since March of 2015. We have a small staff, roughly ten or so employees, all of whom live in Wyandotte County.

I have embraced the opportunity to be a part of the Restart WYCO committee, and got a chance to speak and represent small restaurants and bars as we're working on getting things reopened.

At The Dotte Spot Bar & Grill, we have complied with all of the guidelines and mandates that have been presented to us throughout this whole process. Of course, it has been a tough year for small businesses, especially tough for our industry, local bars and grills. Restaurants are just really taking the brunt of things here within this pandemic, as you all can imagine.

Currently, we have social distancing. We have taken half of our tables out of service in our dining room. If you're ever able to come in, you'll see tables are off the floor. They've got x's through them. We went down from 14 barstools to 4. Things are spaced out. We are following capacity mandates as well. Then, as you know, a few weeks back, we were placed with a 10 p.m. curfew. And while I do personally understand the rationale for the 10 p.m. closing time rule, it is killing us.

We, you know, can't sustain paying full rent, taxes, licenses, utilities, insurance with such limited operating hours on top of limited capacity and the social distancing requirements as well. We are watching our customers walk across to Johnson County, county lines, and spending their money in Johnson County, Leavenworth County. We're a sports bar. As you know, Chiefs games, basketball games, they don't end by 10 p.m., so we're just not getting customers for those games. They're going to Tanner's, they're going places in Johnson County and spending their money.

The clock is ticking for many small businesses in Wyandotte County. We are all on life support right now. We're the kind of establishment who sponsors youth baseball, 4-H, golf, tournaments, churches, class reunions for Washington, Schlagle, Wyandotte, Harmon, Piper, Turner, and Ward. We've hosted birthday parties, retirement parties in our back room over the years. We are a true neighborhood spot, and the kind of place that communities cannot afford to lose. We need help from the UG and we need it fast. We need the 10 p.m. closing mandate to be modified to midnight to keep us competitive with Johnson County if any of us has a chance of making it.

Chairman Burroughs said thank you, Ms. Nead.

Chairman Burroughs said, I would ask the Clerk to announce the next speaker, please. I do want to remind everyone to make sure to state your name and city of residency for the record, please.

Ms. Godsil said next we have Kim Pond, who is the owner of the Red Eye Bar. **Chairman Burroughs** said Clerk, I'm sorry I interrupted you. Ms. Pond.

Kim Pond said, I live in Kansas City, Kansas. I own the Red Eye Bar on 61st and State Avenue. I just first want to say, thanks for listening to us because we didn't know where to go. We really need all the commissioners, everybody to help support us and to get us put on an agenda with the Mayor to vote so we can get this moved as soon as possible. None of us have any idea how long it's going to be that we have to, you know, close at 10 o'clock. We have no clue. We're at a loss.

We've lost all of our major holidays. St. Patrick's Day being the first one, but the casino got to stay open for St. Patrick's Day. We had to close at midnight. It's just – we're losing everything. My bar alone, I know, does a lot of charity work for the community, and some, you know, like for cancer, and everything else. We've lost all those motorcycle runs to raise funds for that. We've only done a handful of charity work this year compared to all summer long. We're trying to raise money to help the homeless, I mean, everything, and we're not able to do that anymore right now.

People are leaving Wyandotte County with Wyandotte County money, spending it in other countries – or counties – which encourages the spread of COVID. They're going out to them other counties now, they're not just staying in Wyandotte, they're venturing out. Everybody is losing the money. Yes, like Melissa said, a lot of places are going to close down due to the loss of income, people losing their jobs, Wyandotte County losing money. A lot of that money is made right here in Wyandotte County. Again, thank you for your time. I'm done.

Chairman Burroughs said thank you, Ms. Pond. The committee appreciates your statements. Madam Clerk, next speaker please. **Ms. Godsil** said yes, our next speaker is Blake Lostel, the owner of the Colonial Club.

Blake Lostel said I am a resident of Wyandotte County over in Rosedale. I own the Colonial Club as well as over 20 properties on Strawberry Hill. My biggest concern is, I've already taken heavy losses by releasing people from leases as good faith just because of the pandemic, and the Colonial Club had to let go of six employees and we can't bring them back. We're down to like a shoestring employee budget.

The problem is, when we went to 10 o'clock, we've been toeing the line in helping and doing our part, but when you start destroying peoples' income like this, there's no — without any government assistance, it's a big problem.

So, my biggest concerns are, I've talked to the Health Department. Actually one of the representatives called me. She informed me that there was no economic person from the private sector to help make this decision to go to 10 o'clock.

They've also released statistics that state that 50% of all deaths from COVID are from people from nursing homes that are over 70 years old. People that are going to bars are between 20 and 50, they're not the main people that are getting this disease. Most of the bars, from just the two people before me, have caps of 50 people. So if we bring that cap down to 25 people, most people in our bars, in these tiny bars, they're 10 people, and they are spaced. They're not making major spread happen.

My second point to that is, I spent over \$85,000 this year at Home Depot. Every time I go in there I see people buying poinsettias that are in their 50s. So, this is making me very upset that we are going to lose our businesses by these policies.

I just got a form from Wyandotte stating the COVID preventions. At the very bottom it said that churches and casinos are allowed to not follow these restrictions. This is not a fair playing field is what I'm getting at with these situations I'm pointing out. We just want to be fair. I'm not saying 2 o'clock in the morning; I'm saying 12. Let us make some money to survive and get through this.

I'm going to get off now because I don't want to waste anybody's more time, but my next question is: when are we going to vote so that we can bring money back into Wyandotte County and actually have our employees get paid? When is this decision going to be made to match Johnson County, if it is ever going to happen? Because if it doesn't happen, people are going to get really upset. Thank you.

Ms. Godsil said okay, our last speaker we have signed up is Vicky Kobialka, owner of Kobi's Bar.

Vicky Kobialka said my name is Vicky Kobialka-Freeman. I own and operate Kobi's Bar & Grill in Bonner Springs, Kansas, small-owned business for 33 years, I've been here. This COVID-19 has been bad for everyone and every business has suffered. One of the most detrimental issues

financially has been the 10 p.m. closing. Two minutes south of my business in Johnson County are several similar restaurants where you're allowed to open for two more hours until midnight. Five minutes north of my location is Leavenworth County, again similar to my business, and there is no time restrictions allowing these merchants to conduct business until 2 a.m.

These time restrictions are desperate and are literally driving customers and business away, not only for me, but for many other Wyandotte County businesses also. I find it hard to believe that the number of virus cases caused by the pandemic in this little corner of Kansas could cause three neighboring counties to have such variable degrees of restrictions. Please understand the difficulty that this restriction creates for us.

Since March of 2020, I had to lay off over half of my normal operating staff. Even after the initial shutdown was lifted, former employees were hesitant to return back to work, and customers were going to businesses elsewhere with no time restrictions.

We, at Kobi's Bar & Grill, Bonner Springs, Kansas, has stayed in compliance with all of COVID-19 restriction mandates. Based on the last two quarters' numbers, I will probably have to close our doors one or two days a week due to the lack of business and these restrictions on operating times. Losses that have occurred in the food industry not only affect me, but also municipal counties and state budgets, too.

January of 2021 would be a good time to consider the small business issues and hopefully improve changes that will reduce the loss of revenue to help hardworking businesses to stay in business. Thank you.

Chairman Burroughs said thank you, Ms. Kobialka.

Chairman Burroughs asked, staff, is there any other speakers? **Ms. Godsil** said we only had the four sign up ahead of time. **Chairman Burroughs** said thank you. This was an opportunity to hear from some of our small businesses that have reached out to the commission members. We thought it was appropriate this evening to request that opportunity for those that signed up to speak. I want to thank you for taking the time this evening to join us and share your hardships and the challenges you face due to the COVID pandemic. This was for information only. It was an opportunity for the public to express their comments, and we are grateful that we had four of those that chose to do that this evening. So, thank you. This was for public information.

Action: For information only.

ITEM NO. 7 – 20643...FOLLOW-UP: COVID-19

Synopsis: Follow-up by the COVID-19 team, submitted by Juliann VanLiew, Health Department Director.

Juliann VanLiew, Health Department Director, said good evening everyone, and thank you so much to the four of those businesses who came here this evening to convey to us what you're experiencing. I think first and foremost within the Health Department, we want to say that this is awful. We agree that this is awful. These are, first of all, not decisions that we take lightly, and second of all, not meant in anyway to be punitive or to be targeting certain businesses. We're trying to make the best decision we can with the information that we have. So, we absolutely hear you, and we are going to commit to reevaluating this amongst ourselves and with our fellow jurisdictions around the core four. I know our deputy health officer, Dr. Erin Corriveau, and our health officer, Dr. Allen Greiner, are also on the line, and would like to respond as well.

Erin Corriveau, Deputy Health Officer, said I just want to echo Juliann's sentiment this evening and how grateful we are that you came to the meeting to share with us how your businesses are doing, what you all are seeing and what you're feeling. It means a lot to us, I think, to understand that. It's very important that we understand that.

I do want to also echo that we hear you, and I think this is serious. We will absolutely commit to taking this back this Friday to our Director's meeting.

You know, we initially went with the 10 p.m. order to create consistency around the metro, and the inconsistency that's been pointed out this evening is in Johnson County. I believe they're at a midnight closing time at this point in time. We've already reached out to them, and we're having conversations with Johnson County about this as well, so we commit to continuing to talk through this with them. But we do want to try and create some semblance of consistency in our community.

The other thing that I wanted to say in the data that we're seeing is that sure enough, you know, our young people, those in the 20- and 30-year old range are, you know, comprising the majority of the cases that we're seeing in Wyandotte County. Whereas it's true that we don't see many

people dying or hospitalized in that age group, unfortunately it does just propagate the spread of the virus.

The virus is the real issue here and we are still continuing to see severe illness and death from the virus. So, we continue to worry about really any cases that come up in our community and are trying to sort of tamp that down. This was part of the attempt to do that and, you know, we understand also — we're doing the best we can to consider what we think might spread the virus. But, you know, again I think the economic impact of this, the mental health impact of this, and all of that is also on our minds and something that we do need to tend to. So, again, we'll be taking this back this week to our colleagues from other jurisdictions for a better look at it because, you know, again we appreciate what you all have said. Thank you.

Chairman Burroughs said thank you, Dr. Corriveau. **Ms. VanLiew** said Dr. Greiner, is there anything you'd like to add?

Allen Greiner, Health Officer, said nothing specific. I think Dr. Corriveau summed it up nicely. I just want to contribute as well that we really appreciate the input. We know this has had a devastating impact on businesses. I think that these businesses — and many of you have been real pillars of the community. You understand the balance here between trying to do something that will slow this down so we can get back to business as usual versus move ahead with things that we think could be risky. We're just trying to juggle that every day and it's a real struggle.

So, we appreciate the input and we'll continue to try to balance those things because we want to be like, you know, some of the places in the world that have gotten back to business as usual, and we want to do that fast. So, we're really working on it. We'll be pushing the entire metro to get on the same page because we know that's the most brutal part is that people are driving around doing different things in different jurisdictions. So, thank you.

Chairman Burroughs said thank you. Juliann, any other information you'd like to share? Remind the social distancing, handwashing, mask wearing, all those safety precautions are necessary to ensure that we can push back against this virus as much as we possibly can publicly and safely. Any closing comments?

Ms. VanLiew said no, you were beautiful just there. That was spot-on, Commissioner. Thank you so much. I would also, you know, the vaccines are the other antidote to this, right? So we

have set up a very large mass-vaccination site, and we are ready to vaccinate as many people as we can as quickly as we can get our hands on that vaccine. So, just ask you to all please spread that message that when it's available, people come to get their vaccines so we can really get all of our businesses operating fully. Thank you very much.

Chairman Burroughs said thank you. I do want to thank the three of you for joining us this evening to hear the concerns that we, as commissioners, have been hearing from our small businesses, especially those small businesses, bars and restaurants, the impact, financial and emotional impact it's had on them. So, thank you for joining us this evening. This was for public information only. I do want to again thank our conferees this evening.

Action: For information only.

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

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

Chairman Burroughs said Item No. 8 was the blue sheet item that you should all have received prior to this evening's meeting.

Katherine Carttar, Director of Economic Development, said as you can see, this is a second amendment to the development agreement for the Lanier United Downtown Redevelopment Project right there at 5th and Minnesota. Really what this is doing is, we had a date from the first amendment of January 15th as kind of the drop-dead date to have everything in place for the closing to occur, so that is when we would actually transfer the property to Mr. Lanier and his company. What we're requesting with this second amendment is to push that by 60 days, so to March 15th. There is an ability for Lanier United to get some additional and far more favorable financing. I'll turn it over here to Willie to kind of explain the circumstance and why we think this is a good extension to grant.

Willie Lanier said we are looking to, as Katherine said, obtain an extension of our drop-dead date, strictly and due only to the opportunity that has been presented to me and the company from LISC regarding funding. LISC has national — has received opportunity based on the 2020 Social Justice Movement, a new fund that is in excess of over \$200 million has been created. The fund is tailored to black developers and black economic development across the country. The fund was funded by Netflix, Costco, PayPal, companies of that nature.

LISC reached out to me at the early part of December and said that we would like to submit this project as a target for this new fund that we think would be — it meets all the objectives of this money. At such this time, I had a couple of conversations with them, and I believe it is very valuable.

What it could do for the project is – from a very practical standpoint, up to maybe a one point less in interest rate. Could be some more favorable terms in terms of our ratios that we perform to.

It would also allow me to do, as Katherine said much earlier tonight, absorb some of the costs that have gone up and escalated during 2020 i.e., lumber and so forth, to the extent that we are looking at being somewhat different and looking at a light-gauge metal structure in lieu of lumber, just because the pricing has gotten so high. We may be able to build a better building for almost equal price because of the cost – the fact that lumber is so high.

I do believe that we have methodically gone through everything that I was supposed to do in working with the Unified Government over the past year, and we know that our first amendment that we asked for back in July or June, so to speak, was – in order for us to get our incentives and our rezoning synced up together. We were able to do that through amendment one.

I am asking for amendment two so that we have the ability to flush out any other benefits that the new financing opportunities would bring to the fold here. Clearly, the traditional lenders don't have the ability and/or private business desire to create lending that's more attractive such as the new LISC funds have come in most recently. With that, LISC has been put on notice that this is a short fuse in order for us to deliver, this new funding and the closing will not be extended past what I'm requesting for today. Any questions, please?

Chairman Burroughs said thank you, Mr. Lanier.

Chairman Burroughs asked, Commissioners, are there any questions? I don't see any hands. Well, congratulations, Mr. Lanier. I would assume that your project would be one of the first ones in the metropolitan area to be considered for the new funds that are available. **Mr. Lanier** said that is correct. **Chairman Burroughs** said that's quite an award to be considered on a project such as yours. The potential savings that it would present, should those funds become available – and the question I would have that I believe the Unified Government has put forward some hotel tax money I believe within the development proposal is, is there a possibility that those funds may not need to be used in this project? If the monies are more favorable through the financing? I mean, that's something I would think that would be a point of discussion for Katherine as well as the Economic Development team.

Mr. Lanier said well, I think for myself, I came to the Unified Government and said that I would try to do two things: I would try to be a catalyst for the downtown redevelopment area, and I would try to create opportunities for those that had not received the opportunities from an employment standpoint. The best I could, as being an individual developer myself, and because of that, I inherently bring more expenses and costs to my projects because of what I tell any municipality on day one what I will do. So I think that although I am going searching for savings, I turn around and I redirect those savings back into the community because that's consistent with what I said from day one. **Chairman Burroughs** said and I believe you will, Mr. Lanier, thank you for that comment. **Mr. Lanier** said yes, sir.

Chairman Burroughs asked, any other questions and comments from the committee? **Commissioner Johnson** said move to approve as submitted. **Chairman Burroughs** said, Mr. Johnson, we have to ensure we have no public comment first. **Ms. Godsil** said no public comments were received.

Action: **Commissioner Johnson made a motion, seconded by Commissioner McKiernan, to approve.** Roll call was taken and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

Adjourn

Chairman Burroughs adjourned the meeting at 7:44 p.m.

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**ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, March 1, 2021**

The meeting of the Economic Development and Finance Standing Committee was held on Monday, March 1, 2021, at 6:15 p.m., remotely via Zoom. The following members were present: Commissioner Burroughs, Chairman; Commissioners Bynum for McKiernan, Townsend; and BPU Board Member Jeff Bryant. Commissioners McKiernan and Walters were absent. 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; Rick Mikesic, County Treasurer; Andrea Parrra, Deputy County Treasurer; MaDonna Kampfer, Juliann Van Liew, Health Department Director; and Wesley McKain, Acting COVID Resources Manager.

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 or by phone. 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, public comment has been suspended unless otherwise required by law. The public is then allowed to 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 I do want to thank Commissioner Bynum for sitting in this evening and joining us.

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

There were no minutes to approve.

Committee Agenda:

Item No. 1 – 21679...RESOLUTION: INTENT TO ISSUE IRBs FOR MILHAUS MULTIFAMILY PROJECT

Synopsis: A resolution of intent to issue industrial revenue bonds (IRB) in the amount not to exceed \$45,000,000 to finance the costs of acquiring, constructing, and equipping a commercial multifamily facility for the benefit of Milhaus Properties LLC, submitted by Katherine Carttar, Director of Economic Development.

Economic Development & Finance Committee March 1, 2021	
Item 1: Resolution	A resolution of intent to issue industrial revenue bonds in the amount not to exceed \$45,000,000 to finance the costs of acquiring, constructing, and equipping a commercial multifamily facility for the benefit of Milhaus Properties LLC.

Katherine Carttar, Director of Economic Development, said the first item, as Commissioner Burroughs mentioned, is a resolution of intent to issue industrial revenue bonds in an amount not to exceed \$45,000,000 to finance the costs of acquiring, constructing, and equipping the commercial multifamily facility for the benefit of Milhaus Properties. This is a property that, I would say this one, and actually a number of the items that you'll hear tonight, is a bit more procedural in nature than kind of some that you're maybe familiar with hearing from me. A lot of these, including this one, have already been approved kind of in concept as part of a development agreement.

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This property is part of the larger Homefield Development. In that development agreement, it has been contemplated and approved that there would be multifamily provided by Milhaus and that this would be the one area, in addition to Homefield, that would be eligible for an IRB. We are talking about a certainty IRB here at this point as well. They'll be a PILOT schedule and I'll go through that. If John McGurk is available, I'm going to turn it over to him. John McGurk is with Milhaus and we'll be kind of discussing the project and then I'll get into the finances.



1 Site Plan

John McGurk, Vice President of Development for Milhaus, 210 W. 19th Terr., KCMO, said thank you for having us tonight. Very excited about this project. Ms. Carttar explained this is part of the overall Homefield Development at 94th & State. This project is just to the west of 94th St., north of State. Basically kind of where the former County Annex building was, just on the south property that was recently demolished in the last couple of weeks by Homefield.



This is an 18-acre site with 274 units. It includes a clubhouse, pool, pretty much all the amenities you would expect of a modern Class A multifamily project. It will include some enclosed garages as well as surface parking. This rendering that Ms. Carttar is showing is typical of the buildings with three stories with a basement condition on some of the buildings, depending on grade. This

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would be where the grade would allow for a basement condition to where you would have four stories on the backside of the building. Katherine, if you just want to flip through some more.

Project Description

The Homefield project is a 274 -unit, garden -style, luxury apartment development seated in Wyandotte County, adjacent the old Schlitterbahn Waterpark. The project contains 9 -unit buildings and 1 clubhouse, distributed across the 18.34-acre site, whereas roughly 7-acres will remain untouched to keep an existing, natural forested area to the northeast corner of the site. Unit offerings will include studios (or dark one -bedroom), one-bedroom, two-bedroom, and three -bedroom units.

Amenity List

- + Amazon Package Delivery/Pickup
- + Indoor Bike Storage + Bike Repair
- + Pet Wash
- + Pet Park
- + Coffee Bar
- + Fitness Center
- + Resident Lounge and Co-Working
- + Conference
- + Event Space/Club Room
- + Pool with Sun Deck and Outdoor Lounge
- + Outdoor Kitchen with Gas Grills
- + Outdoor Firepits



Again, as I indicated, it's a 274-unit, three four-story walk-up luxury apartments. It will have nine buildings as well as a clubhouse building across the 18 acres. We are meeting all the UG's applicable zoning code requirements, including 40% open space. We are also putting in part of a trail system that will go up through the entire Homefield development. It will be on that east side of that creek area and continue north through the Homefield Park, which is to the north of this project. I won't go through all the amenities that are included. You can see them listed there that Ms. Carttar has provided, but again, a full, kind of package of amenities for the residents there.

Construction Timeline

- Construction Start – July/Aug 2021
- First Units Delivered – Aug 2022
- Construction Completion – March/April 2023
- Total Construction Duration – ~ 20 Months



Industrial Revenue Bond financing

- 10 year, 100% PILOT based on a projected per unit value of \$53,719 (equal to \$970 annual PILOT per door)
- Starts at \$262,089 annual PILOT with a 1% annual escalator
- UG will collect a total of \$2.9 million in PILOT over 10 years
- LBE/MBE/WBE goals are in place with a 1% annual penalty
- Additional tax payments (8 mills) for the statutorily required school district's capital outlay levy will be paid separately

Construction timeline. Our hope is to start construction this summer. It would be about 12 months until the clubhouse and first units are delivered and then wrap up construction in the spring of 2023, for a total construction period of about 20 months.

With that, I'm happy to answer any other questions. I know Ms. Carttar's got some other facts there laid out, but I won't bore you and read all those; but, if there are any questions that you have for me, I am happy to answer them. Again, very excited about this project and would appreciate your support.

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Ms. Carttar said the financial side of things—what we’re looking at here is an industrial revenue bond. As I mentioned, this would be kind of equal to the projected per unit value, so we’re starting with a PILOT just under \$1,000 per door and that will escalate annually. Then also there are LMW goals as we do with all our projects. If those are not met for whatever reason, there’s an additional penalty. Of course, there will be the eight mills that’s statutorily required for the school district capital outlay so they will be getting, at a minimum, that throughout the course of the entire project.

PILOT SCHEDULE						
Value/unit	# of units	Projected Value	2020 mill rate	PILOT	PILOT per door	
\$53,719.19	270	\$14,504,181.30	187.470438	\$262,089.00	\$970.70	

Year	With L/M/W		Without L/M/W	
	Per Unit	Annual PILOT Payment	Per Unit	Annual PILOT Payment
1	\$970.70	\$262,089.00	\$970.70	\$262,089.00
2	\$970.70	\$264,535.30	\$990.17	\$267,327.00
3	\$1,009.83	\$272,648.70	\$1,036.29	\$279,788.30
4	\$1,040.77	\$281,007.90	\$1,064.59	\$292,839.30
5	\$1,072.66	\$289,618.20	\$1,115.08	\$306,473.60
6	\$1,105.54	\$298,495.80	\$1,187.89	\$320,740.30
7	\$1,139.41	\$307,640.70	\$1,243.11	\$335,639.70
8	\$1,174.31	\$317,063.70	\$1,300.83	\$351,279.50
9	\$1,210.27	\$326,772.90	\$1,361.22	\$367,529.40
10	\$1,247.32	\$336,776.40	\$1,424.33	\$384,524.50
Total		\$2,906,648.50		\$3,168,228.60

Participation Percentage Goal - Percentage of Total Construction Cost for the Project		
Business Category		
USE	12%	
MSE	6%	
WBE	4%	

This is the PILOT schedule. You can see the Unified Government, over the course of the 10-years, the payment-in-lieu of taxes will be just under about \$3M. We’ll get a good amount of tax revenue coming in through this project, as well as a great amenity to the Homefield area. You can see, of course, the LMW goals as well. With that, any questions?

Commissioner Townsend said just a couple of questions about, more specifically, about the nature of the product. I see the schematic. Are these going to be condos for sale or rent or purchase of these luxury apartments? I’m just trying to get a better idea of what the particular type is. **Mr. McGurk** said these will be for rent apartments. **Commissioner Townsend** said okay.

I know that you said the due date for completion is spring of 2023. The market can go up, down, sideways, anywhere between now and then. Having said that, what is the anticipated rental on these units? The Commission—I normally ask for any type of these developments wherever they are in the city? **Mr. McGurk** said sure. Right now we are projecting about \$1.38 to \$1.39 a sq. ft. I know that probably doesn’t mean a whole lot in terms of unit size, but that would be for a kind of dark, one-bedroom studio would be under \$1,000 all the way up through three-bedroom units that would be about \$1,800 per month. **Commissioner Townsend** said okay. Would that include utilities? **Mr. McGurk** said that would not include utilities. We are all electric, so this

would all be on BPU's electric system. They're obviously very energy efficient units. Typically, we see electric costs per unit between \$75 and \$100 a month.

Commissioner Townsend asked, with regard to parking, are these spaces available for any renter/owner or would that be an additional cost to the item? **Mr. McGurk** said all these surface spaces, those would be open free of charge to anybody. If you wanted an enclosed, private garage, there would be an extra charge for that. **Commissioner Townsend** said thank you very much.

Chairman Burroughs said, Mr. McGurk, one question. I believe you said 2023 is build out. Do you anticipate you will be building—is that the full nine buildings for build out to 2023? We could actually have one to two buildings in 2021? **Mr. McGurk** said we would start this summer. Call it June/July of 2021. The clubhouse and probably one or two buildings would deliver 12 months after that, so June or July of 2022 with the balance kind of being phased over that remaining, call it eight months. We would deliver the units by building. Over that period, you kind of phase in all of the product and then be completely done in that 2023 timeline. **Chairman Burroughs** said thank you for that clarification. I really appreciate that.

The next question I have, I have one other question and those are all market-rate apartments? **Mr. McGurk** said yes, sir.

Chairman Burroughs asked, staff, did we have anyone from the public wishing to speak in support of the project? **Ms. Godsil** said I see no hands raised from the public. **Chairman Burroughs** asked, anyone in opposition to the project? **Ms. Godsil** said, again, I see no hands raised.

Chairman Burroughs said at this time, this is an action item. I would ask the Committee if they're ready to make a motion. I'd entertain a motion.

Action: **Commissioner Johnson made a motion, seconded by Commissioner Townsend, to approve.** Roll call was taken and there were five "Ayes," Bryant, Johnson, Townsend, Bynum, Burroughs.

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Item No. 2 – 21680...RESOLUTION: INTENT TO ISSUE IRBs FOR LEGENDS 267 MULTIFAMILY PROJECT

Synopsis: A resolution of intent to issue industrial revenue bonds in the amount not to exceed \$54,820,000 to finance the costs of acquiring, constructing, improving and equipping a commercial multifamily facility for the benefit of Legends 267, LLC, submitted by Katherine Carttar, Director of Economic Development.

Item 2: Resolution

A resolution of intent to issue industrial revenue bonds in the amount not to exceed \$54,820,000 to finance the costs of acquiring, constructing, and equipping a commercial multifamily facility for the benefit of Legends 267, LLC.

Katherine Carttar, Director of Economic Development, said this is very similar to the last one you saw. However, this one we actually just presented, I want to say, about three months ago. The development agreement came through.



This is the project site here on Parallel. This is the one that we've been working to get moving for about four or five years now, and we're very excited and gratified to have Beck Cal and Luke Draily Construction on board. That was the assignment and restatement of the development agreement that was previously approved a couple of months ago. Within that IRB and actually the PILOT schedule and everything were approved in concept, so this is the more formal procedural item which is the actual resolution of intent to issue those bonds.

Just a quick reminder. Here is the project site.

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Here is a rendering of the apartments. This one is unique in that you do have a parking garage on those lower levels. A good amount of this parking will be free and open to the public and will actually connect. If you can see right over here, we'll actually connect to the current parking garage over at the Legends.



Here is a list of all the amenities. I know we have some folks on the line from Luke Julie Construction if you are interested in hearing although considering you just heard a nice, long presentation from them just a couple of months ago. I would only do that if you would like us to.

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

In terms of the project details, I'll kind of go over just the highlights. This has gone up, as you can see, in terms of the bonds. It's actually a \$54.8M project budget. The amount there that is referenced would be paid by CID bonds. It's for the public parking garage so that was approved, again, a couple

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of months ago. 267 units. You can see here the parking spaces that were mentioned. They are moving very quickly. They are hoping to actually get started this month with kind of the parking garage and there's quite a lot of items that they need to get in line with for that but hoping to do that very quickly.

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

In terms of the project deal, especially the industrial revenue bond financing, we are looking, again, 10-years, 100% PILOT. This is a higher per unit value than the last one we saw. This is about a \$65,000 per unit value. That is why the PILOT, the payment in lieu of taxes, per door, is higher. It is about \$1,300 starting, again, with an annual escalator.

PILOT Schedule					
Value/unit	# of units	Projected Value	2020 mill rate	PILOT	PILOT per door
\$65,000.00	267	\$19,500,000.00	170.061285	\$349,240.85	\$1,317.89
*Includes \$3,142 Bond fund val.					
Annual Increase				1%	
Annual Increase if Failure on L/M/WBE				2%	
Year	Annual PILOT		Annual PILOT if L/M/WBE Failure		
1	\$349,241		\$349,241		
2	\$352,733		\$356,226		
3	\$356,261		\$363,350		
4	\$359,823		\$370,617		
5	\$363,421		\$378,030		
6	\$367,056		\$385,590		
7	\$370,726		\$393,302		
8	\$374,433		\$401,168		
9	\$378,178		\$409,191		
10	\$381,960		\$417,375		
	\$3,651,832		\$3,824,090		

You can see here, over the course of the 10-years, the payment in lieu of taxes that would be collected is about \$3.6M. There are LMW goals. There is an additional penalty both on the PILOT as well as the CID, as we previously discussed, if those are not met. That being said, we have every belief that they will be met, and we have actually already had a meeting with Kurt—to get that plan going. That is all very gratifying for kind of the future of this project. With that, any questions?

Commissioner Johnson said, Katherine, as you know, this has been something that we've been looking at for quite some time. I know now we've got a new ownership in that's going to be doing the project. Did you say within your presentation how long it would take for these units to be up and

ready to go? **Ms. Carttar** said yeah, so they are looking to start construction here in about a month on the garage. The garage would be completed within a year. So, that would be March of 2022, and the entire apartment building would be completed by August 1, 2024. **Commissioner Johnson** said a total of 36 months for completion it sounds like. **Ms. Carttar** said yes. **Commissioner Johnson** asked, is that a long time?



Ms. Carttar said this is—I am not in the construction business, but I do know this a very complexed project with the construction of the garage and then the apartments on top. I feel confident that they will get it done faster if possible, for sure. **Commissioner Johnson** said okay, thank you.

Chairman Burroughs asked, committee, any other questions? Commissioner Johnson, thanks for bringing that question forward in reference to the timeframe. This is a very complexed development, and the garage is a very difficult part of the construction. It's the base for the construction and that is a very tight footprint in which they're building out there. It's going to be quite challenging also. I do appreciate you bringing that question forward. Katherine, thanks for your guidance on answering that question.

I see no other hands raised. Let me check the attendees. I see none. Staff, any questions, comments from the public. **Ms. Godsil** said there are no hands raised from the public. **Chairman Burroughs** said with that, I would entertain a motion to approve the resolution of intent to issue the IRBs for the Legends 267 multifamily project.

Action: **Commissioner Johnson made a motion, seconded by BPU Board Member Bryant, to approve.**

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Ms. Godsil said Commissioner Townsend does have her hand raised. **Chairman Burroughs** said, Commissioner Townsend. **Commissioner Townsend** said no problem. I only had my hand raised to make a motion. Thank you very much.

Roll call was taken on the motion and there were five “Ayes,” Bryant, Johnson, Townsend, Bynum, Burroughs.

Item No. 3 – 21678...RESOLUTION: FIRST AMENDMENT TO THE 18TH STREET EXPRESSWAY MENARDS DEVELOPMENT AGREEMENT

Synopsis: A resolution approving the first amendment to the 18th Street Expressway Menards development agreement, submitted by Katherine Carttar, Director of Economic Development. This consists mainly of minor clean up edits to the development agreement, including the developer's right to self-insure.

Item 3:
Resolution

A resolution approving the first amendment to the 18th Street Expressway Menards development agreement.

Katherine Carttar, Director of Economic Development, said, again, nothing super new; something you've seen before. This is the 18th St. Expressway and I-35 Menards' project. This was approved by this committee and the full Commission back in October of 2020. As we have moved forward in implementing some of these, there are a couple of items that we just noticed needed to be kind of tweaked. I would just say some kind of minor clean-up. I'm happy to go through those if you'd like. They are in the amendment which is only a few pages long and they are redlined, pretty obvious. A lot of it is kind of words miting kind of cleaning some things up.

Menards First Amendment to Development Agreement

The amendment consists mainly of minor clean up edits to the development agreement.

- Developer's Right to Self-Insure
 - Not standard for UG Development Agreements
 - Consistent with the language in the agreement for the 98th Street Menards
- Provide parameters and obligations to be met in order to self-insure
 - Developer maintains a tangible net worth of \$100,000,000
 - Developer would make funds available to the same extent that they would have been available had an insurance policy been carried by a 3rd party insurance company
 - Developer liable in same manner as an insurance company for any claims

The one item I did want to draw your attention to, which is a fairly large change, is the developer's right to self-insure. This is not something we consider standard for projects. The main reason is we always have, particularly for these kind of larger scale projects that it's, for example, if some catastrophe occurred, a tornado, fire, etc., that there is a requirement to rebuild the project. Generally, this is something that would be paid for by the company's insurance so we want to make sure the company is solvent enough to actually follow through on kind of all the items, all of the stipulations in that development agreement.

Menards is, as you all know, a somewhat massive company and this is one where they have requested the right to self-insure. We have used language almost exactly the same as the language that we used and you all approved for the agreement for the 98th Street Menards. So, there is precedence in doing this. We did provide parameters and obligations to be met. They need to maintain a net worth of \$100M. Making sure the developer is liable basically in the same manner that any insurance company would be for any claims of any size. Menards has agreed to all of our stipulations. There are more, if you'd like to kind of peruse the document, but this was kind of the major change that I wanted to make sure we pulled out for you.

Commissioner Johnson asked, who is this specific entity that will be required to meet these covenants in terms of the net worth of \$100M? **Ms. Carttar** said it's Menards Inc. **Commissioner Johnson** said that is the parent company. **Ms. Carttar** said, correct. **Commissioner Johnson** said very good, thank you.

Chairman Burroughs asked, any other questions, comments, committee? Katherine, I do appreciate you bringing this forward and identifying it within the parameters of the agreement that you presented to us in our packet. I do appreciate that. I would assume that Legal has guided us through this. Are there any questions that Legal might have in reference to the language? **Patrick Waters, Senior Counsel**, said no. We have reviewed and we've also had outside counsel work on

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this. **Chairman Burroughs** said great, thank you. I think it's important that the public know that our Legal has also reviewed the document as well as approved and worked with our partner in ensuring that this is a document that will stand the test of time.

Commissioner Townsend said I, too, had a question similar to what Commissioner Johnson had, but in the course and scope of her presentation, Ms. Carttar made mention of the fact that this self-insured clause was almost identical to one we have already used at the western location for Menards, so that gave me some comfort and the identification that it is the parent company of Menards who's required to have this net worth minimum. That took care of the concerns I had questioned. Thank you.

Chairman Burroughs said I would ask the Clerk at this time if there's any members of the public that wish to speak in opposition or in support of the project. **Ms. Godsil** said the Clerk's Office received no public comment and I see no hands raised from the public. **Chairman Burroughs** said thank you so very much. Committee, the self-insured issue is those businesses that have the financial standing to self-insure is a normal business practice. The fact that we have had experience dealing with that, I do appreciate Katherine Carttar bringing that to the committee's attention.

Action: **Commissioner Johnson made a motion, seconded by Commissioner Townsend, to approve.** Roll call was taken and there were five "Ayes," Bryant, Johnson, Townsend, Bynum, Burroughs.

Item No. 4 – 21677...RESOLUTION: OPTION PURCHASE AGREEMENT FOR 546 N. 130TH ST.

Synopsis: A resolution authorizing an option purchase agreement for 546 N. 130th St., Bonner Springs, KS, to River Bend Land Co. - PV LLC, for the building of a multi-family project, submitted by Katherine Carttar, Director of Economic Development. The project must receive approval through the planning and rezoning process with Bonner Springs before land is transferred.

Item 4: Resolution

A resolution authorizing an option purchase agreement for 546 N 130th St., Bonner Springs, to River Bend Land Co. – PV LLC, for the building of a multi-family project.

Katherine Carttar, Director of Economic Development, said for my final item this evening, this is actually very similar to what this committee in their Neighborhood and Community Development format is used to seeing as an option through the Land Bank property. The reason we are not using the Land Bank is actually because this property is owned by the Board of County Commissioners. It is a slightly different process, basically you get to hear from me instead of Jud.



Parcel Map– 546 N 130th St., Bonner Springs

I'm pointing out here on the screen the location of this property. It is in Bonner Springs. It's about 15 acres, I believe. You can see kind of its proximity to Wyandotte County Park and the Fairgrounds.

Bonner Springs Land Option

Proposed Project Description

- 180-unit townhome community
 - Two floors, attached garage, yard, and patio
 - Class A finishes: stainless steel appliances, granite/quartz countertops, soft close all wood cabinets, hardwood looks floors, etc.
- Amenities: two pickleball courts, communal gathering area with firepit and grill, bouldering wall, and a community garden to include an area for hammocks.
- Unit amenities will be curated to embrace the surrounding wooded area and the outdoors

The project must receive approval through the planning and rezoning process with Bonner Springs before land is transferred.

Purchase price: \$145,260 (appraised value)

It is actually a team that is interested in doing a number of projects in Wyandotte County. Alex Howell and Randy Wilbanks have significant construction industry and residential housing experience and have successfully developed over 138 single-family homes including the Newberry at Piper as well as over \$300M in multi-family projects.

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This project, in particular, as you can see here on the screen, would be 180 units. They would all will be townhomes, kind of row homes, so not your traditional large apartment project but something a bit more kind of homey, Moroccan to your single-family home. Each would be two floors with an attached garage, a yard, and a patio, all Class A finishes. The community would have a number of amenities that you can see here: pickleball courts, grills, fire pit, kind of communal space, as well as a community garden. The area is currently quite wooded. The goal would to be really embrace that and retain as much of that feeling of outdoor space and trees as possible.

The unique part of this is that it is located in Bonner Springs. It puts a kind of—just how the plan works is a little different for us since it would not go through our Unified Government Planning/Rezoning process. I have had conversations with the developer as well as the team in Bonner Springs. They are excited about this project and excited for it to move through their process. The way that we have put the sales agreement together is that there are stipulations. Before we sell the property, they will have to have gone through the Bonner Springs Planning and Rezoning process. Once they have their full approvals for their final plans approved, as well as the rezoning, then we would move forward with our sale of the property for the appraised value, which is \$145,000. Any questions?

Commissioner Bynum asked, can you tell me again, how many acres is it? **Ms. Carttar** said 15 point something acres. **Commissioner Bynum** said since it's an option, if the project didn't commence or come to reality, then it would not ever be transferred, correct? **Ms. Carttar** said, correct. It would stay in the Board of County Commissioners' name and we would wait for the next proposed project.

Commissioner Bynum asked, the infrastructure that's needed for the project, would that all come through city of Bonner Springs and not city of Kansas City, Kansas? **Ms. Carttar** said, correct.

Commissioner Bynum asked, do you know if it would be sewer or what the infrastructure would be? **Ms. Carttar** said I do not. Alex Howe is one of the developers. Alex, are you familiar with the utility needs and the sewers, an item that is necessary? **Alex Howe** said yes. We will need sewer and sanitary to the property, but in talking with Bonner Springs, that didn't seem to be an issue.

Commissioner Bynum said my last question is, these are for rent, not for sale? **Mr. Howe** said yes, that's correct. **Commissioner Bynum** asked, do you know of an average rent that you think would be received off of a townhome like this? **Mr. Howe** said yeah. So, these will all be

two-bedroom and three-bedroom with attached garages. Our average rent will be approximately \$1,400, but that will be about 90 cents per sq. ft. **Commissioner Bynum** said okay, thank you very much. **Mr. Howe** said thanks.

Commissioner Townsend said, however, based on the questions Commissioner Bynum just asked and the answers provided by Mr. Howell, I no longer have any questions that I intended to ask. Thank you.



Commissioner Johnson asked, Katherine, can you go back to the map and familiarize me with where exactly this is located relative to the park? **Ms. Carttar** said you can see the park right over here. You have the AG Hall of Fame right here and the fairgrounds. So, it's basically right across from the fairgrounds. **Commissioner Bynum** said, Katherine, I don't think you mean fairgrounds, do you? That's way to the north off of Polfer. **Chairman Burroughs** said if I may, this is the area directly behind the Feldman's. **Commissioner Johnson** said so that's going to be to the south of all the park? **Commissioner Bynum** said it's directly west. **Mr. Howe** said this would be to the west. If it's behind Feldman's like he's saying, it's right off of 130th & State Avenue. **Commissioner Johnson** said okay, gotcha. Now I'm familiarized. **Chairman Burroughs** said actually it's right across from the western entrance and exit of the Verizon facility or whatever it's called today.

Commissioner Johnson asked, how far is that away from K-7? **Chairman Burroughs** said K-7 is on the western boundary line that you see in the drawing. That's K-7 that runs right to the left of the yellow that runs north and south. **Commissioner Johnson** said okay. Got it. Thank you. I know where we are now. Thank you.

Chairman Burroughs asked, any members of the public wish to speak to the issue? Anyone in support or opposition? **Ms. Godsil** said the Clerk's Office received no comments nor do I see any hands raised.

Chairman Burroughs said, Katherine, I do have a question. In our initial review, I did have some comments and concerns about the development and at 80, can you tell me again, \$88 a sq. ft. for development? **Ms. Carttar** said no, that was the rental price would be around—would you say 90? Mr. Howe said yes, 90 cents per sq. ft. would be the monthly rental rate or that would be about \$1,400 per month for our blended average of two-bedroom and three-bedroom.

Chairman Burroughs said as Commissioner At-Large for that district, I have had some concerns about the development, and I did pose those to Katherine in our meeting. Katherine, I do hope that those concerns were carried forward to the developer. **Ms. Carttar** said yes. The developer, I think you had some questions about the Highlands at Piper. While the developer did not start those, that project did come in and kind of bailed out the original developer of that project. So, that was not their original plan, and they don't believe a good representation of the type of quality that they typically build. **Mr. Howe** said I guess Randy is here with me, and he also came in and kind of finished that project, but he no longer has anything to do with the management or anything of that. I don't know if that's cause for concern there.

Chairman Burroughs said, Mr. Howe, I appreciate you wanting to partner with Wyandotte County. I do know that the Bonner Springs committee will be, Planning & Zoning, will determine the quality and materials, but as Commissioner At-Large, I'm very concerned about the quality of development that goes on in the community. I'm sure these are market-rate rents, no subsidized housing. **Mr. Howe** said correct, yeah.

Chairman Burroughs said and those plans are to stand the test of time of at least 30 years of prominence in the area. That area is ripe for development, investment, and I do hope that, as a developer, that you give some consideration to the amount of not only traffic, but the opportunity to set a standard for development in that area. **Mr. Howe** said, yeah, absolutely. We plan to use Class A finishes very similar to what—we'll be using as far as within the units of the other projects we saw presented earlier this evening with the granite and, of course, counter tops, stainless steel appliances. Then, on the exterior, we'll use materials like masonry and smart trim and things that are consistent with Class A materials throughout the Kansas City market.

Chairman Burroughs said, Mr. Howe, I'm assuming that there will be a community center for a possible bad weather or emergency that will allow people to be able to have cover within the facility. **Mr. Howe** said yes. This is just the first step in kind of working with Bonner Springs, so we haven't done any borings to see how feasible basements are. But, yes, if there are not basements in these units, we absolutely will have some sort of tornado shelter. **Chairman Burroughs** said thank you for that, Mr. Howe.

Chairman Burroughs asked, any other questions or concerns from committee? Seeing none, I would entertain a motion.

Action: **Commissioner Johnson made a motion, seconded by BPU Board Member Bryant, to approve.** Roll call was taken and there were five "Ayes," Bryant, Johnson, Townsend, Bynum, Burroughs.

Item No. 5 – 21672...RESOLUTION: MASTER LEASE/PURCHASE AGREEMENT

Synopsis: A resolution authorizing the Unified Government to enter into a master equipment lease/purchase agreement with Banc of America Public Capital Corp, submitted by Debbie Jonscher, Deputy Chief Financial Officer.



Debbie Jonscher, Deputy Chief Financial Officer, said tonight, we are asking for approval to enter into a new master lease agreement. The master lease agreement is the tool that we use to finance all of our equipment that's identified in the budget as lease finance.

Master Equipment Lease Purchase Agreement 2021

- **Master Lease Agreement**

- RFP Process Fall 2021
- Banc of America Public Capital Corp
- Terms of Agreement
 - Length of lease – original term through December 31, 2021, with optional one-year renewal terms after the original term
 - Other Terms – same as previous agreement

- **Equipment List**

- 2021 - \$6M
- All Equipment included in CMIP and approved by the UG Commission

Our previous agreement that we had expired on 12/31/2020. In the fall of 2020, we went out for an RFP. I apologize that first point there should say fall of 2020. We went out for an RFP process. We did only receive one proposal back through that process and it was our current leasing vendor, Banc of America Public Capital Corp.

The last RFP that we had done was in 2013 and so we went ahead and wrote up a new agreement with Banc of America. The terms are basically the same as the previous agreement that we had. The original term will run through December 31, 2020, and we'll have multiple one-year renewal options after the original term.

Included in your packet was also an equipment list. For 2021, that total is about \$6M. It includes a couple of items from 2020 that did not get financed in 2020, as well as all the equipment that's been included for 2021. I will just note that all the equipment that's on the list was included in the CMIP and has been previously approved by the UG Commission.

Master Equipment Lease Purchase Agreement 2021

Action:

Approve Resolution



The action tonight is to approve the resolution that allows us to enter into an agreement with Banc of America Public Capital Corp. I can answer questions if there are any.

Chairman Burroughs said thank you, Debbie. Just for point of clarification, I believe you mentioned that this agreement would run through December of 2020, I believe it's December of 2021. **Ms. Jonscher** said that's correct. This agreement would run through December 31, 2021. **Chairman Burroughs** said thank you, Debbie. I just wanted to make sure I heard that correctly.

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Chairman Burroughs asked, Committee, any questions?

Commissioner Johnson asked, Ms. Jonscher, when we only receive one bid, are we not required to have more than one bid on these types in terms of our policy? **Ms. Jonscher** said there was no question raised with procurement that we couldn't move forward with the one bid. Our option could have been, if we had chosen not to do a new lease agreement, we could have just done an additional amendment with Banc of America. But, since we had gone through the RFP process and it had been seven years since our last RFP, we did determine that we were going to go ahead with it. There was no issue raised with procurement that we couldn't proceed if we only received one proposal.

Commissioner Johnson said I guess the question that I have is relative to ensuring that we are receiving the best terms that the market will bear, particularly after seven years. It would just seem to me that there would be something that would cause us to pause if, in fact, we only have one bid that comes in. I don't know what the culture is in that particular arena. That's not my specialty. I do understand assuming things to bid and hopefully when you do that, that means you're trying to get the best set of terms that you can get. So, with the same organization, the same company submitting, how do we have reassurance that we're getting the best terms for our money?

Ms. Jonscher said well, I think one of the things is probably because we had a lot of interest in the last probably year or two from different entities asking when we were going to go out for RFP, I have a feeling the pandemic probably is part of the reason that we did only receive one bid. I think in our RFP, we initially asked for an initial one-year term with the option to go out for at least, I think, four renewable terms. I'm not sure if that's what—if entities didn't want to commit to because that's our option to go out.

Now, since it's just a one-year term, we can choose to renew or in two years we could opt to say if we feel like the economy is better, we could choose to, at that point, go out for another RFP. There's nothing that prevents us from once we get through with the term, that we can choose to go out for another RFP. I think that was one of the decisions when we decided to go ahead and move forward with this agreement is that we're not bound by five years before we can go out for another RFP.

Commissioner Johnson said I understand that as a matter of process. I guess my questioning is relative to a matter of practicality. What is the practicality that we will, in fact, what will dictate our need to, or desire to, I suppose, to go out and rebid this in a year? **Ms. Jonscher** said

I don't know that we would do it in a year, but I would say we did discuss possibly in two years going out and doing another RFP maybe to see where we were after we get past 2021 into 2022, that we probably would go out and probably see what the market holds at that point.

Commissioner Johnson said I guess what we are led to believe is that Procurement feels that the rates and terms, as proposed, are within the context of what the market will bear at this particular time so there's no need to—I'm assuming that that's their assumption or recommendation.

Ms. Jonscher said we reviewed the agreement. It's basically, like I said, the same agreement. They did adjust—there is an index in there that helps determine the rate that's in the agreement. It sets how Banc of America will set the rate. Now, they did make some adjustments to that, to their indices, but it's basically the same formula we were using before. **Commissioner Johnson** said very good. Thank you.

Commissioner Townsend said I appreciate Commissioner Johnson's questions. I have some, I say comfort, but I'm not undone by the fact that we're dealing with the entity that held our previous lease. I like the fact that we would not have to wait another seven years to test the water, so to speak.

If you would, though, address what would happen if we would not go forward with this. I'm looking at these lease equipment projects and, as you mentioned, they've already been approved. So, what is the downside if there is one, for not going forward with this even though we have this only one entity that came forward in response to the RFP? **Ms. Jonscher** said I think probably our option would be that if we didn't want to do a new master lease agreement, one of the options could have been that we could have simply done another one-year extension with Banc of America to get us through 2021. That would have been once. Since we were—our initial term on this agreement was going to be one year. We just decided to go ahead and do a new agreement versus just doing an amendment, which we have done in the past. The other option would be, that if this didn't move forward, we could put it out for RFP again.

Commissioner Townsend said, but supposing that we get the same result, my question is, what is the impact of not moving forward on this proposal with regard to the equipment leases and the things that were already approved through the previous budget cycle with regard to these particular pieces of equipment and our CMIP plans? **Ms. Jonscher** said, well, if we didn't move forward, then we wouldn't have a tool to be able to finance all of the equipment on the list.

Commissioner Townsend said okay. This term again, on this lease, allows us to rebid, so to speak, within another year? **Ms. Jonscher** said, yes. **Commissioner Townsend** said okay.

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Thank you. **Ms. Jonscher** said the initial term is one year and then we can either choose to go out for RFP or we could choose to renew that. We could do another amendment with Banc of America and either do that next year or we go out for RFP. I think it allows for either one.

Commissioner Johnson said I just want to clarify, though. Commissioner Townsend, she indicated that it would likely be two years before we would look into potentially looking to rebid that. Sorry for interrupting.

Commissioner Townsend said, I understand, thank you. Again, I was looking at what happens if we do not move forward with this in terms of how we're financing a lot of this heavy equipment and what would happen if we did nothing right now. Thank you.

Chairman Burroughs said, Debbie, if I may. I believe our fire trucks and equipment that we are obligated in our lease agreement are included in this, is that correct? Fire suppression equipment? **Ms. Jonscher** said yes. In fact, we even have a couple of pieces of equipment already on order from 2020 since we didn't receive that equipment before the end of the year. Those were held over. So, yeah, it includes all of the fire suppression equipment. There's some street vehicles, transit vehicles as well. **Chairman Burroughs** said I anticipate when you have some holdover that may have been some of the holdover due to the fact that the equipment hasn't been delivered. **Ms. Jonscher** said that's correct. Since those are already on order, if for some reason we didn't move forward, we would definitely have to figure out how we were going to finance. We would probably have to do an amendment with our current vendor to at least finance those that are already on order. **Chairman Burroughs** said thank you. I do appreciate Commissioner Johnson bringing that forward because the prudent thing to do is to ensure that we are getting the best opportunity, the best rates for the taxpayers that we represent.

Commissioner Johnson said I promise, Chair, this is my last question. I'm inclined to move forward with this. I just want to make sure that, Debbie, that I just want for the record, to kind of get a sense that the reason why we did not receive more than one bid is probably tied the pandemic and the economic environment relative to that. Is that correct? **Ms. Jonscher** said that's what we believe, yes. In the past probably two years, we've had multiple companies asking to be put on the list for when we went out for RFP. We make note of all of those, and we make sure that each one

of those is sent notification when we went out for the RFP. Everyone that had contacted us was notified. **Commissioner Johnson** said okay. Very good.

Chairman Burroughs said I see no other hands raised at this time. I'm looking at attendees. Clerk, any letters in opposition or support of the proposed master lease agreement? **Ms. Kimble** said we have not received anything in the Clerk's Office.

Action: **Commissioner Townsend made a motion, seconded by Commissioner Johnson, to approve.** Roll call was taken and there were five "Ayes," Bryant, Johnson, Townsend, Bynum, Burroughs.

Item No. 6 – 21668...UPDATE: 2020 MOTOR VEHICLE REGISTRATION CUSTOMER SERVICE

Synopsis: Update on 2020 Motor Vehicle registration customer service, submitted by Rick Mikesic, County Treasurer.



Rick Mikesic, County Treasurer, said with me today I also have with me Deputy Treasurer Andrea Parra. Also, I have with us MaDonna Kampfer, who is the Administrative Coordinator who operates and oversees the Motor Vehicle operations in the Treasury Office. Each year we come before you to discuss the Motor Vehicle operations and give an update on how that's been operating throughout the last year. We did do a special presentation back in September and so some of this information was addressed partially at that time, but I think we're ready to go on and get started with our presentation.

2020 – A year of Challenges

- Closed to the public– March 23 – June 8 (11 weeks)
- Significant staff absences due to COVID19
- Temporary closure to public in November due to absences

Needless to say, 2020 was a year of challenges. We were closed to the public for 11 weeks back in the first half of the year. We'll note that we were operating and we were presenting everything that we had that was brought in by the public, but we were not open to the public at that time. We also had significant staff absences due to COVID-19 during the year. Our office, individuals were obviously just as potentially subject to the issues that came about because of COVID with regards to the virus and being sick and having quarantined. We were hit pretty much throughout the entire year with those absences, in fact, in November we had to close to the public again for a week because we had so many vacancies at that time. We had a lot of things that were really hitting us all year long as we went through the year.

2020 – A year of Challenges



July 13, 2020

You might remember this picture. I could use a thousand words to describe it, but the picture kind of showed. We presented this back in September. July really was probably about the most challenging period that we experienced in the last year. What you see on the floor are all of those boxes. They're just email. Probably each box represented one day's worth of mail. It was mail that we couldn't even find staff to open because we just had that much information that was coming in; that much workload that was coming in. You can even see it piled up on the windowsills as well.

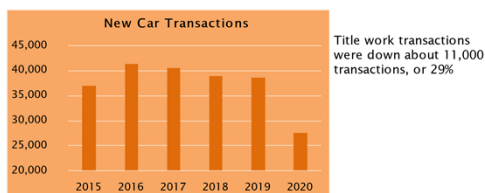
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2020 – Results of the Challenges

- ▶ Delayed processing tens of thousands of transactions
- ▶ Upon re-opening, overwhelmed with all levels of transactions and queries
- ▶ Numerous Office Delays

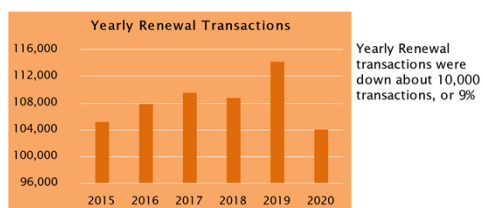
The result of all these challenges were the delaying in the processing of tens of thousands of transactions. When we re-opened in June, we were simply overwhelmed in every aspect. There were office delays with regards to emails. We were weeks behind responding to emails. Regular mail was a challenge just getting it opened. Processing the information that was provided to us. People that wanted to try to come in and get into our queue system were challenged just to get an opportunity to come in. All of the transactions that were building up during the closure, they all started, well not all of them, but a good number of them started to come in all at once and it took us a very long time to try to start to right the ship. I think the next slide is going to be Madonna. It's going to give some data of the statistics from the year.

Productivity Results – Year over Year



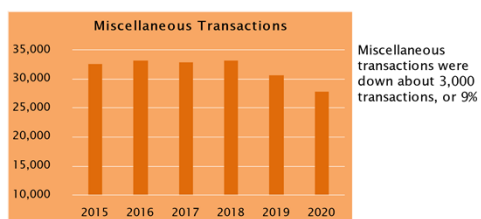
MaDonna Kampfer, Motor Vehicle Administrative Coordinator, said the next few slides you're just going to see some data that compares 2020 to previous years. Up first is new car transactions. These would be the transaction for any newly acquired vehicle.

Productivity Results – Year over Year



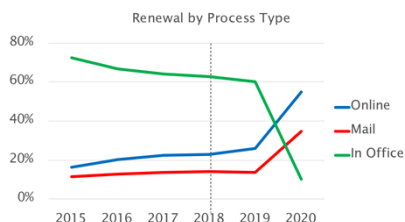
Next, you'll see our transactions for 2020 compared to other years for renewals. These are your annual registration renewals where you pay your property taxes and receive your annual decal.

Productivity Results – Year over Year



Last transaction type is miscellaneous transactions. These would be a range of anything from applying a lien to your vehicle record to requesting a duplicate title, and not limited, but including a handicap placard.

Renewals Breakdown



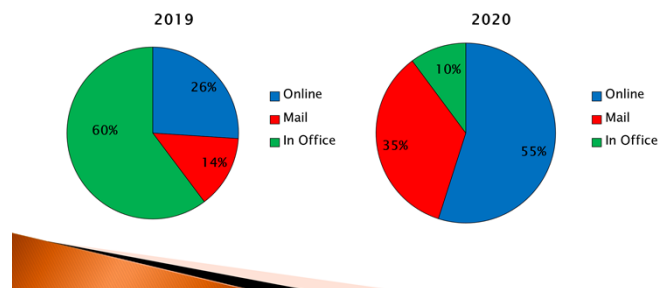
Welcome to **myWyco**

This slide is what I think we're most excited about. As you will see in years past, that big green line up there is our in-office renewal count in comparison to our online or mail-in option that we offer. In 2020, we had to make an office change due to COVID and that completely changed our office practice. We've been able to socially distance because of the requirements from COVID. We've

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been able to service any customer that had any type of a renewal issue outside of the office, totally changing the way that we are able to do our business.

RENEWALS BY TYPE



On this next slide, this is the same information but it shows you how much that has changed from 2019 to 2020. We had 60% in-office, in-person renewals in 2019; and because of the pandemic in 2020, we were able to force that to 90% outside of the office.

Steps Taken Throughout 2020 to Address Issues Related to the Pandemic

- ▶ Designed and implemented remote title work completion
- ▶ Added additional electronic payment system
- ▶ Developed a "triage system"
- ▶ Held live and recorded Q&A on social
- ▶ Created an on-line title questionnaire
- ▶ Issued press releases with major changes

Andrea Parra, Deputy County Treasurer, said thank you, MaDonna. I'm going to take over the next few slides. These next three slides are going to be what is figured and counted as about 16 different steps that we would have taken to overcome the issues related to the pandemic. I'm not going to read through all of them. I'm going to just kind of go through a few of the highlighted items that we felt were just most predominate and most import to the operation.

In specific order, we designated and implemented the remote title work completion option which then allowed us to create an on-line title questionnaire through Open Cities, through what's called an open forum. It's an interactive tool that allowed you to self-question and answer things based on operation of that acquired vehicle to them to know where to go, what to do, and how to do that process which then created the product of the electronic payment system through Pay-It, which

is a temporary check-out page that forced you to pay by ACH, electronic funds transfer or credit card without ever coming into this office to do that title work.

Steps Taken Throughout 2020 to Address Issues Related to the Pandemic

- ▶ Updated the Motor Vehicle website
- ▶ Added additional staff
- ▶ Adapted operations for social distancing
- ▶ Hired temporary employees
- ▶ Implemented a new appointment-based system
- ▶ Utilized former Motor Vehicle staff from other Unified Government departments



Another step that we took, which is very important to us, was implementing the new appointment-based system. We went live with that in December of 2020 through what's called Appointments Plus, a vendor that was vetted through another city/county that we saw them using and we wanted to try. It really made quite the difference in the perspective of human behavior and what we can and cannot control and seeing and being able to provide the appointments at specific timeframes. Obviously, new and still open and still doing research on the what's the best number. We will continue to reevaluate that and we watch that, a group of us, daily on what's the best number. We are providing appointments every 30 minutes at both offices, up and running the annex facility and here at the courthouse as well.

Steps Taken Throughout 2020 to Address issues related to the Pandemic

- ▶ Re-assigned non-Motor Vehicle Treasury employees
- ▶ Installation of a permanent "Store Front" in the Treasury downtown office
- ▶ Implemented a new lock-box
- ▶ Replacing phone system with a new Interactive Voice Response system (Est. Spring 2021)



The last set of steps that we took, I would state that would be very important is two items on here. On the left side of the screen, we implemented a new lock-box. Our Treasury, Real-Estate side has had lock-box opened and functioning pretty fluently for prior to both Rick and me. I can't really tell you when that started. Eventually, that light bulb kind of turned on and we decided to add that for

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the motor vehicles so any mailed in renewal that is through our bank, through their lock-box process first eliminating most, if not all, the renewal mail to us specifically. That's a great tool that we wish we would have done a long time ago, but now we're here and we're doing it and it's really helping eliminate a lot of the in-office process that we would have had to do opening mail, triaging that mail and processing.

Then, also we are moving to replace the phone system which is our IVR response system which is supposed to be fully operable in the spring of 2021.

Current Status

- ▶ Phone calls – wait times still exist, but are decreasing
- ▶ Mail, emails, and voicemails– Response times reduced significantly
- ▶ Offer 4,200 appointments a month to title vehicles
- ▶ Appointments available 30 days in advance, generally booked solid about 2 weeks out
- ▶ All remote options remain available
- ▶ Title Work – approx. 11,000 transactions from 2020 in the hands of the public



Next slide is something I would like to kind of go over pretty specifically where we are today and current status. As far as phone calls, yes, we still experience high-calls; we have wait times, they still exist but they are decreasing. I feel because of the options, the constant updating of the website email address response and everything, it is decreasing, but it's still there. Like Rick said, we still get the incoming mail, email, and voicemail. We have reduced that response time significantly from non-existent, when the heart of the pandemic, to within a day or two, depending on holidays, things of that nature, weekends. Like he's listed here and he mentioned, we are offering, it comes to about 4,200 appointments a month for that newly acquired vehicle title appointment option at either office. Appointments are available 30 days in advance. We usually have everything booked solid for about two weeks. That is slowly lowering because we are getting through the appointments and we really, really are pushing that off the remote option, drop-off option, but appointments are there if they need them. We still have all remote options that we would have had April, May, June, and so on, that are still open and available, and we continue to push those as the number one choice.

Things still, though, that is an issue is the title work. We probably still have about 11,000 transactions that we should have got into the office last year in 2020 that are still out there in the hands of the public. That is one of our biggest tasks to overcome.

2020 –Challenges Accepted

July 13,
2020



Today



Mr. Mikesic said I thought we would present the same spot that we had back in July and how it looks today. We have done a really good job of getting all of that back work type of workload completed and up-to-date. This kind of just illustrates how we simply are much quicker processing all that information when it comes through the mail or the drop box, this similar situation with the emails, phone messages, and what not. But we still have a long way to go because we know we've done some investigation with the auto dealerships. We know that there was not a significant decline of auto sales during 2020. We know they bought the cars. We just haven't seen them all in our office. That's why we feel relatively certain that there is in that ballpark of 10,000, 11,000, maybe 12,000 vehicles out there that were bought during 2020 that still have yet to be titled. They're eventually going to come in and we expect to see them in 2021.

Proposed Action Plan as Part of the 2022 Budget Process

- ▶ Problem – Recruiting and Retention Issues
 - Action – Reclass entry level position to become Fiscal Support Specialist vs. Fiscal Support Assistant
- ▶ Problem – Approx. 11,000 transactions from 2020 expected to be presented in 2021.
 - Action – Add 5 additional provisional PIN's (4 to service appointments, 1 to support phone calls)

Which is part of the two of the biggest problems that we perceive right now. The first problem we have, and this was a reoccurring issue, it's not COVID related. We have, at times, we have a recruiting and retention issue. When we are out and have our positions opened and applied for, it is common for us to have delays in that process because we don't get enough applicants for our position so that we can bring in the best talent possible. When we are successful in bringing in some of our best and brightest, we do find that they find themselves looking for other positions in the Unified Government, which is great for the Unified Government. When you have good talent, you don't

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want to see them leave, but they do leave our office and then they go in, and we have to start all over again. So, recruiting and retention is one of our problems. We would like to be considered in the 2022 budget process, reclassifying those entry level positions from where they currently are. We did bring this up last year. We also understand that there are issues regarding finances, but we would like to throw that out as an action plan to solve that problem.

The second problem is the potential 11,000 transactions that we expect to be presented to us in 2021. We'd like to add additional provisionary pins forward to service the appointments. The quickest way that we can really get caught up is to make it possible for more people to come and see us. The best way to do that is to have those positions sitting there in the windows ready to see them.

We have those four service to service the appointments. We're also requesting consideration for one additional provision position, provisionary position, for our phone room. The other piece of the puzzle that we still have is a very large call volume. It has dropped. It has improved, but it's been still a big concern of ours. If we could get one more position in there, we think that would really help make it so that we can provide a better service and people will get more responses. It just would serve the public better.

Treasury Team



› Michelle W.	› Jennifer R.
› MaDonna K.	› Stephanie E.
› JoEllen G.	› Tina W.
› Meghan P.	› Pang H.
› Stephanie B.	› Sandra R.
› Alexandria G.	› Mallory B.
› Bridget M.	› Maria L.
› Nykita S.	› Ariadna C.
› Linda F.	› Maria J.
› Anna G.	› Jesse V.
› Rhonda G.	› Austin H.
› Mariana E.	› Michelle G.
› Cindy J.	› Brittany P.
› Erick V.	› Emely O.
› Rachel J.	› Brandi W.
› Estrallita J.	› Juliana M.
› Guadalupe T.	› Eileen B.
› Jannetta M.	› Gwendolyn J.
› Amber W.	› Liliana G.

I just wanted to present this slide. These are the people that have gotten us where we are. These are the Treasury teams, both the Motor Vehicle side and the Treasury side. Because the Treasury side is included because we have commonly, over the last eight, nine months, borrowed them from that side of the operation and had them help out with the Motor Vehicle side of the operation. What we have been able to accomplish, and we have accomplished a lot, is because of these people. In order to get to the point where we're satisfied and we can fully say we've recovered; it will be because of the work of these people.

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How to complete my work?

Titling a newly acquired vehicle	Annual Registration Renewal
1. Remote – Instructions provided online, visit wycokck.org/auto and click on "Request to title a recently purchased vehicle" to access the Motor Vehicle Titling Mail-In Eligibility Form (Recommended) 2. In-Person – Set an appointment 1. Online at wycokck.org/ugdmvappointments 2. Call (913) 573-2851	1. Online – mywyco.wycokck.org (Recommended) 2. Drop Box – Annex Office 8200 State Ave. Kansas City, KS 66112 3. Mail – Downtown Office 710 N. 7th St., Suite 240 Kansas City, KS 66101

Then we have one more slide that I'm not going to present or talk about. It's just basic information. I figured if we're presenting our motor vehicle, some people might be looking for some information on how to do the work, so we included the slide in here just for that purpose. We're happy to talk about this or any of the other slides, but we're not going to go into it in detail.

Questions or Comments

► Contact Information

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Andrea Parra Deputy County Treasurer
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MaDonna Kampfe Motor Vehicle Administrative Coordinator
mkampfer@wycokck.org

710 N. 7th Street, Suite 240 Kansas City, KS 66101
913-573-2821

That's what we've got. We're happy to take questions.

Chairman Burroughs said thank you, Rick. Before I ask for questions from the committee, I just want to thank you, your staff, Andrea, MaDonna, and those that you listed. Thank you for the work that you've been able to accomplish under the most trying of times. You were kind enough to walk us through some of the challenges that your department has experienced in the last year. We do know that it has had a tremendous impact on the public, but please know that many of us are aware of the challenges you've faced. I believe that we will, through your cooperation and your work ethic and your commitment to the public, that we will get those resolved as you have clearly stated this evening. Thank you for your work and for the work of the department. **Mr. Mikesic** said thank you.

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Chairman Burroughs said with that, I would ask, committee, any questions, any comments? I do see Commissioner Townsend.

Commissioner Townsend said Mr. Mikesic, Ms. Parra, Ms. Kampfer, and to all of those employees in Motor Vehicle and Treasury Department who are not here with us tonight, I want to express my appreciation to you. I know it was frustrating for you all, frustrating at sometimes more than others for the public, but have to commend you on your ability to adapt and persevere through a situation that none of us had seen before. It's amazing to think that—you estimate that another 10,000 to 12,000 vehicles may show up this year to deal with. I guess people said I'm going to take my chances. It's amazing to see all of the mail that you had to deal with. What was in July? Then close it out with the empty floor and the empty windowsill with that.

I do have a couple of questions specifically, with regard to the slides that were shown. The first one Ms. Parra was speaking and the heading on that slide said current status. If you could get back to that one.

Current Status

- ▶ Phone calls – wait times still exist, but are decreasing
- ▶ Mail, emails, and voicemails– Response times reduced significantly
- ▶ Offer 4,200 appointments a month to title vehicles
- ▶ Appointments available 30 days in advance, generally booked solid about 2 weeks out
- ▶ All remote options remain available
- ▶ Title Work – approx. 11,000 transactions from 2020 in the hands of the public



Second from the bottom. All remote options remain. What does that mean exactly? **Ms. Parra** said at this point in time, for operational purposes, all remote options remain available would be renewing online for a vehicle that you already own. You can get a temporary tag virtually through our remote email option. You can do most of the miscellaneous work that MaDonna had previously mentioned such as a placard renewal and adding a lien to a vehicle record. We can make that work virtually as well. Biggest and most importantly, we have the way for you to title your vehicle remotely without physically coming into an office by drop box or the mail-in option.

Commissioner Townsend asked, what's the best way for members of the public to know how they can exercise those remote options? **Ms. Parra** said definitely. We kept our website content up-to-date and frequent as possible. It guides you through where to go based on what you're looking to do. If title, there's a link there. Get an appointment, there's a link there as well. We also have

what's the UG Motor Vehicle email, which is the email address that we provide to anybody who wants to ask questions related to how to do business. We're about a day to two days out from responding to those inquiries. Facebook, we have updates there. We've done frequently asked questions. We've done posts on Facebook live. We try to provide that information anywhere that we possibly can.

Commissioner Townsend said so you could go, or a member of the public could go to the UG website and search for a link to Motor Vehicles and see all of these options explained. They're offered there? **Ms. Parra** said, yes, Commissioner. We would go to the Wycokck.org/auto is our hub site. We've tried to push it to the very top so you don't have a lot of searching. We have links based on what you're looking for. A new title registration or appointment are the most popular two. We also link to the frequently asked questions on how to do A through Z. Anything that you need, we have a document attached as well.

Commissioner Townsend said thank you. The next question takes me back to Mr. Mikesic, I think part of his display. It goes to the staffing and the points he was making about the difficulty for the department to recruit and retain. It's linked to, I guess, money. I think the proposal that was put forward was to reclassify. Yes, to reclassify the entry level position from specialist to assistant. **Mr. Mikesic** said yes, Commissioner. **Commissioner Townsend** asked, what would be the per hour difference? I'm trying to get to the budget impact of that. What is the dollar difference per hour between those two? **Mr. Mikesic** said we had brought all that information together, and I don't remember off the top of my head the exact pay per hour difference between both of those positions. I will be happy to follow up with you and provide that information to you. **Commissioner Townsend** said okay. With budget cycle right upon us, now would be a good time to look into that in more detail and refresh our recollection on what we're talking about in terms of dollar impact, if that would make a difference.

What I understood you to say is, you get people in the door, in your department, and then after they're there awhile, you lose them to other positions within the Unified Government? **Mr. Mikesic** said that is a frequent occurrence, yes, ma'am. **Commissioner Townsend** said okay. I'll look to see the difference in the hourly rate.

The next question I had has to do with the request to add five additional provisional PINS. What does that mean here? **Mr. Mikesic** said it's temporary provisional FTEs, full-time equivalent. The PIN is the appointment number. The request is for additional employees. They're provisionals

so they're not given to us on a permanent basis. When the need for those positions is no longer there, they can be eliminated. That's what I understand the provisionary position to be.

Commissioner Townsend asked, would these be personnel you'd be asking for immediately or to staff up for some onslaught of something that might be temporary in nature? For instance, if these 10,000 to 12,000 new vehicle registrations show up, you're not looking to permanently add to your staff, or are you? **Mr. Mikesic** said this request is not for a permanent situation. This request would be temporary in nature.

We do expect—to put the 11,000 transactions in perspective, we have about 3,300 under normal times. About 3,300 titles were transacted each month in our office. So, you can see we're talking about a little over three months transactions. I expect that we will be dealing with this challenge throughout the entirety of 2021. The provisional positions, if they are awarded, will help us get through it quicker, but it's still going to be something we probably deal with for a significant amount of time this year. **Commissioner Townsend** said okay, alright. I'm going to keep that in mind during budget season.

Thank you for the explanation again. Thank you to all of your staff with Motor Vehicle and Treasury. It was trying for everybody. No one had seen any of this before, but I appreciate your offices perseverance and ability to adapt and move forward. Thank you.

Commissioner Johnson said, again, I can only echo the appreciation that my colleagues have extended to you all, Mr. Mikesic, Ms. Parra, and Ms. Kampfer. For what it's worth, please extend our appreciation and thankfulness to the staff that you have highlighted tonight. I just cannot imagine what you all had to endure during the pandemic. Again, thank you, thank you, thank you.

A few questions. I guess since I'm looking at the 11,000 transactions up on the screen, does that mean that there are 11,000 vehicles running around our city that have expired tags? Can you explain to me what that means? **Mr. Mikesic** said that is exactly what it means. We believe, based upon the investigation that we did looking at where car sales were and talking directly with dealers and based upon what we traditionally transact in a given year. and what we actually did complete throughout 2020, we believe there are a notable number of vehicles driving around on temporary plates because they have not come in—expired temporary plates because they have not come in to get their title work completed.

Commissioner Johnson said wow, okay. Is there or should there be any communication between your department and KCPD with regard to those types of situations? **Mr. Mikesic** said we

have been trying to stay in touch with both the Sheriff and the Kansas City, Kansas Police Department. It is my understanding that at this period of time, they are following guidelines given by the governor. The governor has given a grace period, if you will, with regards to the deadline for completing has passed. All the deadlines have passed, but there was, I believe, a period where the governor allowed the departments to decide to give warnings rather than actually issuing citations. I believe that period ends March 31. I don't want to go too far beyond that because that becomes more of a law enforcement issue than it is in my jurisdiction. I don't want to misspeak on that, but that time where the law will suggest that tickets should be issued, it's eventually going to come. That's when we think we'll start to see some of these transactions starting to show up on our doorstep. **Commissioner Johnson** said actually that was my next line of thought. When people start being ticketed, that's going to probably drive their decision making.

Let me ask Commissioner Townsend's question in terms of dollars and cents budgetary wise a different way. She asked about the dollar per person difference or the rate per person, but is there an overall dollar figure that you think that you're going to be requesting during budget season? Have you all identified what that number is in totality for all of the potential positions? **Mr. Mikesic** said we also did look at that. I do want to report that Andrea was able to pull that dollar per hour difference. It is \$2.14 an hour difference. The difference per hour for both of the positions that we're talking about is \$2.14. **Commissioner Johnson** said okay.

Mr. Mikesic said we have put a number of the other figures together about what we can expect that would cost in total. That would be something I'd be happy to shoot over. **Commissioner Johnson** said okay. Very good. I'm glad to know that you guys have that. It's obviously going to be instrumental in just a few weeks here.

My question with regard—or I guess I have a comment. I assume that from a cash management standpoint, we have improved the receipt of our funds with the two things happening, the online payments now being predominant and secondly, the lockbox. Is that correct? Is that a correct assumption? **Mr. Mikesic** said both of those have helped make it a little more efficient in handling those types of things, yes.

Commissioner Johnson asked, do you anticipate seeing any type of cost benefit in terms by using the lock box? Do we anticipate that there will be cost savings in the near future, or in the distant future? **Mr. Mikesic** said I think that there will be quite a few of the adjustments that we made throughout this pandemic that we will realize down the road will benefit the operation as a whole. It's hard to envision it right now because we're still in it; however, the fact that people can

now make an appointment instead of having to fight to get a spot online. If they're all gone by 8:05 in the morning, they'll just have to try another day. That's not going to go away. We're going to keep the appointments. The fact that people can chose to not even come into the office, and they can get their title work completed.

I made my daughter do it that way back in May just to see how it worked and it worked wonderfully. An 18-year-old girl who had never bought a car in her life and I made her do it all on her own. All I did was give her the website and she had her title work done in May in seven days. Those aren't going to go away.

For people that chose that option, which is what we really hope they do, they'll find going forward that's really going to be in their best interest. We think we'll see a lot of those improvements, but it's really hard for me to really encapsulate just how monumental those changes might be down the road. **Commissioner Johnson** said, right. Well, of course you know this. Anything that you guys can show us in a few weeks here in terms of cost savings, that will help validate and justify the need for more staff. I think that would help in that narrative that you presented to us. I'm glad that we are now receiving or being the beneficiaries of the efficiencies of the new electronic payments as well as the lock box. Hats off to you guys.

Again, please extend our appreciation to your staff for all of their hard work. We have no idea what it took for you all to get to where you are and to get to where you're trying to go. So, again, thank you so much.

Commissioner Townsend said still on the issue, Mr. Mikesic, of the reclassification issue. Do you have any idea how many persons, in particular, would be impacted by your desire to see that reclassification done? You just provided the difference per hour. How many people are we talking about? **Mr. Mikesic** said I believe it's 26, Commissioner. **Commissioner Townsend** said 26, okay. Thank you.

Chairman Burroughs said seeing no other hands. Again, I do want to remind the committee that this is for information only. Mr. Mikesic and Ms. Parra, thank you for your presentation this evening.

Action: For information only.

Item No. 7 – 21671...BUDGET REVISION: HEALTH DEPARTMENT LEVY FUND

March 1, 2021

Synopsis: Request approval of a 2021 budget revision for the Health Department Levy Fund to support costs associated with the county-wide COVID-19 pandemic vaccination effort, submitted by Reginald Lindsey, Budget Manager.

Kathleen VonAchen, Chief Financial Officer, said I would request an indulgence. I noticed on the agenda that the order of the items would be best presented if we first started with presenting how we ended 2020, then proceed to the budget provisions, and then went to the Health Department for 2021. I think that would make a lot more sense to all of you. If you don't mind, I'd like to start with the budget 4th Quarter Report.

Chairman Burroughs said thank you, Kathleen. As Chairman, I do have the authority to recognize a change in agenda, should it be necessary. I would agree that it would benefit the committee and the public if we were to look at Item No. 8, the 4th Quarter 2020 budget revisions prior to the budget revision on the Health Department Levy Fund. So, with that, are you going to be making the presentation or is Mr. Lindsey? **Ms. VonAchen** said I'd like to start actually with Item No. 9. **Chairman Burroughs** said the 4th Quarter Actuals report. **Ms. VonAchen** said yes. **Chairman Burroughs** said okay.

My question again is, which one of you will be making the presentation, Mr. Lindsey or you? **Ms. VonAchen** said I'm going to start off and then Reginald Lindsey will take it from there. **Chairman Burroughs** said okay, great. Thank you, Kathleen.

Item No. 9 – 21669...PRESENTATION: FOURTH QUARTER 2020 BUDGET VS. ACTUALS REPORT

Synopsis: A presentation on the Fourth Quarter 2020 financial performance compared to budget of the Unified Government, submitted by Kathleen VonAchen, Chief Financial Officer; and Reginald Lindsey, Budget Manager.



Kathleen VonAchen, Chief Financial Officer, said each quarter we present the budget to actual performance for the General Fund, but also for many of the other funds. The fourth quarter is especially important because it actually provides a summary of all four quarters together.

CONSOLIDATED GENERAL FUND						
numbers in 000's	FY 2019			FY 2020		
	Budget	4th Qtr YTD Actual	% of budget	Budget	4th Qtr YTD Actual	% of budget
Revenues	\$ 216,843	\$ 212,686	98.1%	\$ 202,109	\$ 208,609	103.2%
Expenditures	\$ 220,488	\$ 211,102	95.7%	\$ 214,869	\$ 202,656	94.3%
Net Alloc & Transfers	\$ 285	\$ (533)	-187.0%	\$ 1,910	\$ (7,668)	-401.4%
Net Change	\$ (3,359)	\$ 1,051		\$ (10,850)	\$ (1,715)	
Balance, Start of Year	\$ 25,785	\$ 26,853		\$ 23,494	\$ 27,963	
Balance Year-to-Date	\$ 22,425	\$ 27,905		\$ 12,644	\$ 26,248	

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

CONSOLIDATED GENERAL FUND OVERVIEW

CONSOLIDATED GENERAL FUND OVERVIEW

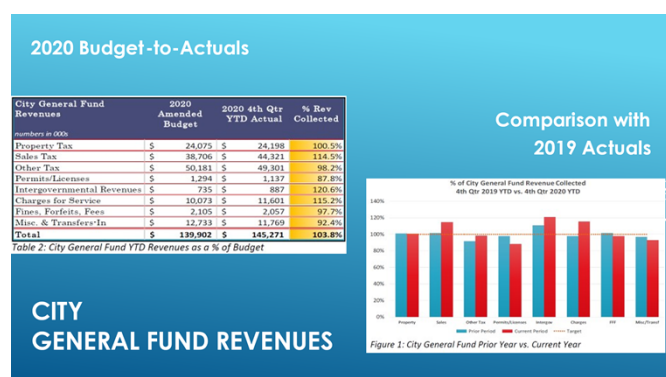
We're going to start off with the revenues. Well, actually this chart is a Consolidated General Fund. I might remind you that it's the city, county, and the parks General Fund together. What we'd like to do is present last year's budget and we compare it with the year before, so last year, meaning Fiscal Year 2020. As you can see, the Consolidated General Fund revenues performed much better than what we anticipated in our amended budget. Overall, we have collected \$208M in revenues compared with the budget which was amended last summer at \$202M. That's mainly because the sales tax performed much better than we anticipated. We will talk about that more in detail. You can see, though, although that is good, \$208.6M is quite a bit less than what we collected in 2019, which was \$212.6M. A \$4M hit mainly because of COVID and just wanted to point that out to you.

The expenditures. We responded very quickly to the COVID crisis and as a result, we made dramatic reductions across our operations. Although, we anticipated a reduction in expenditures, as you can see, we budgeted \$214.8M. That's quite a bit lower than the budget that was adopted in 2019, which was \$220M. In the end, we ended up spending only \$202.6M and that number is—I'm going to explain it here in a little bit. Part of the reason that number is much lower than the budgeted

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level is because we received CARES Act reimbursement for public safety costs. Those were all hit in the operating lines. Much of those reimbursement funds were later used for some other CARES Act dollars. In order to do that, we transferred the money out to the Capital Projects Fund in order to be able to actually do the projects and have more time to do them into 2021. That is going to be explained in more detail during the presentation that we'll be talking about regarding the Health Fund, all right? So stay tuned because there's plenty of detailed information regarding that, all right.

Overall, we ended the year with a fund balance of \$26M compared with last year which was \$27.9M. So, roughly about \$1.7M less than we used \$4.7 of our reserves. So given the fact that the pandemic hit—the reason we have reserves is so that you are able to access them in an emergency. This past pandemic definitely was one of those times. The good news about this is that because of the prudent actions taken by the Administration and by all of the Commission this past year, we were able to maintain and exceed the two month of expenditures minimum reserve target. That really helped us in keeping our credit rating, maintaining the credit rating that we've had in the past.



We're going to talk a little bit about revenues to give you a little bit more detail. As you know, we have three funds in the General Fund. We're mainly going to talk just about the City and the County General Fund. The City General Fund revenues is much more dependent on sales tax than the County General Fund, which is more dependent on property taxes. The pandemic definitely impacted the level of sales tax collection that the city or the Unified Government received. It didn't impact it near as much as we anticipated. We anticipated it to be much greater.

As you can see, property tax remains very consistent with what we had originally budgeted, and it came in at 100% of what we budgeted. There was a slight uptick in the delinquency rate in the latter half of the year, but not significant.

Sales tax came in at \$44M for the City General Fund. That is \$6M greater than what we anticipated in the amended budget, which you can see here is \$38.7M. As a result, that resulted in—

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the percentage of collection was 14.5% greater than what was budgeted.

Other tax revenues came in slightly lower, but not too bad. Actually, the Alcohol Sales Tax related sales, those came in lower than we anticipated.

Permits and licenses. We did see quite a reduction in permits and licenses. As citizens you know perhaps had a difficult time getting to our offices or being able to do their business remotely.

Charges for services. They came in better than we anticipated. They're at \$11.6M.

Fines and forfeitures were significantly reduced during the amended budget process and they even came in—they met the reduced level so that was at \$2M.

Transfers then came in as anticipated. Some of the transfers we did not undertake. There was an anticipated \$1M transfer from the Transient Guest Tax, which was budgeted, and we ended up not doing that because it would have been borrowing and we did not want to proceed with that.

This chart down below here is a comparison of the actuals for 2020 with what was collected in 2019. You can see the blue is the prior period 2019, and then the red is the 2020 figure. As you can see that comparison, there are quite a bit of variances amongst the various categories.

Chairman Burroughs asked, Kathleen, even with those variances, though, the city's revenue general budget is promising at 103.8%. That shows an increase in nearly \$6M year-to-date in the fourth quarter. I'm pleased to see that the sales tax projection that I felt was very conservative at the beginning of the year, has performed as I expected as the information from the state had come down in reference to our sales tax. I'm pleased to see that we are basically up, not quite \$6M. To see the overall performance has helped on the city side. I'm anxious to see the county's.

Comparison with 2019 Actuals

City General Fund Revenues	2019 4th Qtr YTD Actual	2020 4th Qtr YTD Actual	Increase/Decrease
<i>numbers in 000s</i>			
Property Tax	\$ 23,288	\$ 24,198	\$ 910
Sales Tax	\$ 43,471	\$ 44,321	\$ 850
Other Tax	\$ 53,833	\$ 49,301	\$ (4,532)
Permits/Licenses	\$ 1,320	\$ 1,137	\$ (184)
Intergovernmental Revenues	\$ 787	\$ 887	\$ 100
Charges for Service	\$ 11,095	\$ 11,601	\$ 506
Fines, Forfeits, Fees	\$ 3,468	\$ 2,057	\$ (1,410)
Misc. & Transfers-In	\$ 6,253	\$ 11,769	\$ 5,516
Total	\$ 143,514	\$ 145,271	\$ 1,756

Table 3: City General Fund Revenues Year to Year Comparison

**CITY
GENERAL FUND REVENUES**

Ms. VonAchen said this comparison here actually demonstrates the amount we collected in last year, 2020, with the amount collected in 2019. There you can see that, in fact, sales tax—property tax increased about \$1M. These are in millions, these dollars. Sales tax only increased by \$850,000.

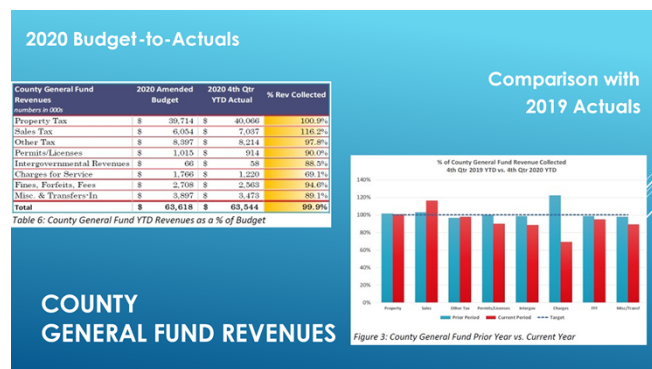
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Even though we are really pleased that sales tax rebounded during 2020, we lost quite a bit of growth in sales tax. That number should have been somewhere around the \$3M mark in terms of increase on an annual basis.

There is the other thing really—the other area that was really impacted was other taxes. Those significantly dropped compared with 2019, and as well as fine and forfeitures, which dropped \$1.4M. The City General Fund was very much impacted by the pandemic.

Chairman Burroughs said, Kathleen, if I may. On the sales tax, that was after it had been—didn't the Commission, in one of your presentations, the sales tax had been revised as to what those dollars would be and we still came in above those revisions?

And two, what we're not seeing in here is the CARES Act dollars that went into some of these funds to offset some of the loss that we've had. Even at 1.7 of increase in revenue for the city, we are even performing better due to the CARES dollars that came in to offset some of these expenses we had in other departments. **Ms. VonAchen** said that's correct. The CARES dollars, they were used to reimburse expenses. The CARES dollars reduced the expenditure line, so you won't see that in this chart here.



So, here's the county side. The county side, as I mentioned, is very dependent on property tax. Last year, they collected \$40M out of the \$63M in total revenues. It came in just as we expected. My delinquency rate was maybe a little bit high, but very close.

Sales tax, they collected \$7M compared with the budget of \$6M.

Overall, the revenues performed well. Charges for services were down about \$500,000 from what we budgeted, but overall, very good performance.

Comparison with 2019 Actuals

County General Fund Revenues	2019 4th Qtr YTD Actual	2020 4th Qtr YTD Actual	Increase/Decrease
<i>numbers in 000s</i>			
Property Tax	\$ 38,338	\$ 40,066	\$ 1,728
Sales Tax	\$ 6,912	\$ 7,037	\$ 125
Other Tax	\$ 9,173	\$ 8,214	\$ (959)
Permits/Licenses	\$ 1,050	\$ 914	\$ (136)
Intergovernmental Revenues	\$ 65	\$ 58	\$ (7)
Charges for Service	\$ 2,184	\$ 1,220	\$ (964)
Fines, Forfeits, Fees	\$ 3,039	\$ 2,563	\$ (477)
Misc. & Transfers-In	\$ 4,261	\$ 3,473	\$ (789)
Total	\$ 65,023	\$ 63,544	\$ (1,478)

Table 7: County General Fund Revenues Year to Year Comparison

COUNTY GENERAL FUND REVENUES

Comparing the county revenues of last year with the year before, 2019, you can see that property tax grew. Sales tax stayed pretty much flat, but other taxes and charges for services, fines and forfeitures, those all were impacted because of the pandemic.

I'm going to let Reginald Lindsey continue with the expenditure side and the rest of the presentation.

2020 Budget-to-Actuals

City General Fund Expenditures	2020 Amended Budget	2020 4th Qtr YTD Actual	% of Budget
<i>numbers in 000s</i>			
Personnel	\$ 112,421	\$ 105,395	93.8%
Services	\$ 22,151	\$ 20,466	92.4%
Supplies	\$ 5,031	\$ 4,088	81.2%
Grants, Claims	\$ 4,758	\$ 4,511	94.8%
Misc. & Transfers-Out	\$ 1,325	\$ 8,305	626.8%
Capital Outlay	\$ 1,414	\$ 1,401	99.1%
Total	\$ 147,100	\$ 144,166	98.0%

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

Comparison with 2019 Actuals

City General Fund Expenditures	2019 4th Qtr YTD Actual	2020 4th Qtr YTD Actual	Increase/Decrease
<i>numbers in 000s</i>			
Personnel	\$ 108,420	\$ 105,395	\$ (3,025)
Services	\$ 22,423	\$ 20,466	\$ (1,957)
Supplies	\$ 5,014	\$ 4,088	\$ (926)
Grants, Claims	\$ 4,545	\$ 4,511	\$ (34)
Misc. & Transfers-Out	\$ 1,677	\$ 8,305	\$ 6,628
Capital Outlay	\$ 3,305	\$ 1,401	\$ (1,904)
Total	\$ 145,384	\$ 144,166	\$ (1,218)

Table 5: City General Fund Expenditures Year to Year Comparison

CITY GENERAL FUND EXPENDITURES

Reginald Lindsey, Budget Manager, said the current slide is going over the City General Fund expenditures. There are two different views on the screen. One is a view of the budget comparison for 2020's budget versus 2020's actual. Then the second view in the bottom right-hand corner is a comparison of 2019's actuals versus 2020's actuals. Looking at the grid up in the upper left-hand corner, we're looking at the City General Fund, and we have six expenditure categories going down the left-hand side of the page. We have personnel, basically which is made up of salaries, pension, and overtime. Then we have services. Some of the biggest expenditure items there are transit, trash, and also then we have supplies, natural gas and fuel, and then parts. At the bottom there we can see we have a total of what the budget is, \$147M. Last year, it was \$151M. So we can see of that total, we spent \$144M this year.

One of the things that we're looking for here is we see over towards the right-hand of the chart is a percent of budget that is spent. So, we're looking for ideally to spend less than 100% of

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the budget. So, we see in most of the categories we did spend less than 100%, but there is one that sticks out. The fifth category, which is miscellaneous transfers going out, we can see that is at like 626%. Basically, what that is, is savings that we had from the CARES dollars that were transferred out to other funds. Kathleen is going to cover that in an upcoming presentation that we have a little later on tonight, but we are able to do that because of the savings that were in personnel.

The next table, which is the bottom right-hand corner, we're looking at the 2019 Actuals versus the 2020 Actuals. Basically, what we can see there is, we have the six expenditure categories also. We see the total in 2019 was \$145M and in 2020 the total was \$144M. We were about 1% less expenditures this year than last year. We can kind of see where some of the savings that came in were in personnel compared to last year, and then also services and supplies at like 18%. Personnel was at like 3% savings and services are at 9% savings. But, we can see, again, the miscellaneous transfers, they were higher than last year at about 300%. Then capital outlay compared to last year was a lot lower, like 58%, that's because we had to cut the budget back for the actual 2020 amended.

2020 Budget-to-Actuals			
County General Fund Expenditures numbers in 000s	2020 Amended Budget	2020 4th Qtr YTD Actual	% of Budget
Personnel	\$ 44,061	\$ 44,591	101.2%
Services	\$ 13,126	\$ 13,579	96.1%
Supplies	\$ 1,616	\$ 1,317	81.5%
Grants, Claims	\$ 1,301	\$ 1,198	92.0%
Misc. & Transfers-Out	\$ 5,195	\$ 5,794	111.5%
Capital Outlay	\$ 1,128	\$ 864	76.6%
Total	\$ 67,428	\$ 67,343	99.9%

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

County General Fund Expenditures numbers in 000s	2019 4th Qtr YTD Actual	2020 4th Qtr YTD Actual	Increase/Decrease
Personnel	\$ 43,871	\$ 44,591	\$ 720
Services	\$ 12,788	\$ 13,579	\$ 791
Supplies	\$ 1,489	\$ 1,317	\$ (172)
Grants, Claims	\$ 869	\$ 1,198	\$ 329
Misc. & Transfers-Out	\$ 1,759	\$ 5,794	\$ 4,034
Capital Outlay	\$ 1,124	\$ 864	\$ (260)
Total	\$ 61,901	\$ 67,343	\$ 5,442

Table 10: County General Fund Expenditures Year to Year Comparison

COUNTY GENERAL FUND EXPENDITURES

Currently, we've been looking at the County General Fund expenditures. Same set up as the prior slide where we have current year budget comparison in the upper left-hand corner and then year-over-year actual comparisons in the bottom right-hand corner. A rule of thumb with looking at the six expenditure categories, we want to be at or around 100% or below. We can see over on the county side; we do have miscellaneous transfers out that were at like 111%. This is based on savings that were created when we transferred money out, and the savings that were created was because of the CARES funding.

So, looking at personnel, again, personnel has some of the bigger expenditures there are salaries, pension, and overtime. Over in services on the county side, some of the bigger expenditures are inmate medical and then also inmate housing. Some of the bigger departments over there are District Court and District Attorney.

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So, as we look at the bottom right corner at the table that's there, and looking at the six categories, we're comparing 2019's actuals to 2020's actuals. We can see where personnel did jump up like 2% compared to last year. Services were up like 6%, supplies were down 12%, and then miscellaneous transfers, they were up like 200%, and capital outlay was down 23%. Overall, we spent like \$5M more than last year.

Tax Levy Funds	REVENUES <i>numbers in 000's</i>			EXPENDITURES <i>numbers in 000's</i>		
	2020 Amended Budget	2020 YTD Actual	% of Budget	2020 Amended Budget	2020 YTD Actual	% of Budget
City General Fund	\$ 139,902	\$ 145,271	103.8%	\$ 147,100	\$ 144,166	98.0%
City Bond & Interest	\$ 34,238	\$ 34,706	101.4%	\$ 38,994	\$ 37,631	96.5%
County General Fund	\$ 63,618	\$ 63,544	99.9%	\$ 67,428	\$ 67,343	99.9%
Cons. Parks General Fund	\$ 5,866	\$ 6,070	103.5%	\$ 5,707	\$ 5,200	91.1%
County Bond & Interest	\$ 4,938	\$ 4,951	100.3%	\$ 7,577	\$ 6,914	91.3%
Aging	\$ 1,914	\$ 1,505	78.6%	\$ 1,870	\$ 1,646	88.0%
Developmental Disabilities	\$ 371	\$ 381	102.6%	\$ 614	\$ 420	68.5%
Elections	\$ 1,349	\$ 1,330	98.6%	\$ 1,611	\$ 1,468	91.1%
Health	\$ 3,381	\$ 8,149	241.0%	\$ 3,410	\$ 2,251	66.0%
Mental Health	\$ 631	\$ 632	100.2%	\$ 674	\$ 664	98.5%
Total UG Tax Levy Funds	\$ 256,208	\$ 266,940	104.2%	\$ 274,985	\$ 267,704	97.4%

ALL UNIFIED GOVERNMENT TAX LEVY FUNDS

The current slide is a snapshot of our city Tax Levy Funds. On the right-hand side, we have revenues or on the left-hand side we have revenues and on the right-hand side we have expenditures. What we're looking for in revenues is we want them to be over 100%, and on the expenditure side we want them to be below 100%. We can see going down where most of the funds did come in over at 100% on the revenue side, which is a good thing. We can see our Health Department, a 241% increase. That's basically because of the transfer that we did to the Health Department at the end of the year. Kathleen is going to cover in another presentation we have upcoming tonight. Then on the expenditure side, we can see that all of the funds did come under 100%, so that's where we wanted to end the year at is those funds being below 100%.

Other Funds	2020 Amended Budget			2020 YTD Actual			2020 Amended Budget			2020 YTD Actual		
	Budget	2020 YTD Actual	% of Budget	Budget	2020 YTD Actual	% of Budget	Budget	2020 YTD Actual	% of Budget	Budget	2020 YTD Actual	% of Budget
Alcohol	\$ 457	\$ 459	100.2%	\$ 457	\$ 459	100.2%	\$ 1,076	\$ 1,076	100.0%	\$ 1,076	\$ 1,076	100.0%
Clerk Technology	\$ 40	\$ 50	125.0%	\$ 40	\$ 50	125.0%	\$ 132	\$ 99	75.0%	\$ 132	\$ 99	75.0%
Court Trustee	\$ 415	\$ 393	94.7%	\$ 415	\$ 393	94.7%	\$ 584	\$ 387	66.3%	\$ 584	\$ 387	66.3%
Dedicated Sales Tax	\$ 9,297	\$ 10,577	113.8%	\$ 9,297	\$ 10,577	113.8%	\$ 9,549	\$ 8,104	84.9%	\$ 9,549	\$ 8,104	84.9%
Emergency Medical Services	\$ 10,139	\$ 10,812	106.6%	\$ 10,139	\$ 10,812	106.6%	\$ 10,340	\$ 10,121	97.9%	\$ 10,340	\$ 10,121	97.9%
Environmental Trust	\$ 1,088	\$ 1,103	101.4%	\$ 1,088	\$ 1,103	101.4%	\$ 1,500	\$ 1,784	118.9%	\$ 1,500	\$ 1,784	118.9%
Jail Commissary	\$ 55	\$ 36	65.5%	\$ 55	\$ 36	65.5%	\$ 100	\$ 23	23.0%	\$ 100	\$ 23	23.0%
Parks & Recreation	\$ 467	\$ 497	106.4%	\$ 467	\$ 497	106.4%	\$ 561	\$ 462	82.3%	\$ 561	\$ 462	82.3%
Public Leases	\$ 337	\$ 338	100.6%	\$ 337	\$ 338	100.6%	\$ 412	\$ 329	79.9%	\$ 412	\$ 329	79.9%
Register of Deeds Technology	\$ 175	\$ 200	114.3%	\$ 175	\$ 200	114.3%	\$ 130	\$ 118	90.8%	\$ 130	\$ 118	90.8%
Sewer System	\$ 42,719	\$ 41,431	97.0%	\$ 42,719	\$ 41,431	97.0%	\$ 56,484	\$ 51,678	91.5%	\$ 56,484	\$ 51,678	91.5%
Special Assets	\$ -	\$ -	0.0%	\$ -	\$ -	0.0%	\$ 850	\$ -	0.0%	\$ 850	\$ -	0.0%
Stadium	\$ 548	\$ 495	90.3%	\$ 548	\$ 495	90.3%	\$ 2,048	\$ 673	32.9%	\$ 2,048	\$ 673	32.9%
Stormwater	\$ 4,110	\$ 3,556	86.5%	\$ 4,110	\$ 3,556	86.5%	\$ 4,000	\$ 4,421	110.5%	\$ 4,000	\$ 4,421	110.5%
Streets & Highway	\$ 6,565	\$ 7,689	117.0%	\$ 6,565	\$ 7,689	117.0%	\$ 7,249	\$ 6,868	94.7%	\$ 7,249	\$ 6,868	94.7%
Sunflower Hills Golf Course	\$ 692	\$ 829	119.8%	\$ 692	\$ 829	119.8%	\$ 670	\$ 479	71.5%	\$ 670	\$ 479	71.5%
Travel & Tourism	\$ 2,256	\$ 2,461	109.1%	\$ 2,256	\$ 2,461	109.1%	\$ 6,832	\$ 3,255	47.6%	\$ 6,832	\$ 3,255	47.6%
Treasury Technology	\$ 45	\$ 50	111.3%	\$ 45	\$ 50	111.3%	\$ 45	\$ 11	24.4%	\$ 45	\$ 11	24.4%
Waukegan County 911	\$ 840	\$ 896	106.6%	\$ 840	\$ 896	106.6%	\$ 1,053	\$ 1,034	98.2%	\$ 1,053	\$ 1,034	98.2%
Total Other Funds	\$ 80,218	\$ 81,088	101.1%	\$ 80,218	\$ 81,088	101.1%	\$ 104,054	\$ 90,497	86.6%	\$ 104,054	\$ 90,497	86.6%
Total Funds	\$ 336,426	\$ 348,028	103.4%	\$ 336,426	\$ 348,028	103.4%	\$ 379,039	\$ 358,201	94.5%	\$ 379,039	\$ 358,201	94.5%
County Library	\$ 3,257	\$ 3,295	101.2%	\$ 3,257	\$ 3,295	101.2%	\$ 3,366	\$ 3,072	91.3%	\$ 3,366	\$ 3,072	91.3%
Total ALL Funds	\$ 339,683	\$ 351,322	103.4%	\$ 339,683	\$ 351,322	103.4%	\$ 382,405	\$ 361,273	94.5%	\$ 382,405	\$ 361,273	94.5%

ALL OTHER & TOTAL UG FUNDS

This slide is a snapshot of our 19 other funds, which consider of Special Revenue Funds and Enterprise Funds. Again, like the prior slide, we just looked at revenues on the left-hand side and

expenditures on the right-hand side. What we're looking for is to make sure that revenues were over 100% and expenditures are below or around 100%. We can see out of the 19 different funds, like 12 of the other funds collected more than their 100%. Then we have like 6 of the funds that came in below where we forecasted. They came in below the 90%.

Again, we can see over on the expenditure side that most of the 19 funds came in below 100%. We did have one fund that came in like right at the 100% and that was Sunflower Hills. Sunflower Hills had more activity than they expected this year. We increased activity with Sunflower Hills, we ended up spending up all of their budget this year. That's why it's right at 100%.



Any questions on any of the slides Kathleen and I went over? **Chairman Burroughs** asked, Committee, any questions? I do see a hand up. Commissioner Townsend.

Commissioner Townsend said good evening, Ms. VonAchen and Mr. Lindsey. The question I have goes back to one of the slides in Ms. VonAchen's presentation regarding the City General Fund revenue slide. It had to do with the other taxes' category. What types of activity—that's the county one that's on the screen that I see. I'm looking to see the City General Fund revenue slide. **Ms. VonAchen** said the largest revenue in that other tax category is the PILOT for both electric and for water. Well, so are the other franchise taxes. There're also taxes related to/collected for alcohol sales. Those are the biggest ones.

Commissioner Townsend said so you're saying part of one of the things in other taxes would include the PILOT. **Ms. VonAchen** said yes. **Commissioner Townsend** asked, would then the fact that there was a moratorium for a good part of the year through the BPU to help our citizens out with delayed bill payment, would that show itself in these numbers? **Ms. VonAchen** said actually, I think that there was perhaps a moratorium, but there was also a lot of utility payment

assistance that was provided through the CARES Act dollars. I think the biggest part of the reduction in the PILOT was because a variety of very large industries were shut down during the shelter in place period. So, those utilities were not consumed, in effect, and so the consumption levels dropped quite a bit during the year. **Commissioner Townsend** said that was the only question I had. Thank you both for the presentation. Thank you. **Ms. VonAchen** said thank you.

Chairman Burroughs asked, any other questions or comments? I don't see any from out attendees this evening or from any of the other commissioners at this time. With that, Kathleen, I do want to get back just real briefly, I believe, to the very last one that Mr. Lindsey showed. That was the one in reference to the individual revenue streams, tax levies. That slide showed the department of Agency on Aging and others, Kathleen. It's nice to see those numbers more accurately reflected, and we're not seeing the large numbers except in health. I'm assuming that some of that is due to the CARES dollars. To see these funds supporting themselves now and not seeing the absorbent amount of dollars sitting there idly. It's nice to see the change in the amount of levy that occurred by the Commission adjusted those down more accurately. I'm pleased to see that. It will keep us from having the spikes and the decreases. This should keep us funded fairly level. As we've seen through this crisis, it helped. I know it may be an anomaly this year, but I do believe that this will help us in moving forward to ensure that the levies associated with these particular funds will be more reflected accurately.

Action: For information only.

Ms. VonAchen said the next presentation is with Reginald Lindsey and it's coving the budget revisions for the fourth quarter. I think Reginald has a presentation or a handout that he wants to refer to.

Chairman Burroughs said, Kathleen, for the public that is watching, and for the commissioners, this is Item No. 8. **Ms. VonAchen** said, yes, that's correct.

Item No. 8 – 21670...PRESENTATION: FOURTH QUARTER 2020 BUDGET REVISIONS

Synopsis: Summary of Fourth Quarter 2020 budget revisions, submitted by Reginald Lindsey, Budget Manager.

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BUDGET REVISIONS \$10,000 OR GREATER - 4TH QUARTER 2020 (For information only)

LY	FUND	DEPARTMENT	CMPI/OPERATING	DESCRIPTION	FUNDING SOURCE	AMOUNT	DATE APPROVED
1	Sunflower Hills	Parks and Recreation	Operating	Shift funding to for operating cost	Inside Department	\$22,000	November 12, 2020
2	Dedicated Sales Tax	Police	Operating	Amunition	Inside Department	\$12,000	November 19, 2020
3	County General	Communications	Operating	Increase Technician Contract	Outside Department	\$13,150	December 2, 2020
4	City General	Legal	Operating	Legal Cost	Outside Department	\$33,176	December 7, 2020
5	Dedicated Sales Tax	Police	CMIP	Purchase CBI Van	Inside Department	\$40,000	December 16, 2020
6	City General	Public Works	Operating	Emergency repair to fuel island	Inside Department	\$18,300	December 16, 2020
7	Elections	Elections	Operating	Additional Expenses, Covid Pandemic	Inside Department	\$11,500	December 17, 2020
8	Consolidated Parks	Parks and Recreation	CMIP	Purchase Ballfield Equipment	Inside Department	\$12,923	December 17, 2020
GRAND TOTAL						\$163,049	

Budget Revisions \$50,000 or Greater - 4th Quarter (Presented to E/D&F Standing Committee November 30, 2020)

LY	FUND	DEPARTMENT	CMPI/OPERATING	DESCRIPTION	FUNDING SOURCE	AMOUNT	DATE APPROVED
1	Sewer System Enterprise	Public Works	Capital Operating	Kaw Point Plant Remodel	Inside Department	\$255,000	October 12, 2020
2	City General Fund	Police	Operating	In Custody Medical Expenses	Inside Department	\$60,000	October 13, 2020
GRAND TOTAL						\$315,000	

Reginald Lindsey, Budget Manager, said when departments request to shift funds that are greater than \$10,000 or more money for contingencies, a budget revision request is sent to the County Administrator's Office. If that amount is over \$50,000 and it's an emergency, a budget revision request is sent to the County Administrator's Office and also Mayor Alvey's office before we transact it. If something is over \$100,000, it has to come to this committee before it's approved for us to move the funding.

In the fourth quarter, we had 10 transactions. Two of them were in Public Works, two of them were in Parks, three were in the Police Department, one was in Wyco Radio, one with the Legal Department, and then one with the Election Office. Two of the items were brought to this committee back on November 30th. The reason they were brought was because they were over \$50,000. Within our policy, we have to bring those to the committee right after they happen. Are there any questions about the ten transactions that were done?

Chairman Burroughs asked, any questions, committee? We've asked that those be presented on a quarterly basis. Seeing none. Reggie, please continue.

Mr. Lindsey said then there was a second set of budget revisions that were done. There were 20 transactions, and these had to do with moving funded related to COVID spending and reimbursements that we had. These are going to be covered in Kathleen's next set of slides. The total on these ended up like \$9M and they'll be covered in the next set of slides that Kathleen is going to go through in more detail.

Chairman Burroughs said so, Reggie, I do see a majority of those are for capital and probably maybe five for operating expenses. **Mr. Lindsey** said, yes, that is correct. We moved some to the Capital Projects Fund and then also some went to the Health Levy Fund.

Ms. VonAchen said even though we kind of classified them as capital, capital is where we put funds that we're able to spend over multiple years. Some of the items aren't necessarily 100% capital, they're more of just items that we needed more time to spend on. **Chairman Burroughs** said, Kathleen, will you restate that again? I want to make sure I understood your comment. **Ms. VonAchen** said well, some of our projects that we have in the Capital Fund aren't necessarily for streets or roads or for an asset necessarily, but for a project that is being done to enhance or make our operations more efficient. So, it's in the Capital Fund because we're able to do it over multiple years. Operating is budgeted on annual basis and capital is budgeted sort of on a multi-year basis.

Chairman Burroughs said thank you, Kathleen. Reggie, any other comments? **Mr. Lindsey** said no more comments. **Chairman Burroughs** said thank you.

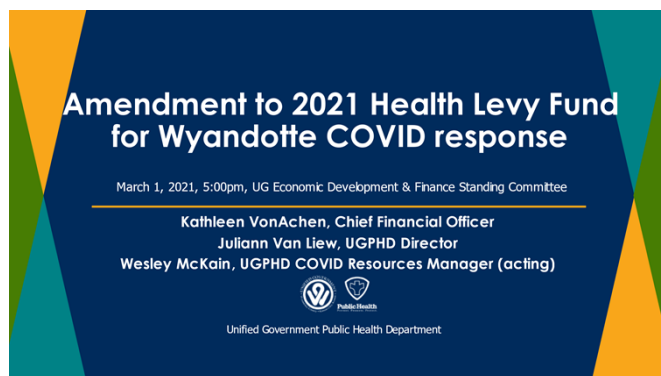
Action: For information only.

Chairman Burroughs asked, does that now take us to Item No. 7? **Ms. VonAchen** said it does.

Chairman Burroughs said, committee and public, those two items were for information only. Item No. 7 is the budget revision for the Health Department Levy Fund. That will be an action item and that will be our last item for this evening. At this time, I do have both, Reggie to present and I'm assuming Kathleen will be presenting also. **Ms. VonAchen** said this item will be presented by myself and Juliann VanLiew, the Health Department Director, and Wesley McKain, who is the COVID Resources Manager.

Item No. 7 – 21671...BUDGET REVISION: HEALTH DEPARTMENT LEVY FUND

Synopsis: Request approval of a 2021 budget revision for the Health Department Levy Fund to support costs associated with the county-wide COVID-19 pandemic vaccination effort, submitted by Reginald Lindsey, Budget Manager.



CARES/ SPARK Committee Public Safety Reimbursement (2020)

Credits against Personnel Cost Accounts

FUND	REIMBURSEMENT
City General Fund	\$ 5,900,226
County General Fund	805,070
SUBTOTAL: GENERAL FUND	\$6,705,296
Dedicated Sales Tax Fund	348,431
Emergency Medical Services Fund	493,895
GRAND TOTAL	\$ 7,547,622



Kathleen VonAchen, Chief Financial Officer, said the CARES Spark Committee from the Governor's Office provided us with the opportunity to do a public safety reimbursement and that was during 2020. Here is a list of the reimbursements we received through the Spark Committee into the City and the County General Fund as well as dedicated sales tax and emergency medical services. These are reimbursements that we received through the Spark Committee. The City General Fund received \$5.9M, the County General Fund or the Sheriff's Office received \$800,000, then Dedicated Sales Tax received \$348,000, and EMS received almost \$500,000, for a total of \$7.5M.

What we're going to focus on the rest of this presentation is this \$6.7M figure here. Because we left the amount that the dedicated sales tax and emergency medical received as reimbursement. We just went ahead and created their personnel lines and didn't do any further action. That helped to mitigate some of the cost that they incurred during the pandemic.

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Reimbursements Used to Cover other COVID-Related Needs	
CITY GENERAL FUND	
Item/Project	Reimbursement Redirected
COVID Communications (Citizen)	\$ 500,000
Open Cities Web Re-Design	52,500
HVAC Building Systems Improvements	334,000
FIBER Improvements (grant match)	250,000
Bathrooms – Parks & Recreation	800,000
SCOUT - Procurement Module (remote processing)	289,064
Adaptive Insights (data analysis)	284,300
ERP Duration UG Team (18 -mos)	442,177
SUBTOTAL - PROJECTS	\$ 2,952,041
Transfer to Health Levy Fund – 2021 Vaccinations Project	2,948,186
GRAND TOTAL - Redirected Reimbursements	\$ 5,900,226



The City General Fund. So, with that \$5.9M that was credited to our personnel line, we decided to use those funds rather than just letting them go to fund balance. We decided to use those funds to do a number of projects that would assist with our COVID fighting activities.

First off, we spent \$500,000 in COVID communication by putting out a *Citizen*. Some of these funds we weren't able to spend in 2020, and as a result, we had to move them into a capital fund in order to be able to spend them in 2021. Some of the COVID fighting activities don't just end on December 31.

We have set aside \$500,000 to continue our strategic communication efforts. The second was the Open Cities Web Re-Design and then we did a number of improvements to the HVAC system, or we're going to in 2021 to a number of HVAC systems that are city related.

We have set aside \$250,000 as the grant match for the fiber improvements that are being undertaken. There's an additional \$800,000 in bathroom improvements in our various parks and recreation. Then there's a variety here of additional funding in the future to continue our administrative efficiency processes in order to provide better access for our employees to do remote processing of transactions and such. All of those amounted to \$2.5M.

In order to—this is a reminder—I'm going back to here—it's \$5.9M that we got reimbursed through the public safety reimbursement in the City General Fund. The remaining amount was \$2.9M and that's an amount that we transferred out of the City General Fund in 2020 to the Health Fund so that they could use that money in 2021 in their vaccination project. The \$2.9M was not enough for them. We're going to add in another \$2M. You'll see here in a minute.

Reimbursements Used to Cover other COVID-Related Needs

COUNTY GENERAL FUND

Item/Project	Reimbursement Redirected
GIS Subscription & Training	\$ 414,000
HVAC Building Systems Improvements	714,000
SUBTOTAL - PROJECTS	\$ 1,128,000
Transfer to Health Levy Fund – 2021 Vaccinations Project	0
Resources from Available Budget in Other Areas -County GF	(322,930)
GRAND TOTAL- Redirected Reimbursements	\$ 805,070



Now, on the county side, as you know here we—remember, the county got \$805,000 in reimbursement. Of those, we did the following activities. We renewed the GIS subscription and did some training; and they were also going to be making improvements to a number of HVAC systems. Those two projects amount to \$1.1M. The county is not going to be transferring any money to the Health Fund. The difference between the amount that the county got reimbursed in CARES dollars and the amount of kind of new projects, is just being taken from other unspent resources in the County General Fund. So, that's what's happening on the county side.

Proposed 2021 Budget Amendment

- Year-End 2020 City General Fund Transfer to Health Levy Fund

Transfer Description	Amount
Re-Direct CARES Reimbursement	\$ 2,948,186
Additional City General Fund \$	2,000,000
TOTAL FOR HEALTH LEVY FUND	\$ 4,948,186

- Affordability
 - Combined General Fund estimated to end 2020 with a reserve that's 20% of operating expenditures (including the \$2 M transfer to Health)
 - Minimum target reserve policy = 16.67% or 2-months expenditures
- Formal approval
 - During Amended 2021/Proposed 2022 Budget 2nd Public Hearing (July 2021)



Back to the reason for this presentation tonight. The CARES Act dollars, at year end 2020, what we did was, we transferred that \$2.9M in CARES dollars that the City General Fund received that we did not redirect to other COVID fighting activities. Then, because sales tax did so well and was not anticipated, our fund balance ended up with some extra funds.

We know that the Health Department is really going to be struggling to proceed with the vaccination effort that they're going to talk about here in a moment. We identified another \$2M that we transferred in 2020 to the Health Fund. The Health Fund, in total, at the end of 2020, received \$4.9M. Just to be clear, this amount that we're transferring, it is affordable. The combined General Fund is estimated to end 2020 with a reserve that's 20% of the operating expenditures, including this

\$2M that we're transferring to the Health Fund. Our minimum target reserve is 16.67% or two months of expenditures. We're maintaining that. We're at 20%, which exceeds the minimum target.

The other thing I wanted to mention is that what we're asking tonight is for, even though we've transferred the money over into the Health Fund at the end of 2020, the Health Fund still needs the budget of 30 to spend the \$4.9M in 2021. That's what we're asking from you tonight so that they can proceed with spending this \$4.9M.

We could have you do a formal approval of that like a formal budget amendment. What I mean by that is state law would require that we hold a public hearing and so forth, similar to what we do in July when we amend the current year budget. But what we're hoping tonight is that all of you will approve this with a voice vote without any resolution. When we come back in the summer and amend our current year budget, we will include this amount. That's the thought here.

At this point, I'm going to let Juliann Van Liew take it from here and she's going to talk about the \$4.9M and her vacation efforts.



Objectives

- **Review goals:** Review of UGPHD COVID response goals and success
- **Preview costs:** Preview major cost categories for 2021 UGPHD COVID response, including vaccination
- **Review funding opportunities:** Describe upcoming 2021 federal funding opportunities for COVID response
- **Prioritize funding:** Describe funding source prioritization— federal dollars before local dollars 

Juliann VanLiew, Health Department Director, said as Kathleen mentioned, we just want to get a little bit of a high overview of what some of the areas are that we plan spend that \$5.9M on.



COVID-19 Response Goals

Excel at **core public health functions:** disease investigation, public education, mass vaccinations

Ensure our response includes our **community** and integrates **health equity** into decision making

Follow the science even when it's difficult

Utilize **every available resource** to stop the spread



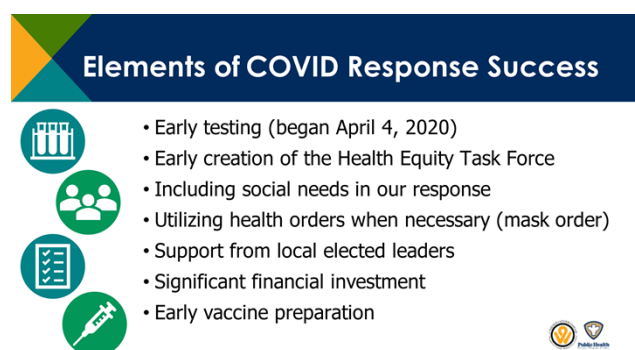
Before we jump in there, I wanted to spend a few minutes just looking back over the last year talking about our efforts in terms of contact tracing, testing, etc., and the many activities that were funded. We are fortunate of the CARES dollars that we received through approval with the Commission.

At a high level, since last March, it's hard to believe it's been a year now, but since last March, our COVID-19 response has had four primary goals. One of those is to excel at core public health functions. This includes disease investigation, our contact tracing, public education, and mass vaccinations. We've made it our mission to not only conduct these activities, but to conduct them with a high level of expertise. I believe our team has done that.

Our second high arching goal is to ensure our response includes community and integrates health equity into decision-making. That sounds like something very easy to do, but it can be difficult to do operationalize.

Thirdly, to follow the science even when it's difficult. It has certainly proven difficult at some point in this last year.

Fourthly, to utilize every available resource to stop the spread.



Towards meeting those goals, we have had a number of elements of our COVID response that have been high successful. The only reason we've been able to implement the vast majority of these is because we've been able to obtain the necessary financial resources. We were able to begin testing very early, just about three weeks after our first COVID case. We were the first to test for free out of a health department in the metro in the state of Kansas. We moved early and effectively.

Secondly, we created a Health Equity Task Force very early on. This was up and running by the end of April. Again, to ensure that health equity is a cornerstone of our response and not on afterthought. We've included social needs in our response. Our community in Wyandotte County has needs that some communities do not. So we've done things like ensuring food delivery to people

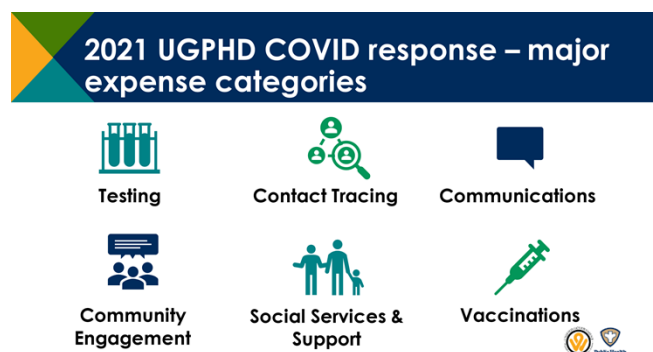
so that they can stay home and quarantine and isolate. Those sorts of wrap around services, they really are essential to a pandemic response in a place like Wyandotte.

We utilize health orders when necessary. Removing them as soon as we are able, given the data and research that's available to us at that time.

Support from local elected leaders. I credit our Commission at a really high level for really putting their weight behind the Health Department and the work that we are doing and with that, again, the significant financial investment you all have made in our work.

Then an early vaccine preparation being, of course, another really important component of our response. It has made us successful to date in our vaccine effort.

I'm going to turn it over here now to Wesley McKain, and I just want to make mention, a lot of you know Wesley McKain from his many years at the Health Department and his work supervising the Community Health Division. I just feel it very necessary for you all to know that he had stepped into an unprecedented scope of work in managing the \$12M CARES budget and working closely with our business office. He had taken that on wholeheartedly, and the Health Department and the community at-large owe him a debt of gratitude for the work he's put in to ensure that every aspect of our COVID response has resources to support it.



Wesley McKain, Acting COVID Resource Manager, said these are our major cost categories that we're looking at for overall COVID response for 2021. Testing, most of you are pretty familiar with this cost category. The only thing I'll add to that is that as the Health Department moves into vaccination in 2021 and ramp up our efforts, we're going to be working with our clinical partners to make sure that we continue testing and surveillance. That is an extra cost that we'll be incurring, but some other costs have gone down as well in that same category.

For contact tracing, once again, you guys know this pretty well. These costs go up and down dramatically based upon case rates. Right now, our case rates are, thankfully, very low so our contact

tracing expenditures are low. Should case rates go back up, and we do not know that they won't, we are monitoring it and making sure that we're keeping an eye on it. Those will go up accordingly.

Also, in that category, are two epidemiologists who help us to track disease spread in Wyandotte.

Third cost category is communications. We spent about \$2M last year, as a Unified Government, on communicating about COVID to our residents. We do not believe that communicating about vaccination in 2021 will decrease those costs so, we're estimating a pretty healthy comms budget to reach the incredible number of different languages in our county, different cultures, different groups.

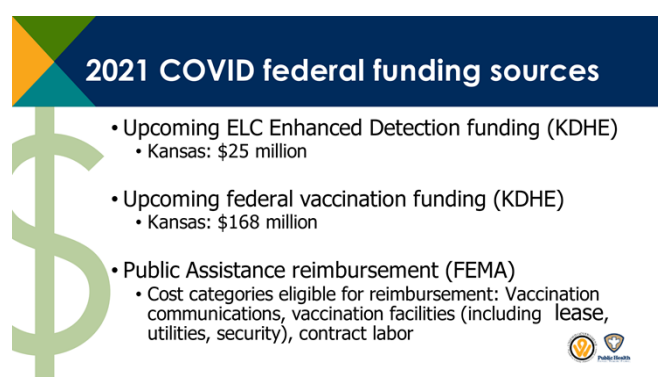
Related to that is our community engagement. A bucket of resources which is something the Health Department is paradigm is on this is that it is not a one-size-fits-all engagement effort. We have the mosaic of peoples in our county. Like I was saying, language, culture, different groups of people who have different understandings of vaccination. Different feelings about the government, about the American healthcare system. There's a lot of different things that we have; undocumented people in our community who also need to be vaccinated. There's a lot of groups that we are going to be working with and to work with them effectively, it takes resources. That's another effort that we'll be spending some resources on.

Social services and supports. These are social services and supports for COVID and COVID vaccination. Two big costs things. One is what Juliann mentioned. We do have a home delivery program to support people who are under quarantine and isolation, or who are at extremely at risk. We've delivered up to this point to about 2,000 households of groceries, cleaning supplies, and PPE to keep people who are not sick in their households not sick. As we ramp up our vaccination effort, it's going to take some resources to ensure that transportation is not a barrier for people in our community, and that will require some resources as well.

Finally, probably our largest cost category here is our vaccination operation. You know that we have three sites. Two sites are up and running now. We have a third site that's going to be opening up here in about a week and a half, is my understanding. There is rent. There are utilities. BPU has been very generous and allowed us not to pay for the utilities at the sites that they provide, but we still have to pay for gas at the sites. We have a security arrangement to provide 24/7 security at all three of our sites.

Then, finally a very large cost is our contract labor to make sure that we have enough staff support to run the sites. I was talking with our staffing person today about 40 – 45 people per site to

make a vaccine site run. We have gotten a lot of response from the volunteer community in and around Kansas City. That was one of the benefits of us standing up our sites early and getting the word out about our sites early is that we've had a lot of volunteers who have really been helping run our sites. We have to have a paid workforce to continue to run these sites for the duration of when they're needed so, that's another cost. Those are kind of our major cost categories.



So I wanted to give you just a brief overview of the federal funding we expect to receive for this in 2021. ELC Enhanced Detection. This first one, Kansas received \$25M. We got a message from them. We hope to receive about a million from that bucket of money and very thankful for that. The one thing to note about that enhanced detection funding is it is specifically not for vaccination. We cannot pay for people to vaccinate other people. It is surveillance and COVID detection money. It will provide assistance for things like contact tracing and testing, but not for some of the labor costs and the vaccination costs and the rent and all of those things that we need.

The second pot of money, we have not heard about yet; but it is a larger pot of money. We are very excited about hearing about it. You can see that it is much larger than the pot that was allotted to Kansas for enhanced protection. This is strictly vaccination funding, \$168M. If we're receiving a million for \$25M, we hope, potentially, that we would receive more than that for \$168M, but as we've learned with these funds, you never count your chickens before they hatch. I think between the President signing the CARES Act last year on March 15, to us getting our CARES budget, was about six months. We've heard and all signs are that it's not going to take six months this time, but we have not gotten confirmation about those funds yet.

The third thing is something I'm working on with Kathleen and Matt May and the Kansas Department of Emergency Management. There is a public assistance reimbursement process that FEMA has sort of altered to serve the COVID pandemic. I was very excited to find out last week from them that our cost category is eligible for reimbursement through this are vaccination

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communications. Remember I said that was potentially going to be \$2M this year. Vaccination facilities which includes lease, utilities, and security and contract labor. Those are three of our largest cost categories. I'm very excited. We're going to be working aggressively to make sure that we take advantage of that.


2021 funding source prioritization

- Federal funding first, when possible
- County dollars will be utilized:
 - If federal funding is not yet available
 - If needed expense is not eligible with federal funding
- Every attempt will be made to reimburse local funding expenses through FEMA Public Assistance





This is my last slide. I just wanted to give you just how we are going to be funding the dollars that are under consideration for amendment in this presentation. Then the federal sources, first of all, if at all possible, use the federal funds first. County dollars will only be utilized one, if federal funding is not yet eligible, which is the case now, or if the federal funding—or if a needed expense is not eligible with funding.

I just want to let you know to end, that the issue here is we did request, or it's under consideration for a \$4.9M amendment. I do not anticipate that we will be utilizing \$4.9M of local funding for our COVID response in 2021. I would be extremely surprised if we used that. We have a good amount of federal funding coming into the Health Department for us to use this.

The big issue, and the reason why I'm very grateful, the committee is considering this is an issue of timing because we have costs that are being incurred now. We have responses going on now and our CARES dollars are effectively pretty much done as of right about the beginning of March, which is now. Even though a lot of the county dollars that we will be utilizing now could be reimbursed through the FEMA public assistance funding or as soon as we get the federal dollars, those costs will be, our cost will be pushed on that as much as possible. We do have a sort of cash flow problem now. We'd like to thank the commission for helping us out in our time of need on this. That's all for me.

Approval 2021 Budget Amendment

- Approval to proceed with additional \$4.9 M budget authorization for the Health Levy Fund to cover preliminary costs associated with the 2021 vaccination effort
- If federal dollars become available, a portion of these funds may be transferred back to the City General Fund
- Formal resolution to be included as part of the Amended 2021/Proposed 2022 Budget 2nd Public Hearing (July 2021)



Ms. VonAchen said in summary, the request is for you to approve with proceeding with the \$4.9M budget authority for the Health Levy Fund in order to cover preliminary costs associated with the 2021 vaccination effort.

I did, again, want to point out that if federal dollars do become available, a portion of these funds, the \$4.9M, might not necessarily be required. Of course, we'll know that by the end of the year. In which case then, we can transfer whatever portion that was not spent back to the City General Fund where they came from.

Again, formal resolution with this budget amendment would be taking place as part of the amended budget process this summer, which is approved in the second public hearing in July. What we're asking for you now is your acceptance of this and approval so that we can proceed with spending those funds. Are there any questions? **Chairman Burroughs** asked, Committee any questions?

Commissioner Townsend said I wish to thank Ms. VanLiew, Mr. McKain, and all of the employees at the Health Department who've been involved in any way over the last year for trying to fight the COVID scourge in any form or another. I have to say that I was so impressed having gone out to the former K-Mart site with the efficiency with which it was running, with staff and our volunteers who were all so professional, so amiable, to the people who were coming out, so efficient. We have seen our governor come out, state representatives, and US congressional representatives at the congressional and the senate level. Word has gotten around that Wyandotte County is a model for the resources we have and using. Having said all that, this is a lot to take in.

So, my question is, because I thought there was another number beside this \$4.9M that we saw on an earlier slide. You're asking for \$4.9M budget authorization for the fund. Where is that coming from? Is any or all of that already on hand? **Ms. VonAchen** said the \$4.9M was a transfer out of the City General Fund to the Health Fund that took place at the end of 2020. It's a combination

of the \$2.9M and then the additional \$2M for a total of \$4.9M. **Commissioner Townsend** asked, all of that came out of the General Fund? **Ms. VonAchen** said the City General Fund, yes. **Commissioner Townsend** said what we're saving by this request is that we do not have funds particularly earmarked from other sources at this point. It may be coming to deal with COVID. Is that correct, simply put? **Ms. VonAchen** said that's correct. The CARES dollars we received last year have effectively been spent. This is what we have so far. Of course, we anticipate we'll be getting additional federal funding, but we're not sure of the timing of that or how much it will be. So we need to continue our efforts and that's why we need the \$4.9M at a minimum to continue with the efforts that are currently underway. **Commissioner Townsend** said okay. Well, that in a nutshell were my questions and comments. Thank you.

Commissioner Johnson said I don't want to belabor the time again. Extended thanks to all of you all that have put in so much time as we have just tried to traverse through this arduous path called COVID-19. If we say thank you every time, we still haven't said thank you enough, and that's just genuine in terms of what we have seen. When you consider, I think, the quality of personnel and the way that you all have responded, it seems to me that, hopefully, we're going to really see some real improvement in our overall county ranking as it relates to our health standings in coming years.

Having said that, just a real quick question. In terms of the larger amount of money that is to come, and as we look at how the money has been allocated, I suppose, I think this is the way I want to frame my question. How is that allocated? Is it based on the population of the local community that determines how much is being allocated to us, or is there some other matrix or model that they use? **Ms. VanLiew** said thank you, Commissioner, for those words. As it relates to your question, so we only know how they're allocating that smaller piece of detection money that Wesley was talking about, that \$25M. The way they are doing that is every county gets a flat \$100,000 and then on top of that, it's based per capita. The smaller counties would have received real small amounts. The bottom floor is \$100,000, but then after that, it's per capita. We, I, expect it'll be the same with the next pot of money; but, of course, the state could do with it what they like.

Commissioner Johnson asked, do you know how much the highest county received by any chance? **Ms. VonAchen** said I don't. **Mr. McKain** asked, for the \$25M? **Commissioner Johnson** said yes. **Mr. McKain** said I saw that a county received over \$3M. We have 165,000. That would probably be Johnson I would guess, probably received that amount. **Commissioner Johnson** said yes, okay. That's all. Thank you all. Appreciate your work so much.

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Chairman Burroughs said there's been accolades paid to all of you this evening for the tireless efforts you put forward to ensure the health of our community. Thank you for your tireless efforts. On the other hand, I do have a few questions.

The \$168M plays out to the exact, Mr. McKain, of the \$25M. We're looking at possibly \$6.5M opportunity to Wyandotte County under the same formula of the ELC money. Couple that with the \$4.9M, would put us at nearly a little over \$10M. If you back out the \$2M that you're asking us to approve tonight, that will take us to \$8M. I'm just doing rough math on the fly. I guess my comment would be, how much did we spend totally in 2020 and what percentage were we able to—I know the vaccine was late in getting to market, but to what extent are we meeting our goal of 2020 that would determine the additional \$2M for 2021 as we wait for the allocation of the additional \$7M that is projected in these numbers?

Mr. McKain said I don't, unfortunately, have the exact figures for the amount that we spent in 2020 on our response. I know we were allotted about—we ended up receiving \$10M at the Health Department. We spent, I think, about half of that, if my memory serves—before what we thought was going to be the CARES deadline, but before the CARES deadline was pushed back.

As far as the—you make the point, actually, that I was kind of hoping to kind of suss (sp) out here, which is we are actually going to receive—it's very likely that we're going to receive a considerable amount of federal funding in 2021. I would not be surprised if the total amount we received in federal funding, if we had received it on January 1st of this year, we would probably not be coming to this Commission. I don't know that for use. I don't have enough facts and figures to bring that up to make that certain. We're going to receive a pretty significant amount of money. The issue is really a timing issue.

You had a question about—did you have a question about the goals and whether or not—**Ms. Van Liew** said I think one of the questions was, how much UG funding did we have to tap into in 2020? Is that correct, Commissioner? **Chairman Burroughs** said that's correct, Juliann. What I'm trying to get to is do—we're looking at, in my opinion, the worst-case scenario here, but the best prepared scenario, I'm just trying to see how I can guide the committee to find the scenario that one, allows the public to understand that we take this issue very seriously and I want to compliment your work and be good partners.

The other side of me, as chairman of this committee, \$2M is a substantial amount of money just to throw at something and let it sit when we have other needs in the community that are important. Once this money is in there, a lot of times people forget that money is sitting there and

then at the very end of the budget year, all of a sudden we have \$2M that is unaccounted for or we spent that. We have no way to really account for it or to be held accountable for it. I'm just trying to find a comfort level in which to encourage the committee to either be supportive or to take whatever actions necessary this evening. **Ms. VanLiew** said absolutely. That makes total sense, thank you. In regard to your first question, we spent virtually zero city or county funding on our pandemic response in 2020. The \$10M plus the two communications, million that was awarded to the Health Department covered virtually every single COVID-related expense. So that's the first piece.

The second piece of this in regard to kind of the need and the urgency for this, we plotted out the first six months budget for 2021 in December to prepare for January through June this year. Through that calculation, we estimated we would need about \$6 to \$7M to get us through the first six months of the year. We brought that down now to maybe \$5.5 to \$6M. Hopefully, as we've reduced some of our staffing costs by utilizing large number of volunteers and some other ways that we're cutting our budget. But all that to say, we do intend to spend in the first half of 2021, between \$5.5 and \$6M.

We do, indeed, need the funding now. It's costing us about \$1M a month to staff our sites and we'll be bringing our third site online next week, which will include some additional cost for us. Without this money, we can get another two months maybe, but after that, we truly don't have anything unless that federal money lands before then. **Chairman Burroughs** said thank you, Juliann. I think it's important that we understand how well you all are performing and ensuring that citizens have access. And to that, you have the personnel to administer the vaccine and that we are prepared as we can be to move forward.

The importance of the budget issue is to ensure that we're not starving ourselves on one side to over invest on another. I guess, I'm not having difficulty, I'm just trying to find a medium ground. If we have enough for two months vaccine and nothing precludes us from coming back within two months and requesting the additional \$2M to be transferred into the Health Department. I do believe that there will be a push by the state and feds to get those monies into the hands of those communities that are identified as at risk, and we are one of those communities. I do know that as prudent as you all have been and as successful as you all have been, I believe that partnership will continue. I'm not so sure that the \$2M is necessary today. It's not that I don't want you to have it, it's just that maybe we should wait another 30 – 60 days. It's still there; it's not being spent. My concern is once

it gets into the funds, getting it back out and not being able to utilize it for other services that the city may encounter. That's my comment.

I do see that Commissioner Townsend has a question. **Ms. VonAchen** said I did want to answer that question really quick. I do want it to be made clear that the Budget and Finance departments are monitoring all of these expenditures very closely. Once we do get federal relief funds back to supplement the cost of this effort, we will be pulling back whatever General Fund dollars were initially invested.

Mr. McKain asked, is there something that would make the committee feel more comfortable about kind of the monitoring of these funds? We would be happy to provide any kind of information to the committee about what is happening with the federal funding, what we're hearing about it, and keep you all up to date in any way. I really do think that we are not going to be utilizing the full \$4.9M. But, I completely understand your concerns, Commissioner. I would be happy to provide Kathleen or the committee any kind of information to keep you up to date on when we're utilizing the money, what we're utilizing it on, information like that.

Ms. VanLiew said lastly, I would just say the thing that makes me nervous to be cutting it that close to the wire and makes me nervous because we don't know what we don't know. There has never been a week that has passed in this pandemic when something hasn't surprised me. You would think week after week, we'd eventually get to a place of total calm and we're nowhere near—I literally can't sometimes anticipate what the issue is going to be next week. Yes, we can work under the assumption that that issue that comes up any given week isn't going to be a million or two million dollars, but I can't say that we wouldn't need an extra \$500,000 from something unforeseen at this point. Running three sites is incredibly resource intensive and we are going to need to ramp up our mobile vaccine efforts to get out on the road to reach some of these hard to reach populations, which will be a considerable investment on top of the one mobile team that we have now. I say that all just to say we don't know what's coming, and it would really behoove us to have access to cash in the event that we would need to shift something considerably in our operations.

Alan Howze, Assistant County Administrator, said just one additional point there which is this \$4.9M isn't competing with anything else in terms of how it gets utilized. It's not that making this transfer into the Health Fund would pull resources or starve resources from any other area. This is really—Kathleen can speak to this—pulling from the reserve area. It is that timing mechanism where we're putting it in the Health Levy Fund. Whatever isn't utilized would then be able to be transferred back out of the Health Levy Fund. The funds, with the full intent that the money gets

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spent, will be reimbursed by federal dollars in several forms or fashions, as you've heard this evening. Kathleen, thank you. **Chairman Burroughs** said I appreciate that.

The ERP, the duration of the UG team, what is the ERP? **Ms. VonAchen** said that's the Enterprise Resource Planning. It's the acquisition of Workday. So, with Workday, we're going to be implementing a whole new human capital management system, an HR system, as well as the financial system. That duration team is the internal team that is managing the project. We submitted that project to the state as part of the CARES Act funding. There were some questions on it and ultimately they did approve it, but it was a little too late in the process so we went ahead and we decided to pay for some of those items out of the reimbursement portion. It's going to assist our administrative staff with being able to perform our functions on a remote basis and to facilitate a lot with technology, facilitate a lot of the functions that are right now done manually by hand with paper. **Chairman Burroughs** said thank you. I see that at being the hundreds of millions of dollars as a request as part of the two \$4.9M.

The next question I would also have is in reference to admin costs. In these CARES dollars, and these monies is coming from the feds, I believe that we are able to take an administration fee to ensure that those dollars are being spent properly. I did not see those admin fees in this presentation. **Mr. McKain** said I am not aware of that admin fee, the ability to—**Mr. Howze** said there is a—state did set aside a portion and it was a small percentage. It totaled about half a million dollars, I think, for across the entirety of our allocation for CARES dollars. We did use that in 2020, and the first quarter of 2021 is allowed under the state to pay for the staff costs associated with the CARES team. Ms. Sprague and other folks that were on the day-to-day hands-on management of the CARES activities, their costs recovered through that administrative portion of the CARES fees.

Chairman Burroughs said again, Alan, thank you for that clarification. I wanted to make sure I was speaking properly in full disclosure and transparency. I did not see that in the presentation, the admin cost. Can you give us an idea what that admin cost will be? **Mr. Howze** said this wasn't intended to be a summary of the CARES dollars. This was another—go ahead, Kathleen. **Ms. VonAchen** said no portion of the administrative costs that Alan is talking about is included as part of this presentation, that's why you don't see it. There aren't any admin costs included in any of these amounts.

Chairman Burroughs said, Kathleen, that's what I was getting at. The \$4.9M, the \$2M additional dollars we're putting in are not going to be hit with additional admin costs which will bump up the cost of keeping that money in that fund once we're reimbursed by the feds. **Ms.**

VonAchen said no. **Chairman Burroughs** asked so, if we don't need the \$2M, we will get 100% of the \$2M pulled back into the state general fund? **Ms. VonAchen** said yes. **Chairman Burroughs** said or to the City General Fund. Okay. I appreciate the clarification.

Again, thank you for what you do. Appreciate it. **Mr. Howze** said, thank you, Commissioner. **Chairman Burroughs** said I'll leave it up to the wisdom of the committee to make a decision.

Commissioner Johnson said I think I see Commissioner Townsend's hand up before we render a decision. **Chairman Burroughs** said thank you, Commissioner Johnson. I just now pulled back up the participant zone. I know that I see that. Thank you.

Commissioner Townsend said just sharing the viewpoint I have again. Is the presentation to request \$4.9M? I'm hearing this other \$2 point something. Explain to me, again, what that is. Are we being asked to approve \$4.9M out of the General Fund or some other \$2 point million? **Ms. VonAchen** said the \$4.9M was transferred at the end of 2020 to the Health Department as part of the year-end adjustment. We are asking for you tonight to allow for a budget amendment in 2021, the current fiscal year, to spend that \$4.9M out of the Health Levy Fund. **Commissioner Townsend** said, okay. That's what I thought. I still hear conversation about \$2 point something million and that was throwing me off. **Ms. VonAchen** said Commissioner Burroughs was referring to this \$2M. It's a combination of the \$2.9M from CARES reimbursement leftover dollars and then the \$2M extra. **Commissioner Townsend** said, okay, so \$4.9M.

My thought is, Commissioner Burroughs raised some good questions about the fact we, the Unified Government, has so many needs. We don't need any money laying stagnantly anywhere. However, what I also heard, I believe it was from Ms. VanLiew, that you're almost guaranteed in the first quarter of this year you're gonna spend \$5M something and that there are going to be enough eyes on this money that it's not going to go unnoticed. That if it's not needed, it can be, from what I heard Ms. VonAchen say, pulled back into the General Fund if it's either not needed and/or as we get the reimbursements, we can reasonably expect, even though we don't know the dollar yet specifically from the federal government. Personally, I would not want to see the momentum that has been so great by our Health Department in doing what needs to be done to fight COVID abate it because we don't give them, at this juncture, the money in the budget you need to do that.

I just need to know what would be the form of the motion or the vote. Do we need to specifically, and if counsel is online, tell us what form that motion would need to take? I need to specifically mention a particular amount or what, so I'm asking for guidance on just the form of a motion that I'd be happy to make.

Patrick Waters, Senior Counsel, said, Commissioner, I think the language that Katherine has up here tonight is sufficient for tonight. We might look in between now and the full commission as to whether we need—we can maybe do something a little bit more formal as to whether we need some additional documentation to memorialize this. But I think for tonight, I think, the language that she has up there, that first paragraph, is sufficient. **Commissioner Townsend** said, thank you, Counselor. That would be my motion to vote in favor of approving to proceed with adding an additional \$4.9M budget station for the Health Levy Fund.

Action: **Commissioner Townsend made a motion, seconded by Commissioner Johnson, to approve.**

Chairman Burroughs said I believe Commissioner Bynum had a question.

Commissioner Bynum said thank you very much. I was just going to point out that Commissioner Townsend had her hand up. I'm ready to vote.

Roll call was taken on the motion and there were five "Ayes," Bryant, Johnson, Townsend, Bynum, Burroughs.

Chairman Burroughs said that concludes our meeting. I thank everyone for their participation and their attendance. Again, thank you everyone for all your work under the most trying of times in Wyandotte County. We should take great pride in the fact that we are making strides in dealing with this pandemic and it is because of the commitment each and every one of us bring to the table. Again, I want to thank you and the public for their participation this evening. I'm proud to have an opportunity to serve this wonderful community.

Public Agenda:

No items

March 1, 2021

Adjourn

Chairman Burroughs adjourned the meeting at 8:30 p.m.

tk

March 1, 2021



Staff Request for Commission Action

Tracking No. 21895

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/21, 9/13/21

(If none, please explain):

Publication Required: No

<u>Date:</u> 6/20/2021	<u>Contact Name:</u> J. Renee Ramirez, Kathleen VonAchen	<u>Contact Phone:</u> x5665, x5186	<u>Contact Email:</u> rramirez@wycokck.org, kvonachen@wycokck.org	<u>Department/Division:</u> Finance
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Item Description:

Review of the Unified Government's Other Post-Employment Benefits (OPEB) retiree healthcare benefits liability, its impact on the financial statements, and how formation of an OPEB Trust will reduce the unfunded long-term liability, presented by Kathleen VonAchen, Chief Financial Officer, and Renee Ramirez, Human Resources Director.

Action Requested:

For review only

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

OPEB Funding 101 UG-EDF-8-9-21

Other Post-Employment Benefits: Funding

Unified Government of Wyandotte County and Kansas City, KS



Agenda

Background

- What is OPEB?
- How are plans paid for?

Funding Principles

- Basic Concepts
- Pay As You Go Funding
- Traditional Actuarial Funding
- Other Funding Approaches

Decisions

- Authorize Committee
- Return with Recommendations by March 2022

What is OPEB?

Other Post-Employment Benefits (OPEB)

- Includes
 - Retiree Health Benefits
 - Retiree Dental Benefits
 - Retiree Vision Benefits
- Excludes
 - Pensions
 - Severance Pay

Other Post-Employment Benefits (OPEB)

- Unlike pensions, OPEB contributions are currently based on health care benefit costs during the years that a retiree (and beneficiaries) are eligible.
 - Kansas Statute 12-5040 requires the UG offer these benefits to retirees up until age 65.
 - Current UG policy extends these benefits beyond age 65.

Funding Principles

Overview of OPEB Funding



BASIC FUNDING
PRINCIPLES



TRADITIONAL
ACTUARIAL FUNDING

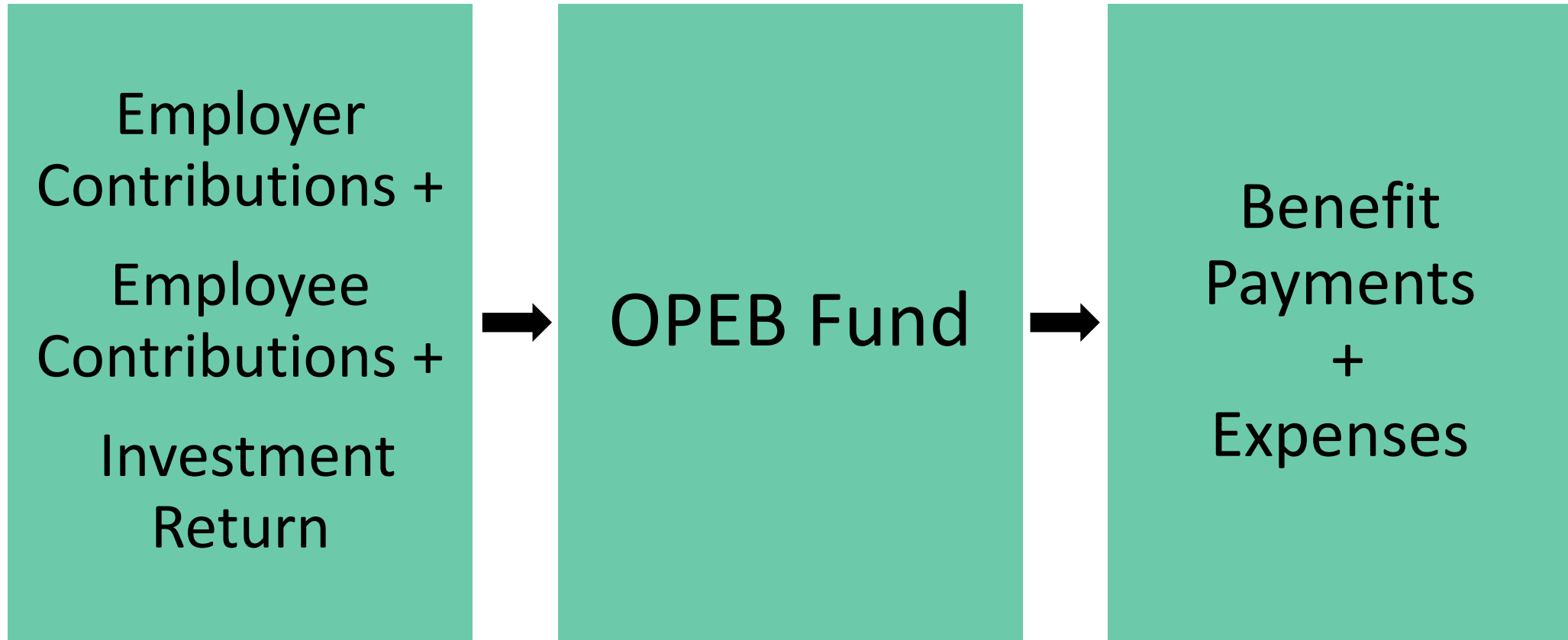


OTHER COMMON
FUNDING APPROACHES

Money In

=

Money Out



Assumptions with Biggest Impact on OPEB Liabilities and Cost



Economic

- Medical Inflation
- Investment Return



Demographic

- Retirement
- Disability

OPEB Funding Approaches

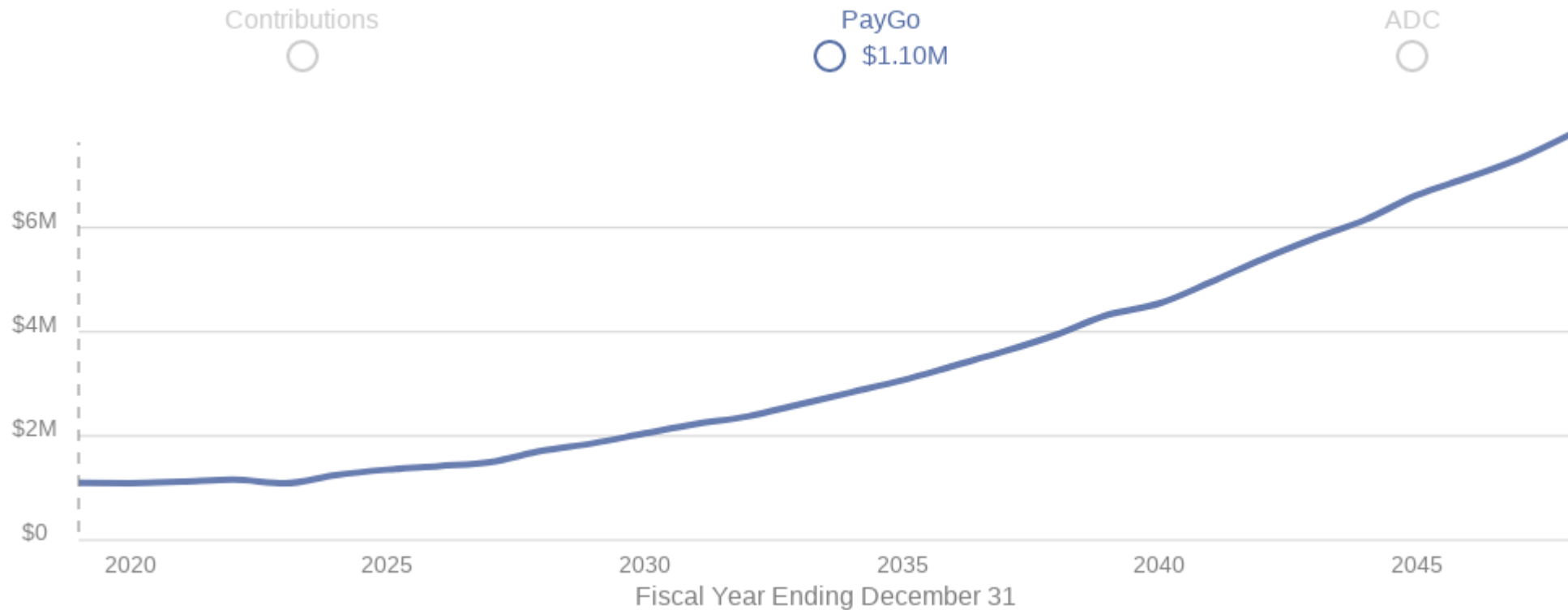
A basic discussion of the most common approaches to funding OPEB plans

Pay as You Go

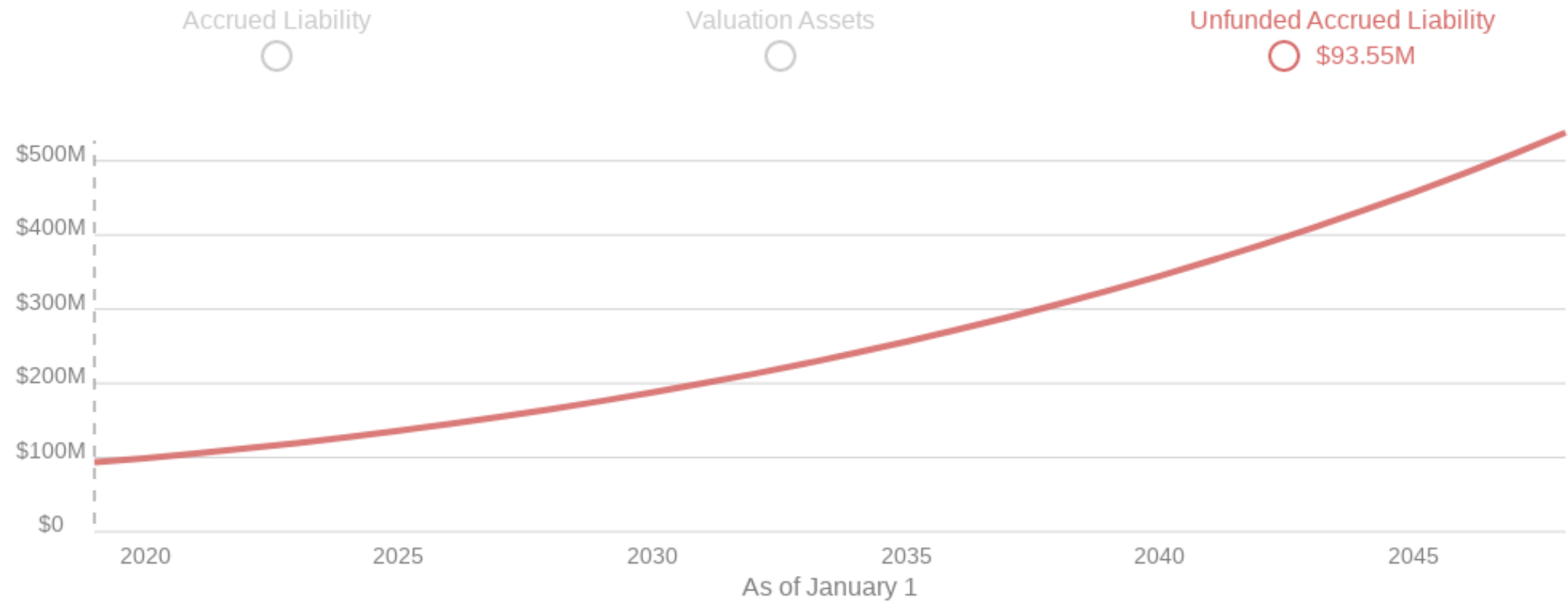
Pay as You Go

- Pay OPEB retiree healthcare claims as they come due
- No assets are accumulated
- To determine future liability, actuaries typically assume a discount rate based on current bond yields. These rates are currently in the 2%-3% range. These are based on low-risk bonds that match how money must be invested in your reserves.

Benefit Payments are Projected to Increase Faster than UG Revenues



Without offsetting Assets, Liability Continues to Grow



Traditional Actuarial Funding

Reasons to Prefund



Lowers Long-Term Cost of Benefits



Lowers Liabilities on Balance Sheet



Provides Additional Benefit Security to Employees and Retirees

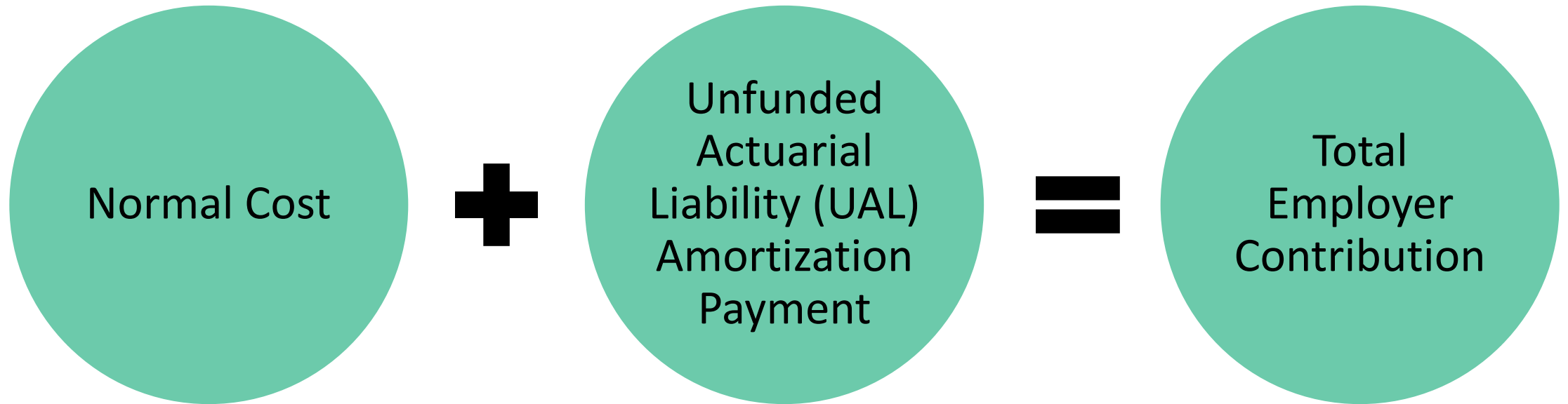
Actuarially Determined Contribution

Definition of Actuarially Determined Contribution (ADC) from GASB 75:

Actuarially determined contribution

A target or recommended contribution to a defined benefit OPEB plan for the reporting period, determined in conformity with Actuarial Standards of Practice based on the most recent measurement available when the contribution for the reporting period was adopted.

Actuarially Determined Contribution



Normal Cost

Costs attributed to current year of service

- The percentage of payroll that would be sufficient to fully fund promised benefits for current active employees, IF
 - This percentage was paid each year from the time the employee is hired until the employee leaves,
 - Current plan benefits are not changed,
 - Employee experience matches assumptions, and
 - Investment experience matches assumptions.

Actuarial Liability

Funding Target

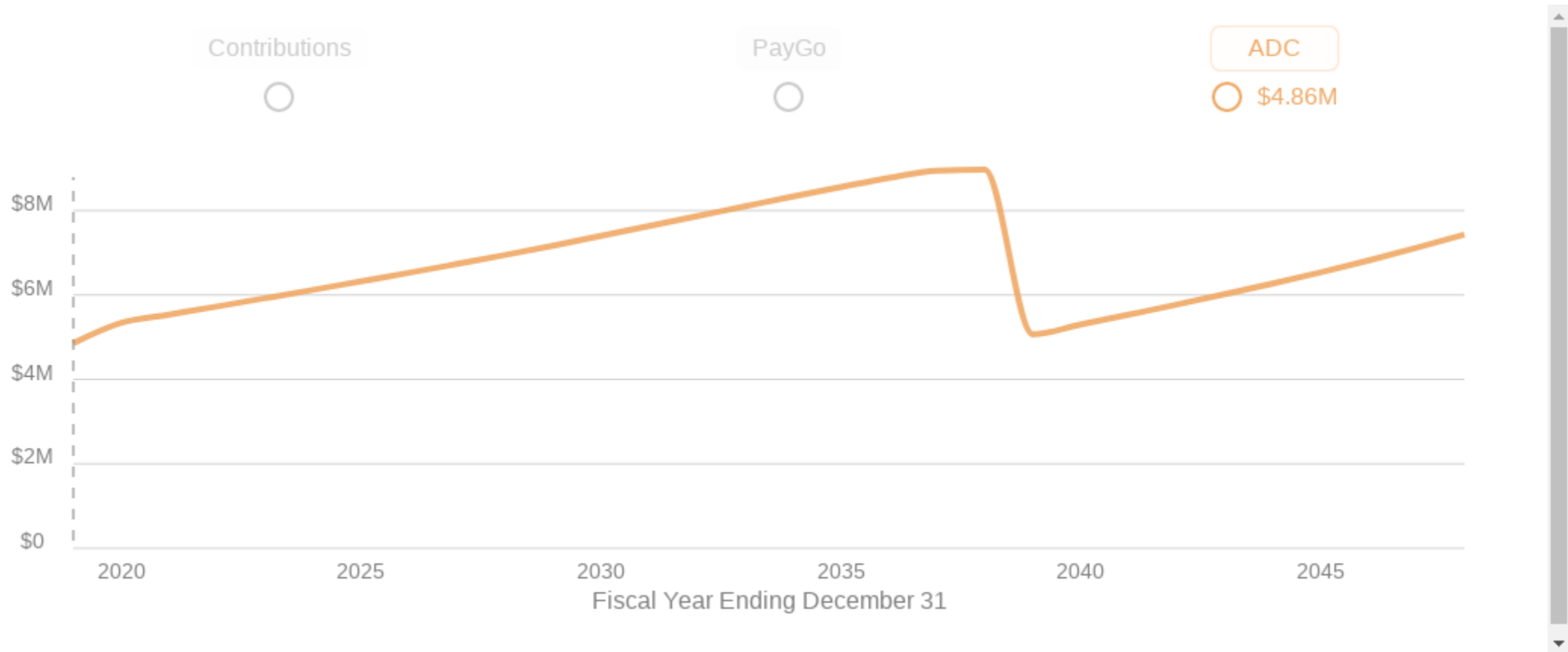
- The assets that would be in the fund today, IF
 - The Normal Costs had always been paid into the fund,
 - Current plan benefits had never been changed,
 - Employee experience had always matched current assumptions, and
 - Investment experience had always matched assumptions.

Unfunded Actuarial Liability (UAL)

Progress towards Target

- Actuarial liability minus assets
- The Amount that the current assets are behind (or ahead of) the funding target
- Amortization of the UAL is part of the employer's funding policy. The actuary follows applicable ASOP's, consults with the employer and an amortization policy is adopted for purposes of the ADC.

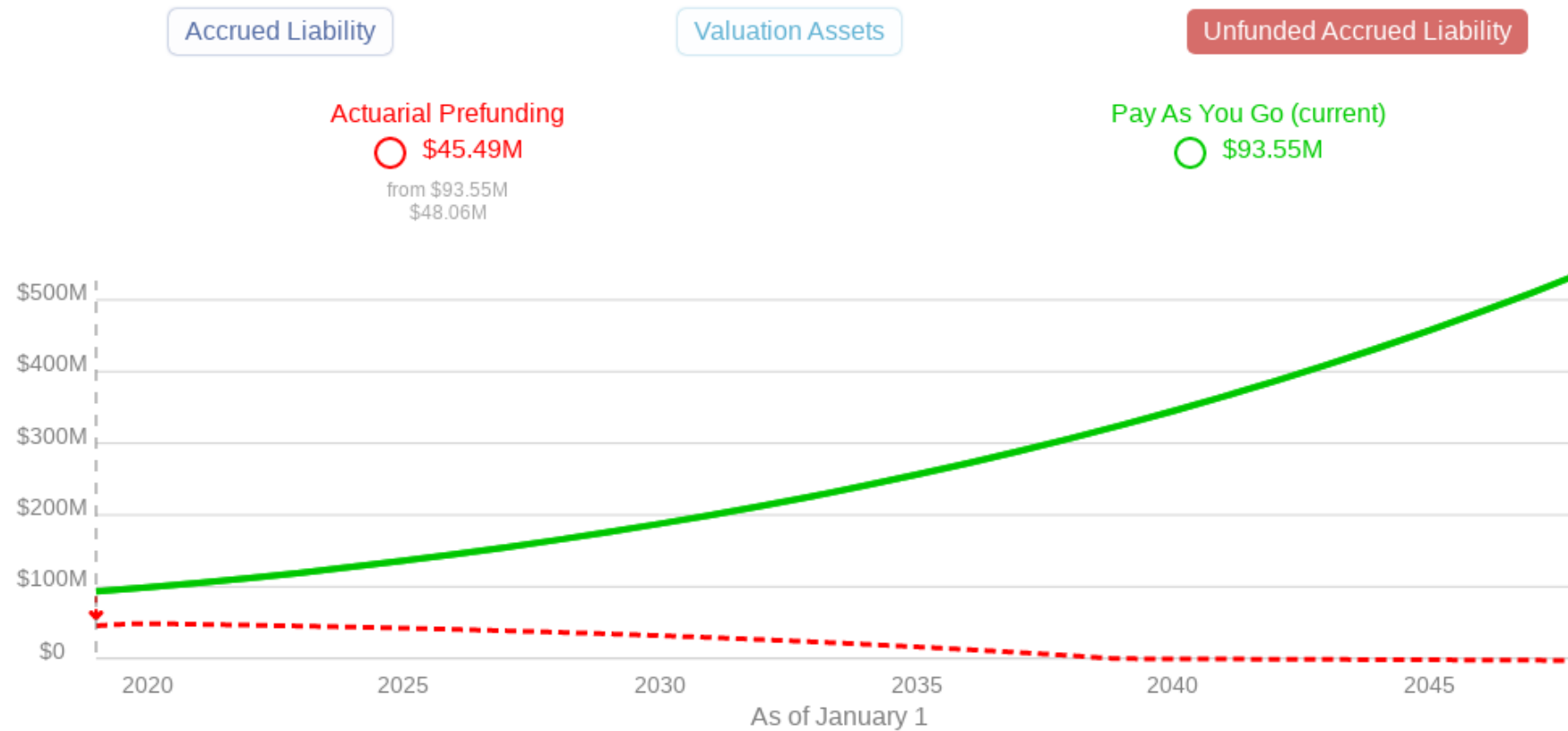
Contributions are Initially Higher than Pay As You Go, Until Liability is Paid off



Unfunded Liability Drops Immediately Due to Higher Discount Rate



Unfunded Liability Comparison



Impact of Change to Actuarial Funding

	Pay As You Go	Actuarial Funding
Discount Rate	3%	6%
2021/2022 Contribution	\$1.1 Million	\$5.7 Million
Liability as of 6/30/22	\$112 Million	\$46 Million

Actuarially Determined Contribution



115 Trust

- Contributions made to the Trust can only be used to pay OPEB Liabilities
- Assets in Trust can be invested in wider variety of assets than internal UG reserves

Other Funding Approaches

Other Funding Approaches

- Pay as you go + prefunding contribution
 - Additional Dollar Contribution
 - Additional % of Pay

Next Steps

Today's Decisions

- Authorize a new OPEB Advisory Committee
 - Set up 115 (OPEB) Trust
 - Recommend Prefunding Approach
 - Return with Recommendations no later than March 2022



Staff Request for Commission Action

Tracking No. 21963

Full Commission Meeting Date: 8/26/2021

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/2021

(If none, please explain):

Publication Required: No

<u>Date:</u>	<u>Contact Name:</u>	<u>Contact Phone:</u>	<u>Contact Email:</u>	<u>Department/Division:</u>
7/26/2021	Rick Mikesic, Andrea Parra	x8046, x8226	rmikesic@wycokck.org, aparra@wycokck.org	Treasurer

Item Description:

Resolution to establish eligible financial institutions and designating authority to certain Unified Government Staff to take actions with respect to those eligible financial institutions.

Action Requested:

Adopt resolution as presented.

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Eligible Institutions, Authorized Officers Resolution - 8-9-21 ED&F, Designating Eligible Financial Institutions-ED&F-8.9.21

RESOLUTION NO. _____

**A RESOLUTION ESTABLISHING ELIGIBLE FINANCIAL INSTITUTIONS AND
DESIGNATING AUTHORITY TO CERTAIN UNIFIED GOVERNMENT TO TAKE
ACTIONS WITH RESPECT TO THOSE ELIGIBLE FINANCIAL INSTITUTIONS**

WHEREAS, K.S.A. 9-1401 provides that the governing body of any municipal corporation shall designate by official action the banks which may serve as depositories of its funds; and

WHEREAS, K.S.A. 12-1675 provides that the governing body of a city or county may invest any moneys which are not immediately required for the purposes for which the moneys were received (hereinafter referred to as “idle funds”) in certain enumerated types of investments in certain types of financial institutions; and

WHEREAS, pursuant to K.S.A. 9-1401, K.S.A. 12-1675 and K.S.A. 12-1675a, eligible financial institutions are those institutions which are incorporated under the laws of Kansas or any other state or organized under the laws of the United States and which have a main or branch office in the county in which the municipal corporation is located; and

WHEREAS, the banks referenced herein meet the criteria contained in the applicable statutes and the Unified Government’s Cash Management and Investment Policy, and the Unified Government wishes to designate them as eligible institutions for the deposit of its funds and for purposes of receiving Unified Government funds for investment and receiving requests for bids for investment of its idle funds as long as the banks meet the eligibility criteria under applicable statutes and the Unified Government’s Cash Management and Investment Policy; and

WHEREAS, the Unified Government wishes to designate the persons authorized by the Unified Government to act on its behalf with regard to the accounts maintained at the banks referenced herein (“Authorized Signers”) and setting out the limits of their authority (“Authorized Powers”).

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

1. That the following banks are hereby designated as official Unified Government depositories and eligible institutions (hereafter “Eligible Institutions”) for purposes of receiving Unified Government funds for investment and receiving requests for bids for investment of its idle funds as long as the Eligible Institutions meet the eligibility criteria under all applicable statutes and the Unified Government’s Cash Management and Investment Policy.

- a. Academy Bank
- b. Argentine Federal Savings
- c. Bank of America

- d. Bank of Labor
- e. Bank Midwest
- f. Capitol Federal
- g. Commerce Bank
- h. Community First Bank
- i. Country Club Bank
- j. Enterprise Bank and Trust
- k. First Federal Bank of Kansas City
- l. First State Bank and Trust
- m. Liberty Bank
- n. NBH Bank
- o. Security Bank
- p. UMB Bank
- q. US Bank

2. That the following Unified Government employees listed below are authorized to exercise the following powers:

Authorized Officers or Employees

- a. Mayor/CEO, or their designee – powers “a” and “b”, below.
- b. County Administrator, or their designee – powers “a” and “b”, below.
- c. Chief Financial Officer, or their designee – powers “a” and “b”, below.
- d. Deputy Chief Financial Officer, or their designee – powers “b”, below.
- e. Treasurer, or their designee – powers “b”, below.
- f. Deputy Treasurer, or their designee – powers “b”, below.

Authorized Powers

- a. Open any deposit or share accounts at an Eligible Institution in the name of the Unified Government, and enter into a written lease for the purpose of renting, maintaining, accessing, and terminating a safe deposit box at an Eligible Institution.
- b. Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit, and issue stop payment orders with respect to any item drawn on a Unified Government account at an Eligible Institution.

3. All of the individuals listed in Section 2 above are hereby designated “Authorized Signers” on the Unified Government accounts maintained or hereafter opened at the Eligible Institutions, subject to the limitations on powers set out in Section 2 above.

4. The Unified Government Clerk is authorized to certify to the Eligible Institutions the names and signatures of persons authorized to act on behalf of the Unified Government under this Resolution and from time to time hereafter, as additions to or changes in the identity of the Authorized Signers are made and to submit to the Eligible Institutions referenced herein a new signature card and incumbency certificate. The Eligible Institutions are entitled to rely on the authority of the person holding the title of the designated position as long as the Unified Government Clerk has certified that such person has been duly appointed to the designated position.

5. The Eligible Institutions are hereby requested, authorized, and directed to honor checks, drafts, or other orders for the payment of money drawn in the Unified Government’s name, when bearing or purporting to bear the facsimile signature of any such Authorized Signer, and the Eligible Institutions are entitled to honor all such checks, drafts, or other others, regardless of by whom or by what means the facsimile signature thereon may have been affixed, if such facsimile signature resembles the facsimile specimens duly certified to or filed with the Eligible Institutions by an Authorized Signer.

6. The Eligible Institutions are authorized to rely on and to continue to honor the instructions of any Authorized Signer identified in this Resolution or subsequently certified as set forth above until such Eligible Institution is notified in writing by the Unified Government Clerk or his or her designee of the amendment or revocation of such authority and the Eligible Institution has had a reasonable period of time to act thereon.

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

8. This Resolution shall continue to have effect until express written notice of its rescission or modification has been received by the Eligible Institution.

9. This Resolution shall revoke and supersede any previous resolution concerning the same subject matter.

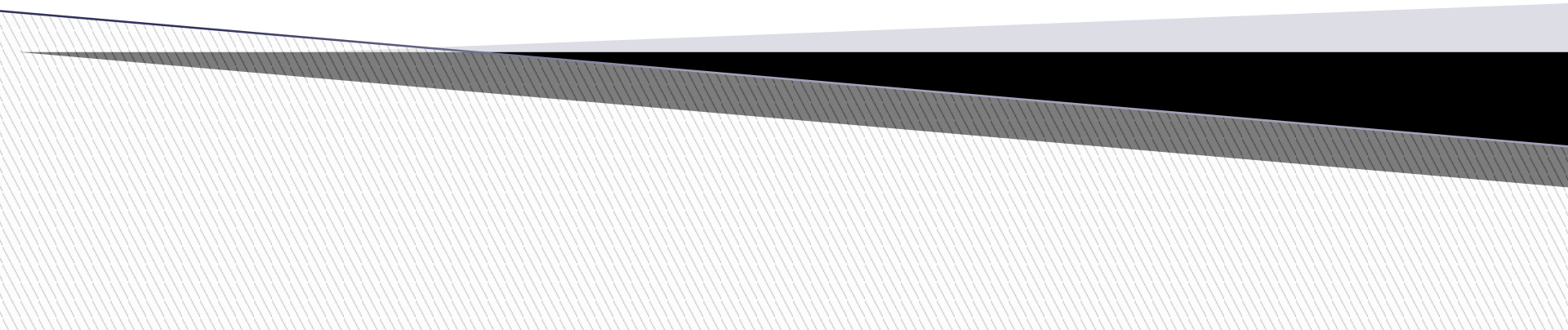
10. The County Administrator and other officers of the Unified Government are hereby authorized on behalf of the Unified Government to enter into and execute any agreements with the Eligible Institutions as are necessary to effectuate the purposes of this Resolution.

**ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED
GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS,
THIS 26th DAY OF AUGUST, 2021.**

Unified Government Clerk

Resolution Designating UG Eligible Financial Institutions and Authorized UG Officers and Powers

Presented by: Richard Mikesic, Treasurer &
Andrea Parra, Deputy Treasurer
August 9, 2021

The bottom of the slide features a decorative graphic consisting of several overlapping, wavy, horizontal bands. From top to bottom, the bands are light gray, dark gray, black, and a light gray band with a fine diagonal line pattern.

Resolution Summary

- Cash Management & Investment Policy was adopted on January 28, 2021.
- Per the investment policy and K.S.A. 9-1401, a resolution is being presented to:
 - Designate eligible banks in Wyandotte County to receive UG funds for investment. (List of banks was obtained from the FDIC website)
 - Designate authorized officers of the UG and their authorized powers to open accounts, endorse checks, set up wires/transfers and stop payment orders.

Authorized Officers / Employees

Power A Open any deposit or share accounts at an Eligible Institution in the name of the UG.

Enter into written lease for the purpose of renting, maintaining, accessing, and terminating safe deposit box at an Eligible Institution.

Power B Endorse checks and orders for the payment of money or otherwise withdraw or transfer funds on deposit

Issue stop payment orders with respect to any item drawn on a UG account at an Eligible Institution.

Powers A & B

Mayor/CEO

County Administrator

Chief Financial Officer

Power B Only

Deputy Finance Director

Treasurer

Deputy Treasurer

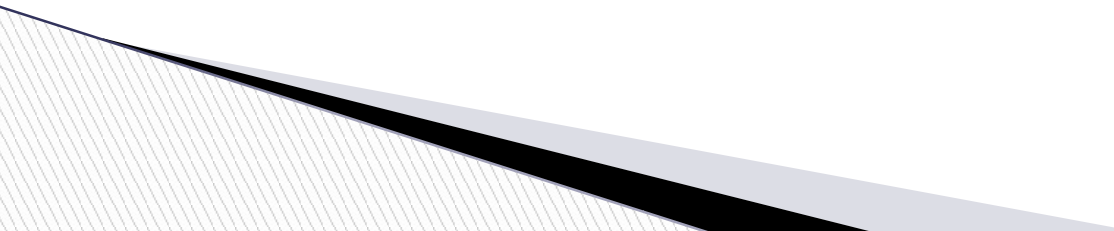
Questions or Comments

Contact Information

Richard Mikesic, Director of Revenue/County Treasurer
rmikesic@wycokck.org

Andrea Parra, Deputy County Treasurer
aparra@wycokck.org

710 N. 7th Street, Suite 240 Kansas City, KS 66101
913-573-2821





Staff Request for Commission Action

Tracking No. 21962

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/21

(If none, please explain):

Publication Required: No

<u>Date:</u> 7/26/2021	<u>Contact Name:</u> Rick Mikesic, Andrea Parra	<u>Contact Phone:</u> x8046, x8226	<u>Contact Email:</u> rmikesic@wycokck.org, aparra@wycokck.org	<u>Department/Division:</u> Treasurer
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Item Description:

Second Quarter 2021 Cash Investment Report, submitted by Rick Mikesic, Director of Revenue/County Treasurer; and Andrea Parra, Deputy County Treasurer.

Action Requested:

For information only

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

2021 Q2 Invstmt Report Presentation

Unified Government of WyCo/KCK
Quarterly Investment Report
Second Quarter 2021
April 1, 2021 – June 30, 2021

Presented by:

Richard Mikesic, County Treasurer

Andrea Parra, Deputy Treasurer

Key Metrics

- Avg Yield – 0.65%
- DTM – 35 days, down from 45 in Q1-2021

Portfolio Components

- Cash – 83%
- Invested – 17%

Investment Summary - Aggregate Portfolio By Type of Investment

Security Type	Original Cost	Market Value ¹	Amortized Cost ²	% of Portfolio	% Permitted by Policy	In Compliance	Weighted Days to Maturity ³	Weighted Average Yield ³
Property Tax Held for Entities ⁴	\$2,288,264	\$2,288,264	\$2,288,264	na	see note 4	✓	-	0.25%
Cash Equivalents	\$228,953,736	\$228,953,736	\$228,953,736	83%	100%	✓	-	0.25%
Total Liquidity	\$228,953,736	\$228,953,736	\$228,953,736	83%			-	0.25%
Certificates of Deposit	\$37,000,000	\$37,000,000	\$37,000,000	13%	100%	✓	243	2.60%
Federal Agency Securities	\$9,950,906	\$10,076,913	\$9,987,702	4%	50%	✓	57	2.70%
Total Securities	\$46,950,906	\$47,076,913	\$46,987,702	17%			300	5.29%
Total Portfolio	\$275,904,642	\$276,030,649	\$275,941,438	100%			35	0.65%

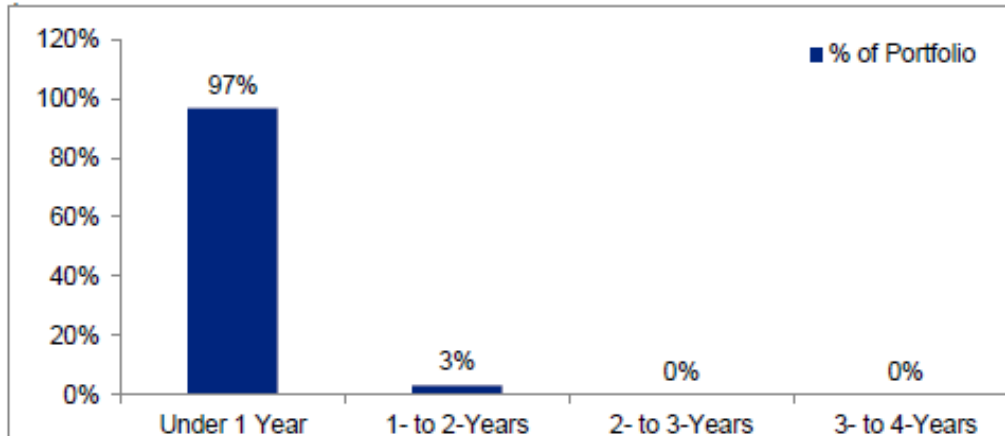
1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent. Recorded at time of settlement to reflect holding investments to maturity.

2. Amortized cost is the original cost of the principal of the security adjusted for the amount of the periodic reduction of any discount or premium from the purchase date until the date of the report.

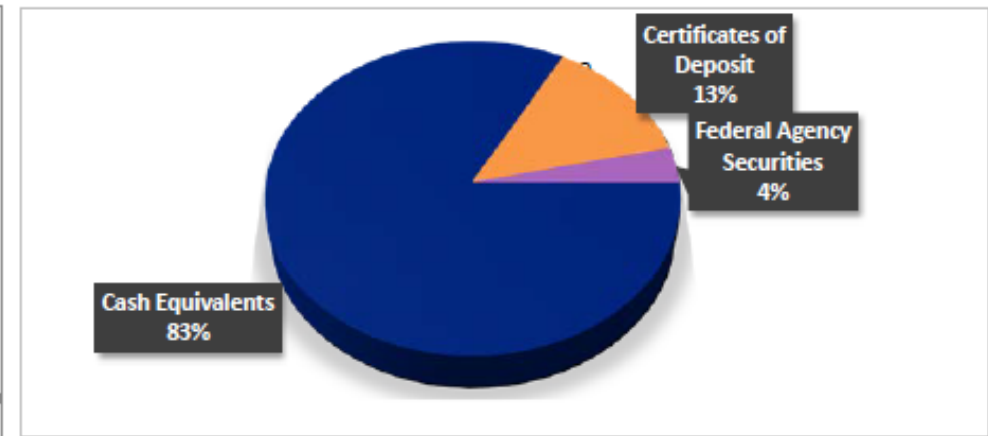
3. Averages shown are weighted averages calculated based on original cost. Average maturity is shown as days.

4. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the United Government's cash and investment value. The cash being held in trust is presented here for informational purposes.

Maturity Distribution



Sector Distribution



Key Metrics

- Avg Yield – 0.65%, down from 0.61% in Q1-2021
- Above our target T-Bill benchmark of 0.08%

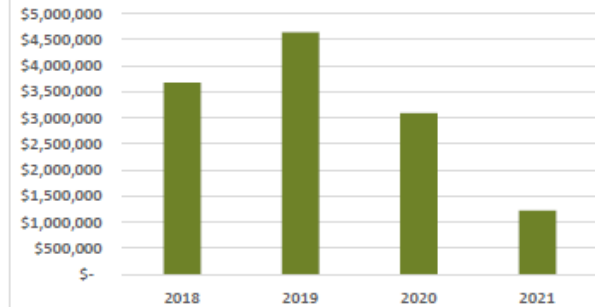
Issuer Compliance

- Limits within single agency/institution has remained in compliance with the policy requirements for Q1-2021 & Q2-2021

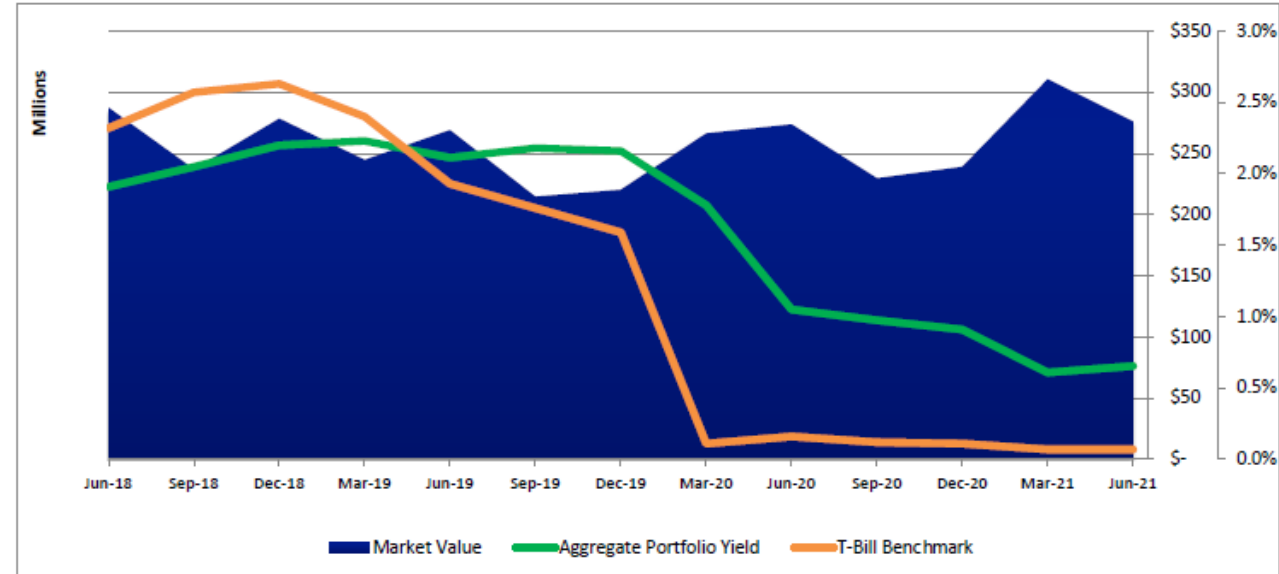
Compliance

	Yes	No
Liquidity	☒	☐
Permitted types of investments	☒	☐
Limits within investment categories	☒	☐
Limits within single agency/institution	☒	☐
Limits relating to maturity	☒	☐
The investment report herein shown along with ongoing income provides sufficient liquidity to meet estimated expenditures for next 6 months	☒	☐

Interest Earned



Historic Portfolio Size



Kathleen VonAchen

Kathleen VonAchen
Chief Financial Officer

June 30, 2021

Date

Types of securities in our investment portfolio?

Of the \$276 M total, \$37 M or 13% - CDs fully collateralized per investment policy and State Statute.

Of the \$276 M total, \$10 M or 4% - US Agencies Securities backed by the full faith and credit of the US Federal Government.

Issuer Detail - Aggregate Portfolio by Issuer

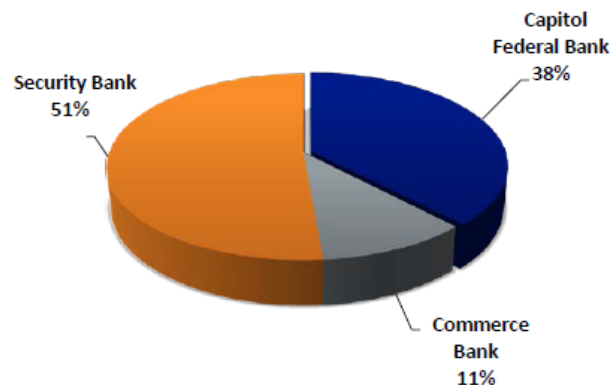
Issuer	Original Cost	Market Value ¹	% of Portfolio ³	% Permitted by Issuer	In Compliance ³	Weighted Average Maturity Days ²	Weighted Average Yield ²
Property Tax Held for Entities ³	2,288,264	2,288,264	na	See note 3	✓	0	0.25%
UMB, Wyandotte Operating	226,513,736	226,513,736	82%	25%	✓	0	0.25%
UMB, Wyandotte Health	2,440,000	2,440,000	1%	25%	✓	0	0.00%
Cash Equivalents	228,953,736	228,953,736	83%		✓	0	0.25%
Capitol Federal Bank	14,000,000	14,000,000	5%	25%	✓	62	1.02%
Commerce Bank	4,000,000	4,000,000	1%	25%	✓	34	0.27%
Security Bank of KC	19,000,000	19,000,000	7%	25%	✓	123	1.27%
Certificates of Deposit	37,000,000	37,000,000	13%		✓	243	2.60%
FFCB	8,951,940	9,097,200	3%	50% of total portfolio	✓	52	2.60%
FMCC	998,966	979,713	0.4%		✓	5	0.10%
Federal Agency Securities	9,950,906	10,076,913	4%		✓	57	2.70%
Grand Total	275,904,642	276,030,649	100%			35	0.65%

1. Market values provided by UMB Bank, Third-Party Safekeeping Custodial Agent.

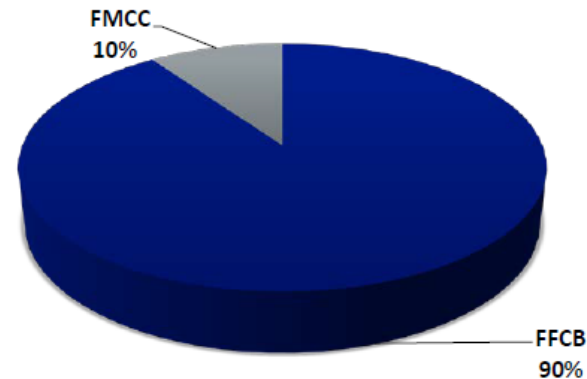
2. Averages shown are weighted averages calculated based on original cost for the respective investment categories. Average maturity is shown as days.

3. Property Tax collections temporarily held by the County on behalf of other governmental entities is not a part of the Unified Government's cash and investment value for investment reporting purposes. The cash being held in trust is presented here for informational purposes.

CERTIFICATES OF DEPOSIT - BANKS



FEDERAL AGENCY SECURITIES - ISSUERS



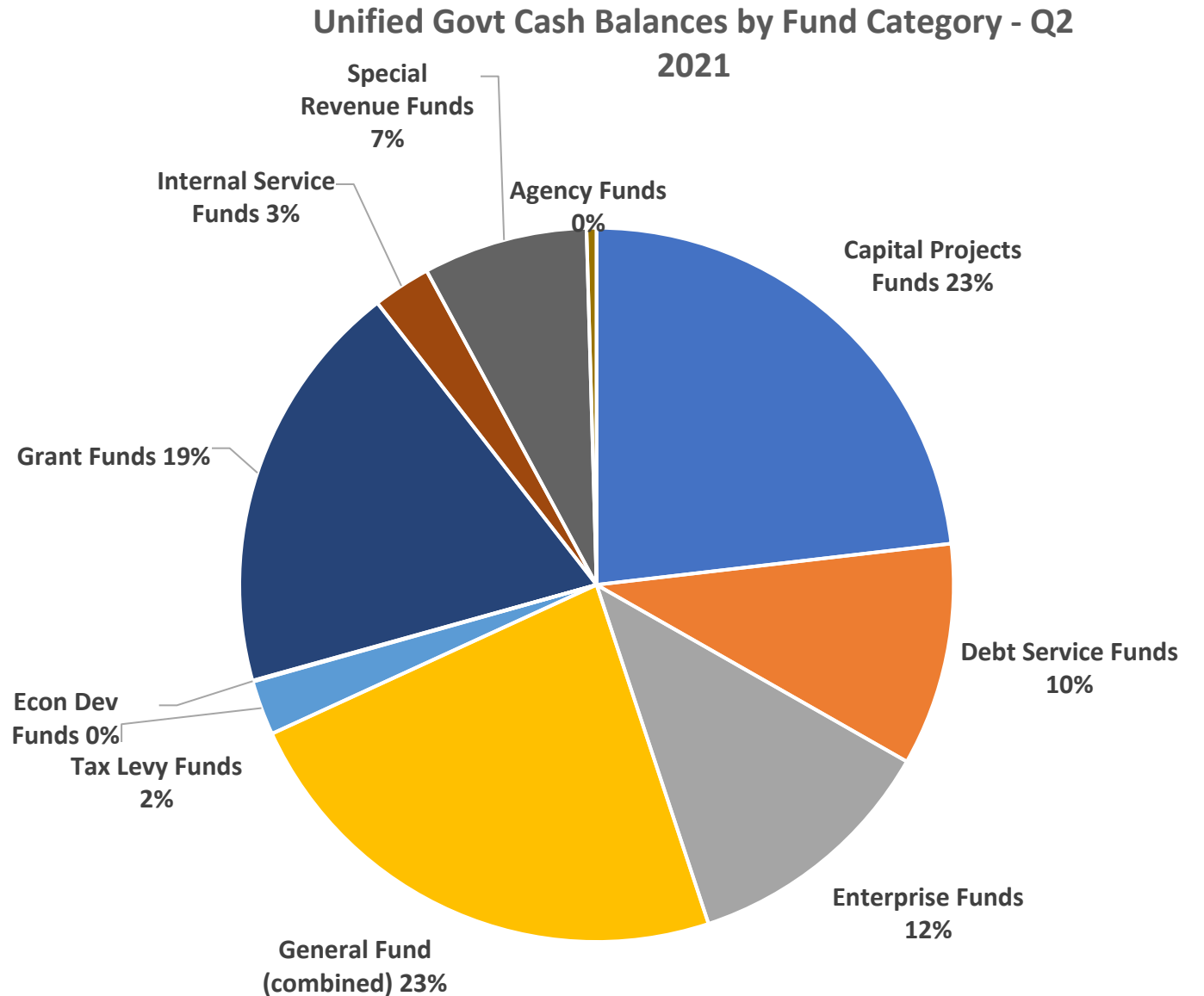
What
transactions
occurred in
Q2 2021?

Quarterly Transactions Detail - Aggregate Portfolio

Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q2	NA	UMB, Wyandotte Operating	0.250%	6/30/2021	(34,357,994)	(34,357,994)
Thru Q2	NA	UMB, Wyandotte Health Reserve	0.250%	6/30/2021	(193,000)	(193,000)
Cash Equivalents					(34,550,994)	(34,550,994)
Purchases						
Calls/Maturities						
Total					(34,550,994)	(34,550,994)

UG Fund Category Cash Balances

- Of the total cash balances:
 - 23% is restricted by bond documents and/or appropriated for Capital Projects
 - 23% is General Fund (combined) reserves to meet operating liquidity needs and contingencies for emergencies and/or budgetary and economic uncertainty
 - 12% is for operations of the Enterprise Funds
 - 32% is restricted by State statute for their specific function of the Special Revenue, Grant, Tax Levy and Internal
 - 10% for semi-annual Debt Service payments





Staff Request for Commission Action

Tracking No. 21966

Full Commission Meeting Date: 8/26/21

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/21

(If none, please explain):

Publication Required: No

<u>Date:</u>	<u>Contact Name:</u>	<u>Contact Phone:</u>	<u>Contact Email:</u>	<u>Department/Division:</u>
7/27/2021	Shaya Lockett, Katherine Carttar, Sharon Reed	x5439, x5176, x5465	slockett@wycokck.org, kcarttar@wycokck.org, sreed@wycokck.org	Economic Development

Item Description:

The Economic Development and Procurement Department are interested in exploring the possibility of participating as a consultant to the City of Kanas City, Missouri in the SBA Community Navigator Pilot Program entitled “City of Entrepreneurs Navigator”, a Kansas City Regional SBA Community Navigator Model designed to reach, and support underserved small businesses with technical assistance to increase their access to and successful participation in relief and recovery programs to help these businesses move from recovery to sustainable, scalable business models that improve their resilience and longevity during and beyond the pandemic.

Action Requested:

Approve and advance to Full Commission 8/26/21

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

KCMO-UG Signed Partnership Letter



City of Entrepreneurs Navigator

STRATEGIC PARTNERSHIP

GRANT APPLICATION AND STATEMENT OF INTEREST

SBA Community Navigator Pilot Program

CNP-2021-01

Tier 2: State/Local

HUB Applicant: City of Kansas City, Missouri ("HUB")

Partner Consultant: Unified Government of Wyandotte County (Kansas City, Kansas)

Date: July 20, 2021

Period of Performance: September 1, 2021- August 31, 2023

The "Unified Government of Wyandotte County" is interested in exploring the possibility of participating as a consultant to the City of Kansas City, Missouri in the SBA Community Navigator Pilot Program entitled "City of Entrepreneurs Navigator", a Kansas City Regional SBA Community Navigator Model designed to reach, and support underserved small businesses with technical assistance to increase their access to and successful participation in relief and recovery programs to help these businesses move from recovery to sustainable, scalable business models that improve their resilience and longevity during and beyond the pandemic.

OVERVIEW

The City of Kansas City, Missouri (KCMO), is interested in collaborating with the Unified Government of Wyandotte County- Kansas City, Kansas (KCK) to build an inclusive regional ecosystem for small and minority businesses that increases equitable outcomes in starting a business, doing business with the Cities, and accessing capital. This collaborative effort would seek to refine and expand across our state line new policies and programs that increase the capacity of our businesses to successfully compete for and win contracts as primes and subs, access capital, and grow in terms of revenue, profit, and employees, through the following methods;

- **Business Registration and Procurement Assistance-** preparation assistance through our all minority (black/brown) led Spoke partners providing 1:1 technical assistance for how to register and do business with the city governments, obtain a business license, and complete vendor registrations, and certifications. Spoke's will also match businesses to a network of professional service providers to assist with back-office and operational support. This program will be free to any KCMO or KCK licensed business.
- **Access to Contracts-** the two cities would work together to create new public/private contract and certification opportunities. This could include creating a small business buying and forecasting guide that provides transparency about and access to current and future contract opportunities for local small and minority businesses.

- **Access to Capital**- create new tools to facilitate and support preparation for SBA relief and recovery products (i.e. PPP Prep-Kansas City), as well as, other national and local capital sources. Our team will also seek to create new capital tools to help our businesses build capacity as they recover from the pandemic.

PROJECT APPROACH

If a final agreement is reached between the parties, as a collaborative partner, the Unified Government of Wyandotte County would create a new program coordinator role to support its efforts for creating new small and minority business contract opportunities;

As a collaborative partner with the City of Kansas City, the Unified Government of Wyandotte County would receive support via the City of Kansas City, Missouri Human Relations Department and funding support from the SBA Community Navigator Pilot grant. This partnership would include;

- **Dedication of a lead Liaison on behalf of the Unified Government** to work in collaboration with City of Kansas City Lead (Nia Richardson). This person will be responsible for coordinating and reporting all WYCO internal policy and program efforts, as well as, assisting in the training, oversight and support of the local "Spokes". (*Shaya Locket, Small Business Liaison, Unified Government of Wyandotte County*)
- **The City of Kansas City Human Relations Department (HRD) will provide peer consultation** support to assist the Unified Government of Wyandotte County (WYCO) with the development and implementation of a Small Local Business Enterprise (SLBE) program to increase contract opportunities for certified SLBE's and create new opportunities long-term for our local minority owned businesses.
- **Shared consulting support** to assist the Unified Government in creating processes, policies, training programs, monitoring compliance, reporting and creating strategies for a small local business program and contracting opportunities; The selected consultant will also assist the City of Kansas City in a threshold analysis for its shelter market program (SLBE) to increase the contract threshold amounts.
- **Shared technology support** through the City of Kansas City's current digital platform technology provider, Qwally, to support Procurement programs, contracts and activities.
- **Participate in the development of any guides and checklist of city processes and systems** that allow a business to access contracts with WYCO, to include but not limited to, business license, vendor license, and how to do business with WYCO (procurement process and how to identify contract opportunities). This will require support from its Business License Office and Procurement Department, at minimum.
- **Assist in the development of a Kansas City, KS Small Business Buying and Forecasting Guide**, the Unified Government of Wyandotte County will submit project opportunities through the Unified Government to be listed, to include current and future contract opportunities.
- Participate in the **collective outreach and marketing campaign** with support of its internal communications office for the Unified Government of Wyandotte County, any workshops, and other outreach efforts to promote and build the Navigator Program.

Our long-term goal as a collaborative partner with the Unified Government of Wyandotte County is to:

- 1) Implement a new Small Local Business Program with established policies and program budget to be funded by the Unified Government of Wyandotte County beyond the grant cycle.
- 2) Participate in the next disparity study for the City of Kansas City, Missouri in 2023 to establish a new minority and women owned business program and increase contract opportunities for minority owned businesses in Kansas City, Kansas.
- 3) Continue to support a regional Small Business Buying and Forecasting Guide

Proposed Budget

Line Item	Year 1	Year 2	Total
Small Local Business Program Coordinator (w/fring)	\$77,050	\$77,050	\$154,100
Technology (Qwally)	\$50,000	\$50,000	\$100,000
Equipment (Computers, Laptop, Software, wi-fi- For Staff and public use)	\$10,000	\$2,500	\$12,500
Supplies (copy paper, training, material, postage)	\$5,000	\$5,000	\$10,000
TOTAL	\$142,050	\$134,550	\$276,600

KCMO understands and agrees that the terms contained in this letter are non-binding and that the Unified Government must receive formal approval from its Board of Commissioners and the Kansas Attorney General's Office before any interlocal agreement can be formally executed.

SIGNATURES

City of Kansas City, Missouri Representative

Date



Unified Government Representative

7-23-21

Date



Staff Request for Commission Action

Tracking No. 21965

Full Commission Meeting Date: 8/26/21

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/21

(If none, please explain):

Publication Required: Yes 8/19/2021 8/25/2021

<u>Date:</u> 7/27/2021	<u>Contact Name:</u> Katherine Carttar, Patrick Waters	<u>Contact Phone:</u> x5176, x5079	<u>Contact Email:</u> kcarttar@wycokck.org, patrickwaters@wycokck.org	<u>Department/Division:</u> Economic Development
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Item Description:

A RESOLUTION CALLING AND PROVIDING FOR THE GIVING OF NOTICE OF A PUBLIC HEARING ON THE ADVISIBILITY OF CREATING THE LEGENDS HOTEL COMMUNITY IMPROVEMENT DISTRICT.

Action Requested:

Adopt resolution

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Resolution setting public hearing for Legends Hotel CID, CID Petition - LegendHotelLLC (002)

(Published in *The Wyandotte Echo* on _____ and _____)

RESOLUTION NO. R-____-21

A RESOLUTION CALLING AND PROVIDING FOR THE GIVING OF NOTICE OF A PUBLIC HEARING ON THE ADVISIBILITY OF CREATING THE LEGENDS HOTEL COMMUNITY IMPROVEMENT DISTRICT.

WHEREAS, pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the “Act”), cities and counties are authorized to create community improvement districts as a method of financing economic development related improvements in a defined area within their city or county; and

WHEREAS, the Act authorizes the governing body of any city or county to create community improvement districts to finance projects within such defined area of the city or county and to levy a community improvement district sales tax and/or levy special assessments upon property within the district to finance projects; and

WHEREAS, on July 23, 2021 a petition (the “Petition”) was filed with the Clerk of the Unified Government of Wyandotte County/Kansas City, Kansas (“Unified Government”), proposing the creation of the Legends Hotel Community Improvement District (“Legends Hotel CID”) under the Act and the imposition of a community improvement district sales tax (“CID Sales Tax”) financed on a pay-as-you-go basis, as described in the Petition (the “Project”); and

WHEREAS, the Petition was signed by the required number of owners of record, whether resident or not, as required by the Act; and

WHEREAS, the Governing Body hereby finds and determines it to be necessary to direct and order a public hearing on the advisability of creating the Legends Hotel CID, and approving the Project set forth in the Legends Hotel CID Petition, pursuant to the authority of the Act, and further to provide for the giving of notice of said hearing in the manner required by the Act.

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

Section 1. Petition. The Governing Body hereby finds and determines that the Petition for the Legends Hotel CID meets the requirements of the Act.

Section 2. Public Hearing. It is hereby authorized, ordered and directed that the Governing Body shall hold a public hearing, in accordance with the provisions of the Act, on the advisability of creating the Legends Hotel CID and approving the Project set forth in the Petition, such public hearing to be held September 16, 2021 at 7:00 p.m., or as soon thereafter as the matter can be heard. The public hearing will be held virtually and may be accessed via Zoom web conference or toll free via telephone by dialing (877) 853-5257 or (888) 475-4499. Public hearing access information is available at www.wycokck.org/BOC-Virtual-Meeting.aspx or by contacting the Clerk’s office via phone at (913) 573-5206 or via email at clerkwest@wycokck.org. Public comment may also be submitted in advance of the public hearing by email to

clerkwest@wycokck.org, fax to (913) 573-5299, or mail to Unified Government Clerk's Office, 701 N. 7th Street, Suite 323, Kansas City, Kansas 66101.

Section 3. Proposed CID Projects. The general nature of the Legends Hotel CID is as follows:

The acquisition of an approximately 2+/- acre tract of real property located generally at the Southeast corner of the intersection of 98th Street and Parallel Parkway in Kansas City, Kansas, and development and redevelopment thereof to consist of some or all of the following uses, without limitation: hotel uses, retail uses and any other commercial structure or use (including but not limited to residential, office, restaurant, non-profit, governmental, or community use), and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), other associated and appurtenant structures and facilities, and any other items allowable under the Act.

Section 4. Estimated Costs. The total estimated cost of the Legends Hotel CID Project to be funded by the District, as set forth in the Petition, is Ten Million Eight Hundred Sixty Five Thousand Dollars and No/100 (\$10,865,000.00), as the same may be changed or modified pursuant to the terms of any potential development agreement between the Unified Government and the developer of the Project.

Section 5. Method of Financing. The costs of the Legends Hotel CID will be financed with the CID Sales Tax levied pursuant to the provisions of the Act and reimbursed on a pay-as-you-go basis, as defined in the Act, as well as private equity, private debt or through the issuance of special obligation bonds.

The CID Sales Tax is in the amount of 1.5% on the sale of tangible personal property at retail or the rendering or furnishing of services which are taxable pursuant to the Kansas Retailers' Sales Tax Act (K.S.A 79-3601, et seq.) within the CID District.

Section 6. Map and Legal Description of Proposed Modified CID. The legal description of the property contained in the proposed Legends Hotel CID is set forth in Exhibit C of the CID Petition, attached hereto and incorporated by reference herein. A map generally outlining the boundaries of the proposed Legends Hotel CID is also shown as set forth in Exhibit B of the CID Petition, attached hereto, and incorporated by reference herein. A table of the estimated Project Costs for the CID is attached as Exhibit A of the CID Petition, attached hereto and incorporated by reference herein.

Section 7. Notice of Hearing. The Unified Government Clerk is hereby authorized, ordered and directed to give notice of said public hearing by publication of this Resolution in the official newspaper of the county. Such publication shall be at least once each week for two (2) consecutive weeks. The second publication shall be at least seven (7) days prior to the date of the hearing. The Unified Government Clerk is hereby further authorized, ordered and directed to mail a copy of this Resolution, via certified mail, to all property owners within such proposed CID at least ten (10) days prior to the date of the public hearing.

Section 8. Effective Date. This Resolution shall be effective upon adoption by the Governing Body.

**ADOPTED BY THE UNIFIED GOVERNMENT BOARD OF COMMISSIONERS
THIS 12th DAY OF AUGUST, 2021.**

Unified Government Clerk

PETITION FOR THE CREATION OF A COMMUNITY IMPROVEMENT DISTRICT

To: Board of Commissioners,
Unified Government of Wyandotte County / Kansas UG, Kansas

The undersigned ("**Petitioner**"), the soon-to-be owner of record, whether resident or not, of the following:

1. More than fifty-five (55%) of the land area contained within the hereinafter described community improvement district; and
2. More than fifty-five (55%) by assessed value of the land area contained within the hereinafter described community improvement district.

hereby petitions the Unified Government of Wyandotte County/ Kansas UG, Kansas (the "**UG**") to create a Community Improvement District ("**CID**") and authorize the proposed CID project (the "**CID Project**") hereinafter set forth, all in the manner provided by K.S.A § 12-6a26, *et seq.* (the "**Act**"). In furtherance of such request, the Petitioner states as follows:

1. GENERAL NATURE

The general nature of the CID Project is as follows:

The acquisition of an approximately 2+/- acre tract of real property located generally at the Southeast corner of the intersection of 98th Street and Parallel Parkway in Kansas City, Kansas, and development and redevelopment thereof to consist of some or all of the following uses, without limitation: hotel uses, retail uses and any other commercial structure or use (including but not limited to residential, office, restaurant, non-profit, governmental, or community use), and including such associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities (including parking garages), other associated and appurtenant structures and facilities, and any other items allowable under the Act.

2. ESTIMATED COST

The estimated cost of the CID Project is \$10,403,672, including any principal payments in connection with any loan obtained by Petitioner (or its successors in title) for the purpose of financing eligible CID costs, plus any financing costs such as interest on reimbursable amounts, any fees or expenses of the UG in connection with such CID Project, and costs of issuance of bonds or notes hereunder, if any. See **EXHIBIT A**, attached hereto, for a general budget of the

CID Project. Additionally, ongoing costs associated with the operations, maintenance, and upkeep of property located within the boundaries of the CID Project shall be eligible for reimbursement. Notwithstanding anything in this petition to the contrary, only eligible CID costs as set forth in the Act shall be reimbursable under the CID Project.

3. PROPOSED METHOD OF FINANCING

The costs of the CID Project will be financed on a pay-as-you-go basis with reimbursements from revenues available from the community improvement sales tax in the CID. The CID Project may be financed with the sale of special obligation bonds or notes issued by the UG, as permitted by market conditions and other conditions to be agreed upon by the Petitioner (or its successors in title) and the UG, and if issuance of such bonds is approved by the governing body of the UG. However, Petitioner is not seeking the issuance of full faith and credit bonds.

4. PROPOSED METHOD AND AMOUNT OF ASSESSMENT

Petitioner does not propose that the CID Project be financed through the levying of assessments.

5. PROPOSED AMOUNT OF SALES TAX

Petitioner proposes that the CID Project be financed through the levying of an add-on sales tax in the amount of one percent (1.25%) as authorized by the Act.

6. MAP AND LEGAL DESCRIPTION OF THE PROPOSED CID

A map showing the general proposed boundaries of the CID is attached hereto at **EXHIBIT B**.

The legal description of the CID is attached hereto at **EXHIBIT C**.

7. NOTICE TO PETITION SIGNERS

NAMES MAY NOT BE WITHDRAWN FROM THIS PETITION BY THE SIGNERS HEREOF AFTER THE UG COMMENCES CONSIDERATION OF THIS PETITION, OR LATER THAN SEVEN (7) DAYS AFTER THE FILING HEREOF WITH THE UG CLERK, WHICHEVER OCCURS FIRST.

8. SEVERABILITY

If any provision of this Petition shall be held or determined to be invalid, inoperative or unenforceable as applied in any particular case, or in all cases, because it conflicts with any other provision or provisions of this Petition or for any other reason, such circumstances shall not have the effect of rendering the provision in question inoperative or unenforceable in any other case or circumstance, or of rendering any other provision contained in this Petition invalid, inoperative or unenforceable to any extent whatsoever.

IN WITNESS WHEREOF, the undersigned Petitioner has executed the above foregoing Petition to create the CID on the date set forth below:

LEGEND HOTEL, LLC,
a Kansas limited liability company

By: _____
Name: _____
Title: _____
Date: _____

ACKNOWLEDGMENT

STATE OF)
) ss.
COUNTY OF)

BE IT REMEMBERED, that on this _____ day of _____, 2020 before me, the undersigned, a Notary Public in and for said County and State, came _____ who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

IN WITNESS THEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

(Seal)

Notary Public in and for said
County and State

My Commission Expires:

EXHIBIT A

General Budget of CID Project

<u>Improvement Category</u>	<u>Estimated Cost</u>
Land Acquisition	\$465,000
Hard Construction Costs	\$7,203,600
Soft Costs	\$2,435,072
Contingency	\$300,000
TOTAL ESTIMATED PROJECT COSTS	\$10,403,672

NOTE: Amounts listed above are cost estimates for project components and do not include associated financing costs, such as interest. Petitioner requests that reimbursement be made from the CID Revenue Fund for actual costs incurred related to cost categories listed above, including associated financing costs, such as interest and any costs associated with the City's administrative fees and expenses to be more specifically set forth in the Development Agreement, all subject to the reimbursement cap as set forth in the Development Agreement. Amounts set forth herein are estimates only, and Petitioner (and its successors in title) reserves the right to adjust the amounts paid in each cost category in Petitioner's (and its successors in title) discretion, provided that all costs reimbursed hereunder shall be subject to the provisions of the Kansas CID ACT.

EXHIBIT B

Map of Community Improvement District



EXHIBIT C

Legal Description of Community Improvement District

All of Lot 8-B and all of Lot 8-D, & all of Tract B, Schlitterbahn Vacation Village Fourth Plat, a subdivision in Kansas City, Wyandotte County, Kansas. All being in Section 1-T11S-R23E.



Staff Request for Commission Action

Tracking No. 21970

Full Commission Meeting Date: 8/26/21

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/21

(If none, please explain):

Publication Required: No

<u>Date:</u>	<u>Contact Name:</u>	<u>Contact Phone:</u>	<u>Contact Email:</u>	<u>Department/Division:</u>
7/28/2021				Economic Development

Item Description:

A resolution adopting the 4th amendment to the Downtown Campus Development Agreement. The amendment better defines some requirements, reduces the square footage of the Reardon Center, prioritizes the distribution of CID proceeds, and extends the drop dead date.

Action Requested:

Approve and advance to FC

Budget Impact: (if applicable)

Amount:

Source:

Included In Budget:

Other (explain):

Attachments List:

Resolution Approving Fourth Amendment to Downtown Campus DA, Lanier - Fourth Amendment to Downtown Campus Redevelopment Agreement

RESOLUTION NO. R-____-21

**A RESOLUTION ADOPTING THE FOURTH AMENDMENT TO
DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT.**

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG") and Lanier United, LLC, a Kansas limited liability company ("Developer"), entered into that certain Downtown Campus Development Agreement dated March 26, 2020, as amended by that certain First Amendment to Downtown Campus Development Agreement dated as of July 30, 2020, that certain Second Amendment to Downtown Campus Development Agreement dated as of December 30, 2020, and that certain Third Amendment to Downtown Campus Development Agreement dated as of May 13, 2021 (as amended, the "Agreement"); and

WHEREAS, Developer has been diligently proceeding with its obligations in connection with the Agreement, but Developer has requested an extension to provide additional time to obtain private financing for the Project, secure the required parking, and modify the descriptions of certain components of the Project, among other things; and

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

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

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

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

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

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

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

David Alvey, Mayor/CEO

ATTEST:

Unified Government Clerk

(Seal)

EXHIBIT A

Fourth Amendment

[To be attached.]

FOURTH AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT

THIS FOURTH AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT (this “Fourth Amendment”) is made effective as of July 31, 2021 (the “Effective Date”) between the Unified Government of Wyandotte County/Kansas City, Kansas (the “UG”) and Lanier United, LLC, a Kansas limited liability company (“Developer”).

RECITALS

A. The UG and Developer entered into that certain Downtown Campus Development Agreement dated March 26, 2020 (the “Original Agreement”) for Developer to design, develop, and construct approximately 90,000 to 110,000 square feet of residential housing, commercial and service-based amenities, and upgraded conference facilities as more fully set forth therein. The Original Agreement, as amended by that certain First Amendment to Downtown Campus Development Agreement dated as of July 30, 2020 (the “First Amendment”), as further amended by that certain Second Amendment to Downtown Campus Development Agreement dated as of December 30, 2020 (the “Second Amendment”), and as further amended by that certain Third Amendment to Downtown Campus Development Agreement dated as of May 13, 2021 (the “Third Amendment”), may be referred to herein as the “Agreement.” Capitalized terms used in this Fourth Amendment, but not otherwise defined herein, shall have the meanings assigned to them in the Agreement.

B. Pursuant to the terms of the Agreement, as amended, the Drop Dead Date by which all Closing Conditions, including, among other things, obtaining private financing and securing parking for the Project and Closing on the Project Site, were to be met or waived on July 30, 2021.

C. Developer has been diligently proceeding with meeting its obligations in connection with the Closing Conditions, but has requested (a) to further extend the Drop Dead Date to provide additional time (i) to obtain all required governmental approvals to modify the Agreement, (ii) to secure necessary parking for the Project, and (iii) to obtain private financing for the Project; (b) to correct the description of the Retail Space; (c) to modify the description of the Reardon Center; and (d) to modify the Total Project Budget.

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

AGREEMENT

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

1. **Amendment to Commercial Space Square Footage.** The parties hereby agree that the definition of Retail Space, as set forth in Section 2.2(a) of the Agreement shall be deleted in its entirety and replaced with the following:

“(a) Commercial Space: Approximately 7,000 square feet of commercial space which shall include the approximately 6,000 square feet space for the Fitness Center, together with approximately 1,000 square feet for retail and/or office uses.”

The term “Retail Space”, as used in the Agreement, shall be replaced, in all instances, with “Commercial Space”, as defined in this Fourth Amendment.

2. **Amendment to Reardon Center Square Footage.** The parties hereby agree that the first sentence of Section 2.2(d) of the Agreement shall be deleted in its entirety and replaced with the following:

“(d) Reardon Center: No less than 7,500 square feet of first-class multi-purpose banquet/meeting space with capacity to seat approximately 325 people for community events and programs, including youth education and healthy living programs and Science, Technology, Engineering and Math (“STEM”) awareness classes.”

3. **Amendment to Use of Reardon Center by UG.** The parties hereby agree that the first sentence of Section 2.3(c)(i)(A) of the Agreement shall be deleted in its entirety and replaced with the following:

“(A) The UG shall have access to the Reardon Center for no less than ten (10) civic-related events per calendar year, with no room rental charges therefor, for the entire term of the Reardon Center Ground Lease, provided each such event shall last no longer than twenty-four (24) hours;”

4. **Amendment Regarding Completion of Public Infrastructure.** The parties hereby agree that the UG has fully completed the Public Infrastructure referenced in Section 2.5 of the Agreement prior to execution of this Fourth Amendment.

5. **Amendment to Parking Condition.** The parties hereby agree that Section 3.1(i) of the Agreement shall be deleted in its entirety and replaced with the following:

“(i) Parking. Developer shall have secured 90 exclusive spaces to support the Commercial Space and Multi-Family Space and 200 nonexclusive spaces to support the Reardon Center; and”

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

“In the event that the Closing Conditions set forth in Section 3.1 above are not met or waived on or prior to August 31, 2021 (the “Drop Dead Date”), which date may be extended by the Developer by written notice to the UG for a period of thirty (30) days up to four (4) times (for an additional one hundred twenty (120) consecutive days of extensions) without further amendment to this Agreement, provided there has been no event of default hereunder by the Developer, then either party hereto shall have the right to terminate this Agreement, but such failure shall not be an event of default hereunder.”

7. **Amendment to Priority of Distribution of CID Proceeds.** The parties hereby agree that Section 4.2(b) shall be deleted in its entirety and replaced with the following:

"CID Proceeds. The revenues received from the imposition of the CID Sales Tax, less the CID Administrative Fee (as defined in Section 4.2(f)), constitute the "CID Proceeds" and shall be collected and deposited into the CID Fund (as defined in Section 4.2(c)). The CID Proceeds shall be disbursed as follows:

(i) the first \$765,000 of CID Proceeds will be used to pay or reimburse Developer for CID Eligible Expenses, subject to the limitations in the CID Act and provided that none of the CID Proceeds shall be used to pay for anything but the CID Eligible Expenses identified on **Exhibit H** attached hereto, without the prior approval of the UG in its sole discretion,

(ii) next, to pay or reimburse the UG for all of the UG's costs of designing, developing and constructing the Public Infrastructure plus interest thereon calculated at five percent (5%) per annum commencing from the date the UG pays any such costs (the "Public Infrastructure Costs"),

(iii) and thereafter, to pay or reimburse Developer for the remaining CID Eligible Expenses, subject to the limitations in the CID Act and provided that none of the CID Proceeds shall be used to pay for anything but the CID Eligible Expenses identified on **Exhibit H** attached hereto, without the prior approval of the UG in its sole discretion."

8. **Amendment to Priority of Pay-Go CID Financing.** The parties hereby agree that the first sentence of Section 4.2(d) and the first sentence of subsection 4.2(d)(ii) shall be deleted in their entirety and replaced with the following:

"(d) The parties hereby agree that the CID Proceeds, shall be disbursed by the UG to Developer quarterly from the CID Fund on a pay-as-you-go basis ("Pay-Go CID Financing") to reimburse Developer for the CID Eligible Expenses, if and to the extent that: (1) after payment of \$765,000 of CID Proceeds to Developer pursuant to Section 4.2(b)(i) above (or to the General Contractor pursuant to subject to Section 4.8(b)(vii)), the UG has been paid in full for the Public Infrastructure Costs, (2) there are sufficient CID Proceeds in the CID Fund, (3) Developer has fully satisfied all of the conditions set forth in Section 4.7, (4) Developer has not already been reimbursed for CID Eligible Expenses in an amount equal to the CID Cap (as defined in Section 4.2(d)(ii)), and (5) the Term has not yet expired.

...

(ii) CID Cap. The CID Proceeds shall be available to Developer for reimbursement of CID Eligible Expenses through Pay-Go CID Financing, and the CID Proceeds available to Developer pursuant to subsections 4.2(b)(i) and (iii) shall in no event exceed Three Million Twenty Thousand Five Hundred Fifteen Dollars (\$3,020,515) (the "CID Cap")."

9. **Amendment to Conditions Precedent.** The parties hereby agree that Section 4.7(b) shall be deleted in its entirety and replaced with the following:

"(b) Developer shall have achieved Substantial Completion of the Commercial Space, Multi-Family Space, Reardon Center and Athletic Field; provided, however, that the parties hereby specifically agree that Substantial Completion shall not be required for the disbursement of the first \$765,000 of CID Proceeds, the TGT Grant or the UG Contribution to Developer as described in Sections 4.2(b)(i), 4.4 or 7.13(e)(ii); and"

10. **Amendment to Percentage Limitation.** The parties hereby agree that Section 4.6 of the Agreement shall be deleted in its entirety and replaced with the following:

"**Percentage Limitation.** In addition to the CID Cap, TIF Cap and the 50/50 Limitation set forth above, the parties hereby agree that upon completion of the Improvements and submittal of the final Certificates of Expenditure by Developer pursuant to Section 4.8 below, the CID Cap and TIF Cap shall be reduced if and to the extent that the CID Eligible Expenses and TIF Eligible Expenses shall be more than 31% of the total Project Costs (including the Private Funds therefor). In other words, if and to the extent that the CID Eligible Expenses and TIF Eligible Expenses shall collectively be more than 31% of the total Project Costs, then Developer hereby agrees that the CID Cap and TIF Cap shall be proportionately reduced so that the CID Eligible Expenses and TIF Eligible Expenses shall not be more than 31% of the total Project Costs."

11. **Amendment to Timing for UG to Review Certificates of Expenditure.** The parties hereby agree that Section 4.8(b)(vi) of the Agreement shall be deleted in its entirety and replaced with the following:

"The UG shall have forty-five (45) calendar days after receipt of any Certificate of Expenditures to review and respond by written notice to the Developer. If the UG disapproves of the Certificate of Expenditures, the UG shall notify the Developer in writing of the reason for such disapproval within such forty-five (45) day period, in which event the Developer shall have the right to revise and re-submit the Certificate of Expenditures to address the UG's reason for disapproval, and the UG will review and approve the revised Certificate of Expenditures within thirty (30) calendar days after receipt of the re-submitted Certificate of Expenditures. Approval of any Certificate of Expenditures will not be unreasonably withheld, conditioned, or delayed."

12. **Amendment to Reimbursement Process for Certain Certificates of Expenditure.** The parties hereby agree that a new Section 4.8(b)(vii) will be added to the Agreement:

"Notwithstanding anything in this Agreement to the contrary, the UG agrees that for the first \$765,000 of the CID Proceeds (as described in Section 4.2(b)(i) above), the TGT Grant and the UG Contribution, the Developer may direct the UG to directly pay its General Contractor by providing written notice to the UG with each of the Certificate of Expenditures for the same. In such instance, the UG shall not require the Developer to produce lien waivers or other evidence of payment of Project Costs identified in the

Certificate of Expenditure that are to be paid directly to the Developer's General Contractor. Any portion of the CID Proceeds, the TGT Grant and/or the UG Contribution which is paid directly to the General Contractor pursuant to this provision shall be have paid for the benefit of Developer as though those funds had been received directly by Developer; in no event shall the UG be required to duplicate (by making an additional payment to the Developer) any disbursement of the of the CID Proceeds, the TGT Grant and/or the UG Contribution which is paid by the UG directly to the General Contractor."

13. **Amendments to Annex of Definitions.** The parties hereby agree that the definitions of Retail Space and Reardon Center, as set forth in ANNEX 1 of the Agreement shall be deleted in their entirety and replaced with the following:

"Commercial Space" means approximately 7,000 square feet of commercial space which shall include the approximately 6,000 square feet space for the Fitness Center together with approximately 1,000 square feet for retail and/or office uses."

"Reardon Center" means approximately 7,500 square feet of first-class multi-purpose banquet/meeting space with capacity to seat approximately 325 people for community events and programs, as described in Section 2.2(d)."

14. **Amendment to Total Project Budget.** The parties hereby agree to modify the Agreement by deleting **Exhibit H**, entitled "**Total Project Budget**", in its entirety and replacing with **Exhibit H**, attached hereto.

15. **Miscellaneous.** In connection with this Fourth Amendment, the parties hereby agree as follows:

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

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

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

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

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

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

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

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

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

UG:

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

By: _____
David Alvey, Mayor/CEO

STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

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

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

My commission expires:

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

DEVELOPER:

LANIER UNITED, LLC, a Kansas limited liability company

By: _____
Willie Lanier, Jr., Manager

STATE OF _____)
) SS.
COUNTY OF _____)

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

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

My commission expires:

Exhibit H

Lanier United KCK Development Downtown Campus

As of: 6/30/2021

Estimated Project Costs

Description	Total Costs	TIF Eligible	CID Eligible	Sales Tax Redirection
PROPERTY ACQUISITION				
Acquisition/ Relocation/Lease Buyout	\$10	\$10	\$10	\$10
Title issues, right of way easement, traffic signalization easement	\$25,000	\$25,000	\$25,000	\$25,000
	\$25,010	\$25,010	\$25,010	\$25,010
SITE COSTS				
Clearing & Grubbing	\$25,000	\$25,000	\$25,000	\$25,000
Excavation and Demo (in Bldg Cost)	\$0	\$0	\$0	\$0
Embankment		\$0	\$0	\$0
Fine Grading	\$50,000	\$50,000	\$50,000	\$50,000
Regular Duty Pavement	\$50,000	\$50,000	\$50,000	\$50,000
Heavy Duty Asphalt Pavement		\$0	\$0	\$0
Heavy Duty Concrete	\$50,000	\$50,000	\$50,000	\$50,000
Curb & Gutter	\$50,000	\$50,000	\$50,000	\$50,000
Storm Sewer	\$100,000	\$100,000	\$100,000	\$100,000
Inlets / Junction Boxes		\$0	\$0	\$0
Water Main	\$75,000	\$75,000	\$75,000	\$75,000
Fire Hydrants	\$10,000	\$10,000	\$10,000	\$10,000
Sanitary Sewer	\$100,000	\$100,000	\$100,000	\$100,000
Sanitary Sewer Manholes	\$7,500	\$7,500	\$7,500	\$7,500
Site Lighting	\$50,000	\$50,000	\$50,000	\$50,000
Landscaping	\$50,000	\$50,000	\$50,000	\$50,000
Athletic Field	\$150,000	\$150,000	\$150,000	\$150,000
Utility Easement Relocation (in Bldg Cost)	\$0	\$0	\$0	\$0
Erosion Control	\$5,000	\$5,000	\$5,000	\$5,000
Irrigation	\$7,000	\$7,000	\$7,000	\$7,000
Site Survey (in Professional Svcs)	\$0		\$0	
Site Engineering (in Professional Svcs)	\$0		\$0	
Geotechnical Engineering	\$20,000		\$20,000	
Site Construction Testing	\$10,000		\$10,000	
Total On-Site Costs	\$809,500	\$779,500	\$809,500	\$779,500
BUILDING AND PARKING CONSTRUCTION COSTS				
Apartment	\$12,780,000		\$12,780,000	
Reardon Center	\$3,050,000		\$3,050,000	
Fitness/ Commercial	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000
FF&E	\$250,000		\$250,000	
Contingency	\$0		\$2,562,000	
Total Building Construction Costs	\$17,080,000	\$1,000,000	\$19,642,000	\$1,000,000
PROFESSIONAL SERVICES AND SOFT COSTS				
Architectural Services & Design Costs	\$750,000	\$750,000	\$750,000	\$750,000
Legal Services	\$225,000	\$225,000	\$225,000	\$225,000
Permits	\$50,000	\$50,000	\$50,000	\$50,000
Engineering Services	\$100,000	\$100,000	\$100,000	\$100,000
Total Professional and Soft Costs	\$1,125,000	\$1,125,000	\$1,125,000	\$1,125,000
TOTAL ESTIMATED PROJECT COSTS*	\$19,039,510	\$2,929,510	\$21,601,510	\$2,929,510
	Caps**	\$3,054,758	\$3,020,515	\$1,000,000
CID and TIF percentage Cap	31.00%			

* The foregoing does not include any Costs of Financing, Interest, City Expenses or any Cost of Additional Required Improvements, all of which shall be reimburseable to the Developer in accordance with the TIF Plan.

** Pursuant to the Development Agreement, the UG will submit an application for a HUD Section 108 Loan in the amount of \$5,000,000 for the purpose of financing or refinancing non-construction work related to the Project. If the UG is unable to secure a HUD Section 108 Loan, then the UG will provide additional public financing to the Project in an amount not to exceed \$225,000 through either redirection of additional TIF Proceeds or by increasing the redirected amount of TGT.



Staff Request for Commission Action

Tracking No. 21971

Full Commission Meeting Date: 8/26/21

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/21

(If none, please explain):

Publication Required: No

<u>Date:</u> 7/28/2021	<u>Contact Name:</u> Katherine Carttar	<u>Contact Phone:</u> x5176	<u>Contact Email:</u> kcarttar@wycokck.org	<u>Department/Division:</u> Economic Development
<u>Item Description:</u> A resolution approving the 4th amendment to KC Foodie Park Development Agreement to primarily extend planning and construction deadlines.				
<u>Action Requested:</u> Approve and advance to FC 8/26.				
<u>Budget Impact: (if applicable)</u> Amount: Source: Included In Budget: Other (explain):				
<u>Attachments List:</u> Fourth Amendment to KC Foodie Park Development Agreement (Food Service Center), Resolution Approving Fourth Amendment to KC Foodie Park DA				

FOURTH AMENDMENT TO KC FOODIE PARK DEVELOPMENT AGREEMENT

THIS FOURTH AMENDMENT TO KC FOODIE PARK DEVELOPMENT AGREEMENT (this "Amendment"), is made and entered into as of _____, 2021 (the "Effective Date") by and among the **UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS** (the "UG"); **SCAVUZZO'S, INC.**, a Kansas corporation d/b/a Scavuzzo's Food Service Company ("Scavuzzo's"); **SCAVUZZO'S FOODIE CAMPUS, LLC**, a Kansas limited liability company ("Assignee"); and **KC FOODIE PARK, LLC**, a Delaware limited liability company (collectively, the "Developer", and with the UG, the "Parties").

RECITALS:

A. On September 26, 2019, the UG and Developer entered into that certain KC Foodie Park Development Agreement (as amended from time to time, the "Original Development Agreement"), which Development Agreement was joined by Scavuzzo's, whereby Developer proposed to acquire, design, develop, and construct the Project on certain real property located in Wyandotte County, Kansas, which is generally bounded on the north by State Avenue, on the east by Interstate 635, on the south by Interstate 70, and on the west by North 47th Street, as legally described on Exhibit A attached to the Original Development Agreement (the "Project Site"). A Memorandum of Agreement [KC Foodie Park Development Agreement] dated as of March 31, 2020 was recorded with the Wyandotte County, Kansas Register of Deeds (the "Register of Deeds") against the Phase 1 Property on April 1, 2020 as Document No. 2020R-04590.

B. The Original Development Agreement has subsequently been amended by that certain First Amendment dated as of December 12, 2019 (the "First Amendment"), that certain Second Amendment dated as of March 12, 2020 (the "Second Amendment") and that certain Third Amendment dated as of August 27, 2020 (the "Third Amendment"). Collectively, the Original Development Agreement as amended by the First Amendment, Second Amendment and Third Amendment may be referred to herein as the "Development Agreement." Capitalized terms which are not otherwise defined herein shall have the meanings assigned to them in the Development Agreement.

C. Among other things, the Development Agreement contains certain deadlines, including without limitation, deadlines to propose redevelopment project plans for Project Areas 2, 3 and 4 of the Project in Section 4.2(g) and deadlines to close on the Phase 2 Property, the Phase 3 Property and the Phase 4 Property in Section 5.1. For a number of reasons, Developer has requested extensions of these and other deadlines in the Development Agreement as set forth below.

AGREEMENT

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

1. **Incorporation of Recitals.** The Parties understand and agree that the Recitals set forth above are hereby incorporated as though more fully set forth herein.

2. **Amendment of Development Agreement.**

A. Modification of Commencement Date for Phase 1 Minimum Improvements. The Parties hereby agree that Section 6.10(a) shall be deleted in its entirety and replaced with the following:

"(a) Developer shall, on or before that date which is ten (10) business days after the Effective Date of this Amendment, (i) install silt fencing and otherwise commence work on erosion control for the Phase 1 Property, and (ii) commence demolition of the existing hardscape and other improvements on the Phase 1 Property. Developer shall Commence Construction (as defined in Annex 1) of the Phase 1 Minimum Improvements of the Project as described in Section 2.5 on or before December 31, 2021. Additionally, Developer agrees that prior to Commencement of Construction of the Phase 1 Improvements, Developer shall secure and provide evidence of available private funds which, when added to the TIF Proceeds, are sufficient to complete the Phase 1 Minimum Improvements. For purposes hereof, the evidence of private funds shall be to the reasonable satisfaction of the UG and may include (x) cash or other immediately available funds, (y) private equity commitments that are to be funded no later than the date when Developer closes on its construction financing for the Phase 1 Minimum Improvements, and/or (z) a loan commitment for construction financing subject only to customary and commercially reasonable conditions;"

B. Modification of Remedies for Failure to Timely Commence Phase 1. If and to the extent that Developer shall fail to meet any of the deadlines described in Section 6.10(a) (as amended and described above), then the Parties hereby agree that (i) Developer's cure period described in Section 9.1(b) of the Agreement shall be shortened from sixty (60) days to twenty (20) days, and (ii) Developer's cure period described in Section 2.4(b)(y) shall be shortened from twelve (12) months to sixty (60) days. The modified remedies described herein shall only apply to a failure of Developer to meet the deadlines described in Section 6.10(a) (as modified by this Amendment).

C. Modification of Completion Date for Phase 1 Minimum Improvements. The Parties hereby agree that Section 6.11(a) shall be deleted in its entirety and replaced with the following:

"Substantially Complete the Phase 1 Minimum Improvements on or before ~~April 30, 2023~~ **July 1, 2023**;"

D. Modification of Deadlines to Propose Redevelopment Project Plans for Project Areas. The Parties hereby agree that Sections 4.2(g)(i), (ii) and (iii) of the Development Agreement shall be deleted in their entirety and replaced with the following:

- (i) Project Area 2 Deadline: **January 15, 2022** ~~July 15, 2021~~ (the "Project Area 2 Plan Deadline");

- (ii) Project Area 3 Deadline: **January 15, 2023** ~~July 15, 2022~~ (the "Project Area 3 Plan Deadline"); and
- (iii) Project Area 4 Deadline: **January 15, 2025** ~~July 15, 2024~~ (the "Project Area 4 Plan Deadline").

B. Modification of Property Closing Deadlines. The Parties hereby agree that Section 5.1(b), (c) and (d) of the Development Agreement shall be deleted in their entirety and replaced with the following:

- (i) Phase 2 Property Closing Deadline: **June 30, 2022**; ~~December 31, 2021~~;
- (ii) Phase 3 Property Closing Deadline: **June 30, 2023**; ~~December 31, 2022~~;
and
- (iii) Phase 4 Property Closing Deadline: **June 30, 2025**. ~~December 31, 2024~~.

C. Modification of Completion Date for Phase 2. The Parties hereby agree that Section 6.11(b) shall be deleted in its entirety and replaced with the following:

- (i) Substantially Complete the Phase 2 Minimum Improvements within **twenty-four (24)** ~~thirty-six (36)~~ months after the Closing on the ~~Phase 1~~ **Phase 2** Property;

3. Miscellaneous. In connection with this Amendment, the Parties hereby agree as follows:

A. Any capitalized term used herein that is not specifically defined herein shall have the meaning provided in the Development Agreement.

B. Except as specifically modified by this Amendment, the Development Agreement shall be and remain in full force and effect in accordance with the terms thereof.

C. It is the intent of the Parties that the provisions of the Development Agreement, as amended by this Amendment, shall be enforced to the fullest extent permitted by applicable law. To the extent that the terms set forth in the Development Agreement, as amended by this Amendment, or any word, phrase, clause or sentence is found to be illegal or unenforceable for any reason, such word, phrase, clause or sentence shall be modified, deleted or interpreted in such a manner as to afford the party for whose benefit it was intended the fullest benefit commensurate with making the Development Agreement, as modified, enforceable and the balance of the Development Agreement shall not be affected thereby, the balance being construed as severable and independent.

D. The Parties hereto declare and represent that no promises, inducements or agreements not herein expressed have been made; the Development Agreement, as modified by this Amendment, contain the entire agreement between the Parties hereto; and the terms hereof are contractual and not mere recitals.

E. This Amendment shall be binding upon and inure to the benefit of the Parties hereto, and their successors and assigns.

F. This Amendment may be executed in counterparts.

G. This Amendment shall be construed in accordance with the laws of the State of Kansas.

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

IN WITNESS WHEREOF, the Parties have executed these presents as of the day and year first above written.

UG:

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

By: _____
David Alvey, Mayor/CEO

STATE OF KANSAS)
) SS.
COUNTY OF WYANDOTTE)

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

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

My commission expires

IN WITNESS WHEREOF, the Parties hereto have executed these presents as of the day and year first above written.

DEVELOPER:

KC FOODIE PARK, LLC, a Delaware limited liability company

By: _____
Richard Scavuzzo, Manager

STATE OF _____)
) SS.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2021 by Richard Scavuzzo as Manager of KC Foodie Park, LLC, a Delaware limited liability company.

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

My commission expires

IN WITNESS WHEREOF, the Parties hereto have executed these presents as of the day and year first above written.

ASSIGNEE:

SCAVUZZO'S FOODIE CAMPUS, LLC, a Kansas limited liability company

By: _____
Richard Scavuzzo, Manager

STATE OF _____)
) SS.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2021 by Richard Scavuzzo as Manager of Scavuzzo's Foodie Campus, LLC, a Kansas limited liability company.

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

My commission expires

IN WITNESS WHEREOF, the Parties hereto have executed these presents as of the day and year first above written.

SCAVUZZO'S:

SCAVUZZO'S, INC., a Kansas corporation d/b/a **SCAVUZZO'S FOOD SERVICE COMPANY**

By: _____
Richard Scavuzzo, CEO

STATE OF _____)
) SS.
COUNTY OF _____)

This instrument was acknowledged before me on _____, 2021 by Richard Scavuzzo as CEO of Scavuzzo's, Inc., a Kansas corporation d/b/a Scavuzzo's Food Service Company.

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

My commission expires

RESOLUTION NO. R-____-21

**A RESOLUTION ADOPTING THE FOURTH AMENDMENT TO KC
FOODIE PARK DEVELOPMENT AGREEMENT.**

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "UG"); KC Foodie Park, LLC, a Delaware limited liability company ("Developer"); and Scavuzzo's, Inc., a Kansas corporation d/b/a Scavuzzo's Food Service Company ("Scavuzzo's") entered into that certain KC Food Park Development Agreement dated September 26, 2019, as subsequently amended by that certain First Amendment dated December 12, 2019, that certain Second Amendment dated March 12, 2020, and that certain Third Amendment dated August 27, 2020, which also included Scavuzzo's Foodie Campus, LLC, a Kansas limited liability company ("SFC"), as a party (collectively, as amended, the "Development Agreement");

WHEREAS, the Development Agreement contains certain deadlines, including without limitation, deadlines to propose redevelopment project plans for Project Areas 2, 3 and 4 of the Project in Section 4.2(g) and deadlines to close on the Phase 2 Property, the Phase 3 Property and the Phase 4 Property in Section 5.1;

WHEREAS, for a number of reasons, Developer has requested extensions of these and other deadlines in the Development Agreement; and

WHEREAS, the Governing Body has determined that it is advisable to enter into the Fourth Amendment to KC Foodie Park Development Agreement with Developer, Scavuzzo's and SFC attached hereto as **Exhibit A** (the "Fourth Amendment").

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

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

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

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

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

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

David Alvey, Mayor/CEO

ATTEST:

Unified Government Clerk

(Seal)

EXHIBIT A

Fourth Amendment

[To be attached.]



Staff Request for Commission Action

Tracking No. 21964

Full Commission Meeting Date: NA

Committee: Economic Development & Finance

Date of Standing Committee Action: 8/9/2021

(If none, please explain):

Publication Required: No

<u>Date:</u> 7/27/2021	<u>Contact Name:</u> Kathleen VonAchen	<u>Contact Phone:</u> x5186	<u>Contact Email:</u> kvonachen@wycokck.org	<u>Department/Division:</u> Finance
<u>Item Description:</u> Review of 2020 Year-End Fund Balances and Target Minimum Reserves, presented by Kathleen VonAchen, Chief Financial Officer.				
<u>Action Requested:</u> For information only				
<u>Budget Impact: (if applicable)</u> Amount: Source: Included In Budget: Other (explain):				
<u>Attachments List:</u> 2020 Year Reserve Balances-8-9-21				

2020 Year-End Fund Reserves Review

UG ECONOMIC DEVELOPMENT & FINANCE COMMITTEE
AUGUST 9, 2021

2020 Reserves Review Discussion Items

General Fund

- Fund Balance Performance and Minimum Reserves
- Sales Tax Economic Sensitivity

Special Revenue Funds

- Fund Balances Performance and Minimum Reserves
- Review legal authority for sources/uses of these special funds

REVENUES
Budgeted Estimates vs. Actual
General Funds (Combined)
Source: ACFR Budgetary Basis Statement



2020
Under-estimated
Revenues by
\$5.5 M

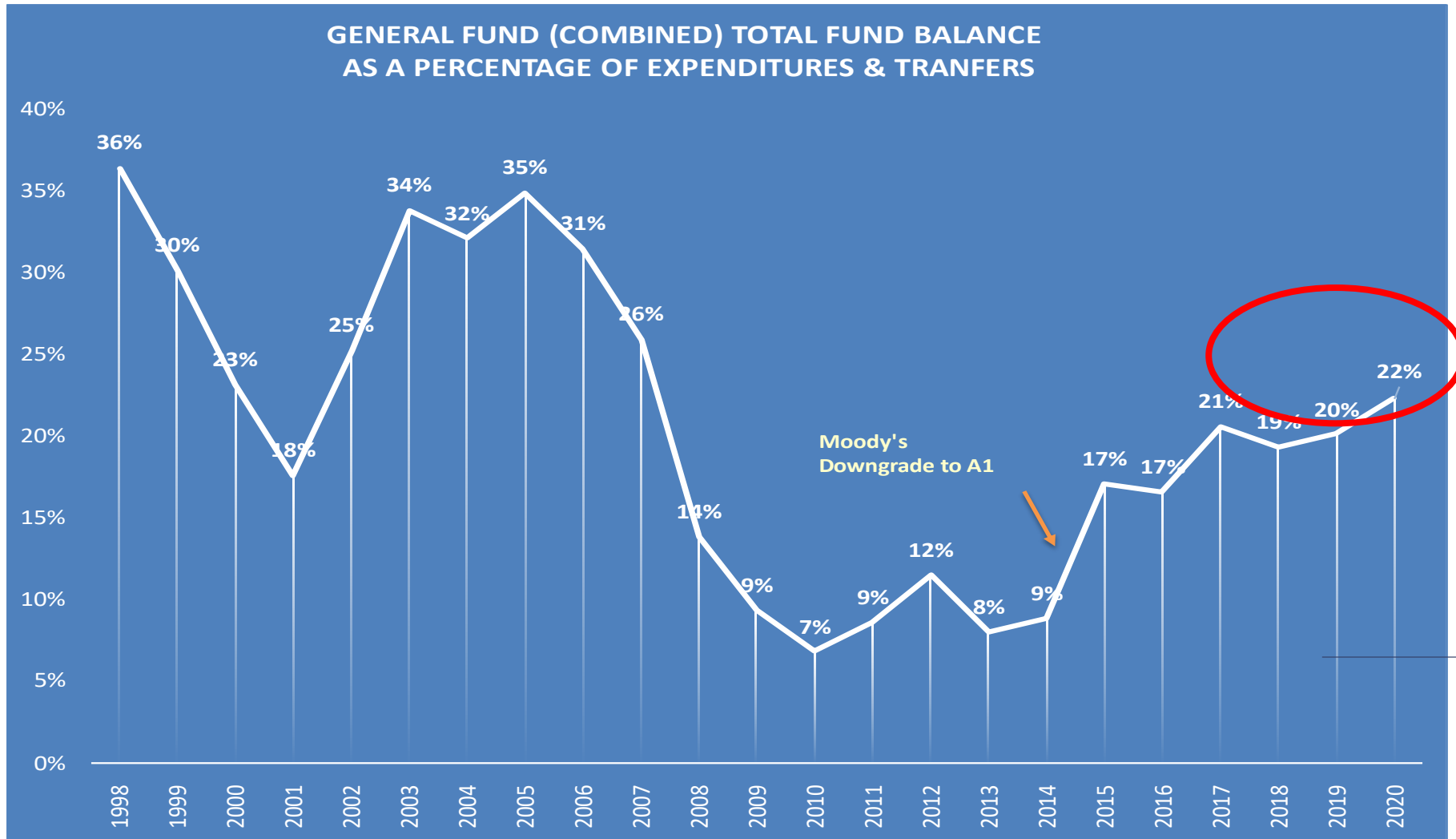
5-yr Average
Under-estimated
Revenues by \$540 K

EXPENDITURES
Budget vs. Actual
General Funds (Combined)
Source: ACFR Budgetary Basis Statement



2020
Underspent
Budget by
\$8.3 M

5-yr Average
Underspent
Budget by \$6.2 M



FUND BALANCE
PERFORMANCE
GENERAL FUND
(COMBINED)

2020 Actuals has fund balance at 22% of total General Fund (Combined) expenditures and transfers out.



UG GENERAL FUND MINIMUM RESERVE POLICY

ADOPTED JUNE 2018

General Fund Minimum Reserves

Operating Reserve:	2-months of on-going operating expenditures, or 17%
<u>Economic Uncertainty / Emergency Reserve:</u>	<u>1-month of on-going expenditures, or 8%</u>
Total Fund Balance Reserves:	3-months of on-going expenditures, or 25%

Compliance

- Measurement at December 31st as part of annual financial audit
- If minimum target level of reserves are not being met **or likely to not be met at some point within a five-year time horizon**, then during the annual budget process, fund balance levels will be provided to the Mayor and Board of Commissioners
- Should the projected year-end fund balance **be below the minimum reserve amounts**, a **plan to replenish the reserves would be established** to achieve minimum reserve levels **over a five-year period**

OPERATING AND EMERGENCY RESERVES DEFINED

Per the Adopted General Fund Reserve Policy (IV.A) <https://www.wycokck.org/Finance/FAPolicies.aspx>:

- **Operating Reserve** – “*two months* (of expenditures and transfers-out) *will be maintained to meet general operating needs and to allow for budgetary uncertainty*”. The Operating Reserve was established to mitigate the loss of service delivery and budgetary/financial risks associated with unexpected revenue shortfalls during a single fiscal year. The purpose of the Operating Reserve is to provide fiscal stability in response to unexpected downturns or revenue shortfalls.
- **Economic Uncertainty/Emergency Reserve** – “*one-month* (of expenditures and transfers-out) *may be targeted to be assigned to provide resources during economic downturns or to address vulnerabilities to extreme events, and emergencies impacting public safety concerns*”. The Economic Uncertainty/Emergency Reserve was established to sustain the General Fund operations in the case of a public emergency such as a natural disaster or other catastrophic event, such as a tornado, fires, floods, civil unrest, terrorist attacks or a health pandemic.
- **Policy section IV.J “Excess of Reserves”** discusses the use of excess minimum reserves once the 3-months of operating expenditures and transfers-out has been accumulated. The General Fund has not reached the 3-month reserve level.



General Fund Reserves

Increased 2020 year-end by \$3.3 million

Combined General Fund Reserves (\$ in millions)		Reserves
2019 Ending Fund Balance - Reserves	\$	42.4
2020 Change in Fund Balance (net operating margin)	\$	3.3
2020 Ending Fund Balance - Reserves	\$	45.7
% of 2020 Expenditures and Transfers-Out		22.3%

2020 Year-End Reserves at 22.3% of expenditures and transfer-out, or 2.7 months. Operating Reserve, or 2-months of expenditures & transfers-out (17%), equals \$34 million of the total \$45.7 million. Remaining reserve balance for “emergencies” totals \$11.5 million. As of end of 2020, we are \$3.5 million short of the target 3-month reserve

• Special revenue funds reserve policy

ADOPTED JUNE 2018

THESE RESERVES LEVELS WILL BE INCORPORATED AS PART OF THE 2021 AMENDED/2022 PROPOSED BUDGET PROCESS

Reserve Targets

- Range based on percentage of expenditures and transfers for the fiscal year
- Each special revenue fund has a specific prescribed range

Compliance

- Measurement at December 31st as part of annual financial audit
- If target level of reserves are not being met **or likely to not be met at some point within a five-year time horizon**, then during the annual budget process, fund balance levels will be provided to the Mayor and Board of Commissioners
- Should the projected year-end fund balance **be below the reserve amounts**, a **plan to replenish the reserves would be established** to achieve reserve levels **over a five-year period**

SPECIAL REVENUE FUNDS AUTHORIZATION CATEGORIES



1) COUNTY LEVY FUNDS



2) DEBT SERVICE FUNDS



3) FUNDS RESTRICTED BY KANSAS STATE
STATUTE



4) FUNDS CREATED BY UG COMMISSION
WITH AUTHORITY OF STATE STATUTE

2020 Expenditure and Transfers & Fund Balances for Special Revenue Funds						
Special Revenue Funds' Resources Dedicated for Legally Authorized Uses						
Source: Non-Major Governmental Funds' Income Statement, 2020 Annual Comprehensive Financial Statements						
Fund	FY 2020 Expenditures & Transfers-out	FY 2020 Ending Total Fund Balance	Fund Balance as % of Expenditures & Transfers-out	Target Reserve Range (as a % of Expenditures & Transfers-out)	Fund Balances in Excess of Highest Reserve Target Range	Notes-Revenue Sources and Obligations of the Outstanding Fund Balance
Developmental Disability	\$ 417,202	\$ 443,303	106%	10% to 15%	\$ 380,723	Resources from annual 0.207 County property mill levy rate
Elections	\$ 1,468,098	\$ 295,031	20%	10% to 15%	\$ 74,816	Resources from annual 0.879 County property mill levy rate
Health Department	\$ 2,239,754	\$ 1,223,063	55%	10% to 15%	\$ 887,100	Resources from annual 1.710 County property mill levy rate
Mental Health	\$ 664,000	\$ 31,927	5%	10% to 15%	\$ (67,673)	Resources from annual 0.428 County property mill levy rate
Special Programs for Elderly	\$ 1,653,354	\$ 299,754	18%	10% to 15%	\$ 51,751	Resources from annual 1.034 County property mill levy rate
Totals	\$ 6,442,408	\$ 2,293,078	36%		\$ 1,326,717	

COUNTY LEVY FUNDS

2020 Fund Balances generally exceed fund balance targets, except for the Mental Health Fund. These funds are accumulating resources for potential caseload increases and expected increasing costs in the near-future.

COUNTY LEVY FUNDS – LEGAL AUTHORITY

- *K.S.A. 19-101a et seq.* granted home rule powers to counties in 1974, and, like cities, counties may use home rule powers as a basis for a property tax levy as described in *K.S.A. 19-117*. Authority of county commissioners to issue levies under *K.S.A. 70-1802*.
- **Developmental Disabilities Fund** – *K.S.A. 19-4004, 19-4007 and 19-4011* to provide services such as: job placement services for disabled and developmentally disabled clients; vocation services to help clients gain wage earning job skills; services to help individuals learn independent living skills; and a preschool designed to prepare disabled children for the school experience.
- **Election Fund** – *K.S.A. 19-3435a, 25-2201a, and 39-417* to provide necessary funding for the payment of the salaries and expenses of the office of the election commissioner and election expenses. *K.S.A. 19-3424(c)* states The board of county commissioners shall consider the request in the same manner as other departments and agencies of the county and shall approve and adopt a budget for the office of election commissioner within the county budget in an amount determined by the board of county commissioners to be sufficient and adequate for the performance of the duties of the office and the conduct of elections as required by law.
- **Health Department Fund** – *K.S.A. 65-204* for the purpose of providing funds to assist in carrying out health laws, rules and regulations of the county and to provide funds for capital expenditures for county health purposes.
- **Mental Health Fund** – *K.S.A. 19-4004, 19-4007 and 19-4011* purpose of contracting services with nonprofit corporations to provide either mental health services or services for clients with mental health needs.
- **Aging Fund** – *K.S.A. 12-1680* to provide funds for service programs for the elderly for three senior centers, providing two transportation systems, educating and monitoring clients with health needs.

2020 Expenditure and Transfers & Fund Balances for Special Revenue Funds						
Special Revenue Funds' Resources Dedicated for Legally Authorized Uses						
Source: Non-Major Governmental Funds' Income Statement, 2020 Annual Comprehensive Financial Statements						
Fund	FY 2020 Expenditures & Transfers-out	FY 2020 Ending Total Fund Balance	Fund Balance as % of Expenditures & Transfers-out	Target Reserve Range (as a % of Expenditures & Transfers-out)	Fund Balances in Excess of Highest Reserve Target Range	Notes-Revenue Sources and Obligations of the Outstanding Fund Balance
City Bond & Interest Fund	\$ 29,457,855	\$ 847,568	3%	5% to 10%	\$ (2,098,218)	100% restricted for debt service payments
County Bond & Interest Fund	\$ 6,914,333	\$ 2,529,405	37%	5% to 10%	\$ 1,837,972	100% restricted for debt service payments
TIF Debt Service Funds	\$ 1,909,149	\$ 4,811,748	252%	5% to 10%	\$ 4,620,833	100% restricted for debt service payments
Totals	\$ 38,281,337	\$ 8,188,721	21%		\$ 4,360,587	

DEBT SERVICE FUNDS

2020 Fund Balances exceed fund balance targets, except the City Bond & Interest Fund which used reserves for the ERP project. Significant transfers have been made from the County General Fund to County B&I to shift the savings in contract beds to reduce the level of debt for the Juvenile Center.

DEBT SERVICE FUNDS

➤ Statute Citations:

- K.S.A. 12-1774 authorizes county commissions to levy a property tax and designate the specific purpose for repayment of general obligation debt.
- K.S.A 10-113 requires cities to make tax levies sufficient to pay GO Bonds
- K.S.A. 10-117(a) restricts the transfer of resources out of the bond and interest fund until all outstanding bond issues have been extinguished.

➤ Restricted Use of Revenues:

- Outstanding bond documents have pledged these revenues for debt repayment.
- *“Funds shall be used solely for the payment of principal and interest on the Bonds”.*
- *“Whenever all bond issues have been completely retired the governing body of the municipality, which issued such bonds, is hereby authorized to transfer any unexpended balance of money in such bond and interest fund to the general fund of the municipality”.*
- County Bond & Interest Fund has extra in reserves due to the transfers from the County General Fund from savings on reduced outside inmate bed contracts (\$1.5 M in 2017, \$1.0 M in 2018). Debt service payments for Juvenile Center are approximately \$1.7 M annually began in 2019, and the County General Fund contributed \$1.0 M in 2019 and \$1.2 M 2020, budgeted \$1.2 M in 2021.
- City Bond & Interest Fund reserves due to temp note funding of the Workday ERP Solutions System.

2020 Expenditure and Transfers & Fund Balances for Special Revenue Funds						
Special Revenue Funds' Resources Dedicated for Legally Authorized Uses						
Source: Non-Major Governmental Funds' Income Statement, 2020 Annual Comprehensive Financial Statements						
Fund	FY 2020 Expenditures & Transfers-out	FY 2020 Ending Total Fund Balance	Fund Balance as % of Expenditures & Transfers-out	Target Reserve Range (as a % of Expenditures & Transfers-out)	Fund Balances in Excess of Highest Reserve Target Range	Notes-Revenue Sources and Obligations of the Outstanding Fund Balance
UG Clerk Technology	\$ 35,508	\$ 177,132	499%	5% to 10%	\$ 173,581	Accumulating resources for future equipment/software acquisitions
County Treasurer Technology	\$ 9,028	\$ 122,610	1358%	5% to 10%	\$ 121,707	Accumulating resources for future equipment/software acquisitions
Register of Deeds Technology	\$ 117,958	\$ 317,767	269%	5% to 10%	\$ 305,971	Accumulating resources for future equipment/software acquisitions
Court Trustee	\$ 387,246	\$ 694,291	179%	8% to 12%	\$ 647,821	Resources restricted for child support enforcement activities in future years
Special Wyandotte 911	\$ 1,117,656	\$ 239,106	21%	5% to 10%	\$ 127,340	Resources from a statewide 911 fee on hardwire, wireless, VoIP phones
Special Alcohol Program	\$ 468,238	\$ 976,593	209%	5% to 10%	\$ 929,769	Resources from a portion of UG's allocation of State liquor tax sales
Special Parks & Recreation	\$ 527,725	\$ 174,653	33%	3% to 5%	\$ 148,267	Resources from a portion of UG's allocation of State liquor tax sales
Special Street & Highway	\$ 6,759,418	\$ 1,996,364	30%	3% to 5%	\$ 1,658,393	Resources from UG's allocation of State motor fuel taxes
Totals	\$ 9,422,777	\$ 4,698,516	50%		\$ 4,112,851	

FUNDS RESTRICTED BY KANSAS STATUTES

COUNTY TECHNOLOGY FUNDS

➤ Statute Citation:

- UG Clerk's Technology Fund – K.S.A. 28-180
- Register of Deeds' Technology Fund – K.S.A. 28-115a
- County Treasurer's Technology Fund – K.S.A. 28-181

➤ Restricted Use of Revenues

- *“to acquire equipment and technological services for the storing, recording, archiving, retrieving, maintaining and handling of data recorded, stored or generated in the office...”*

➤ Statutory Direction on Use of Excess Balances

- *“At the end of the calendar year, if the balance in such fund exceeds \$50,000 and the county [clerk, register of deeds or treasurer] indicates that such amount in excess of \$50,000 shall not be needed and is not designated for technology, the county commission may **authorize the transfer and use of the excess moneys by other county offices for equipment or technological services relating to the land or property records filed or maintained by the county.**”*

➤ Exempt from “Certified Funds” Kansas Budget Law (K.S.A. 79-2925 through 79-2937)

- Budgets shown for the information of the taxpayers of the county.
- Any budget actions taken shall be in accordance with County Clerk – K.S.A. 19-302, Register of Deeds – K.S.A. 19-1202, and County Treasurer – K.S.A. 19-503

COURT TRUSTEE FUND

➤ Statute Citation – *K.S.A. 20-380*

➤ Fee Revenue:

- 1) Not to exceed 5% of (child) support payments, as determined by the chief judge
- 2) Based on hourly cost of office operations for provision of service with written agreement of the payee, or
- 3) From restitution, not to exceed authorized by the attorney general pursuant to *K.S.A. 75-719*

➤ Restricted Use of Revenues:

- Fund operations to provide suitable quarters for the office of court trustee, furnish stationery and supplies, and such furniture and equipment as shall, in the discretion of the chief judge, be necessary for the use of the court trustee in accordance with *K.S.A. 20-375 et seq* to enforce the duties of child support administration.
- All payments made by the secretary for children and families pursuant to *K.S.A. 23-3113*, and amendments thereto, or any grants or other monies received which are intended to further child support enforcement goals or restitution goals shall be deposited in the court trustee operations fund.

SPECIAL WYANDOTTE 911 FUND

- Statute Citation – K.S.A. 12-5362 et seq (Kansas 911 Act)
- Fee Revenue: \$0.53 per month per subscriber account (telephone number capable of accessing 911) applies to hardwire, wireless and VoIP telephones.
- State Allocation of Tax Revenues:
 - 82% of the money collected from service users whose place of primary use, as provided by the providers, is within the county shall be distributed to the PSAPs within the county based on place of primary use information
- Restricted Use of Revenues
 - (1) Implementation of 911 services;
 - (2) Purchase of 911 equipment and upgrades;
 - (3) Maintenance and license fees for 911 equipment;
 - (4) Training of personnel;
 - (5) Monthly recurring charges billed by service suppliers;
 - (6) Installation, service establishment and nonrecurring start-up charges billed by the service supplier;
 - (7) Charges for capital improvements and equipment or other physical enhancements to the 911 system; or
 - (8) The original acquisition and installation of road signs designed to aid in the delivery of emergency service. Such costs shall not include expenditures to lease, construct, expand, acquire, remodel, renovate, repair, furnish or make improvements to buildings or similar facilities. Such costs shall also not include expenditures to purchase subscriber radio equipment.

SPECIAL ALCOHOL FUND & SPECIAL PARKS & RECREATION FUND

- Statute Citation – *K.S.A. 79-41a04*
- Fee Revenue:
 - 10% of gross receipts derived from the sale of alcoholic liquor by any club, caterer, drinking establishment, public venue or temporary permit holder, and the acquisition costs of any alcoholic liquor served as samples by clubs and drinking establishments.
- State Allocation of Tax Revenues to City/County:
 - *“70% of the amount which is collected pursuant to this act”*
 - 1/3rd to City General Fund, 1/3rd to Special Alcohol and Drug Program Fund and 1/3rd to Special Parks and Recreation Fund
- Restricted Use of Revenues
 - **Special Alcohol Fund** – *“shall be expended only for the purchase, establishment, maintenance or expansion of services or programs whose principal purpose is alcoholism and drug abuse prevention and education, alcohol and drug detoxification, intervention in alcohol and drug abuse or treatment of persons who are alcoholics or drug abusers or are in danger of becoming alcoholics or drug abusers.”*
 - **Special Parks & Recreation Fund** – *“may be expended only for the purchase, establishment, maintenance or expansion of park and recreational services, programs and facilities.”*

SPECIAL STREET & HIGHWAY FUND

- Statute Citation

- K.S.A. 12-1,119 creation of street and highway fund by ordinance

- State Allocation of Tax Revenues:

- Revenues are received from the State of Kansas from motor fuel tax collections. Allocations are based on population of the city and county

- Restricted Use of Revenues

- Funds are to be used for the construction, reconstruction, alteration, repair and maintenance of city streets and highways.

2020 Expenditure and Transfers & Fund Balances for Special Revenue Funds						
Special Revenue Funds' Resources Dedicated for Legally Authorized Uses						
Source: Non-Major Governmental Funds' Income Statement, 2020 Annual Comprehensive Financial Statements						
Fund	FY 2020 Expenditures & Transfers-out	FY 2020 Ending Total Fund Balance	Fund Balance as % of Expenditures & Transfers-out	Target Reserve Range (as a % of Expenditures & Transfers-out)	Fund Balances in Excess of Highest Reserve Target Range	Notes-Revenue Sources and Obligations of the Outstanding Fund Balance
Jail Commissary	\$ 22,550	\$ 301,960	1339%	8% to 12%	\$ 299,254	Restricted to inventory cost of sale to inmates for clothing, food, etc
Special Dedicated Sales Tax	\$ 8,323,463	\$ 7,095,953	85%	5% to 10%	\$ 6,263,607	Resources committed for prior year capital projects & equipment acquisitions
Special Assets Fund	\$ 238,132	\$ 2,044,568	859%	5% to 10%	\$ 2,020,755	100% assigned for future projects at CAO and Commission direction
Tourism & Convention	\$ 3,040,859	\$ 6,129,475	202%	3% to 5%	\$ 5,977,432	100% assigned for future projects at CAO and Commission direction
Environmental Trust	\$ 1,688,628	\$ 870,225	52%	10% to 15%	\$ 616,931	100% assigned for future dedicated projects / potential landfill risk mitigation
Totals	\$ 13,313,632	\$ 16,442,181	123%		\$ 15,177,978	

CREATED BY UG COMMISSION WITH AUTHORITY OF STATE STATUTE

JAIL COMMISSARY FUND

- Statute Citation – *K.S.A. 75-3728 (e) and (f)*
- Fee Revenue: Moneys of canteen funds and work therapy funds
- Restricted Use of Revenues
 - Record the sales of health care, hygiene, clothing, food and snack products to inmates at the Adult Detention Center. In addition to the expenses of purchasing items for resale, the profits, if any, are to be used to directly benefit the inmates.

DEDICATED SALES TAX FUND

➤ Fee Revenue:

- 3/8 cent sales tax started on July 1, 2010 and was scheduled to terminate on June 30, 2020, but KCK voters approve in November 2018 a continuance of the tax for an additional 10 years thru 2030
- The tax generates over \$10 million annually.

➤ Restricted Use of Revenues

- Funds are dedicated for the purposes of financing Public Safety operations and Neighborhood Infrastructure improvements, including the construction, repair and maintenance of roads, curbs and sidewalks.
- \$5 million of the 2020 fund balance is committed to be spent in 2021.

SPECIAL ASSET FUND

- Resolution No. 8-6-15
- Fee Revenue: record revenues associated with the sale of significant government assets, including land and buildings; no revenues have been recorded in this fund for several years
- Restricted Use of Revenues: Committed to the specific purposes
 - Debt payments related to the asset sale
 - Operating and/or capital expenditures associated with a UG-owned asset
 - Future land and building acquisition costs
 - Capital equipment purchases and infrastructure-related expenditures associated with a UG-owned asset

TOURISM AND CONVENTION FUND

- Charter Ordinance— 03-08 (original) and Revised in 2018 in Ordinance 01-18
- Fee Revenue: 8% of hotel and motel transactions.
- Restricted Use of Revenues
 - Promotion of conventions and tourism within Kansas City, Kansas

ENVIRONMENTAL TRUST FUND

- Ordinance No. 65837

- Fee Revenue:

- *“authorizing the creation of the City of Kansas City, Kansas solid waste environmental liability fund for the purpose of setting aside moneys in trust to finance any environmental liability arising from the collection and disposal of residential and municipal solid waste”.*

- Restricted Use of Revenues

- Payment of any environmental cost or liability associated with solid waste collection and disposal
 - All moneys deposited in the fund shall be held in trust until expended for such purpose or until the fund shall terminate. Upon termination of the Fund moneys held may be applied to any lawful governmental purpose of the City.
 - Termination of the Fund: the Fund shall terminate ten years after the expiration of the term of the City solid waste contract.
 - Year-end 2020 landfill liability balance is \$270,000