ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, May 3, 2021

The meeting of the Economic Development and Finance Standing Committee was held on Monday, May 3, 2021, at 6:03 p.m., remotely via Zoom. The following members were present: Commissioner Burroughs, Chairman; Commissioners McKiernan, Townsend, Johnson, Walters; and BPU Board Member Jeff Bryant. The following officials were also in attendance via Zoom: Melissa Sieben, Emerick Cross, and Alan Howze, Assistant County Administrators; Bridgette Cobbins, Interim Assistant County Administrator; Patrick Waters, Deputy Chief Counsel; Debbie Jonscher, Deputy Chief Finance Officer; Rick Mikesic, Director of Revenue/County Treasurer; Andrea Parra, Deputy County Treasurer; Carol Godsil, Deputy Unified Government Clerk; Terri Kimble and Allie Facio, UG Clerk's Office.

Chairman Burroughs said before I call the meeting to order, I do want to announce that due to COVID-19, the 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 has been 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 all members were present as shown above.

Chairman Burroughs said, before we get started, I do want to recognize that we do have BPU Board Member Jeff Bryant joining us this evening.

Chairman Burroughs said as we start on the agenda this evening, I would ask if there are any revisions to the agenda this evening. I don't see any on my end, but I would ask the Clerk if there are any revisions. **Allie Facio, Clerk's Office**, said, there are none.

Chairman Burroughs said, this evening we have a unique opportunity where we have no minutes available from last month's meeting. So, we will move right on to the Committee Agenda.

Item No. 1 – 21780…RESOLUTION: THIRD AMENDMENT TO DOWNTOWN CAMPUS DEVELOPMENT AGREEMENT

Synopsis: A resolution adopting the Third Amendment to Downtown Campus Development Agreement with Lanier United, LLC, to extend the final date for closing conditions to June 30, 2021, with an automatic extension to July 30, 2021, upon developer's request, submitted by Patrick Waters, Senior Attorney.

Patrick Waters, Deputy Chief Counsel, said, this is the Third Amendment to the Downtown Campus Development Agreement. The original agreement was approved a little over a year ago, March of 2020. Since that time, we've been back before you a couple of times. The developer has been working hard to complete all of the closing conditions contained in that agreement.

The last time we were before you was in December for the second amendment. That amendment moved the closing—the date for all of the closing conditions to be met to April 30th. Developer Mr. Lanier was not able to make that date and, therefore, has asked for a little bit of additional time. I believe that he and/or his counsel is here tonight and he can discuss his need for a brief extension on the closing conditions.

Chairman Burroughs said, before we do that, I would ask, is Mr. Lanier here this evening? I saw him earlier. **Willie Lanier** said, yes, I'm here.

Chairman Burroughs said, Mr. Lanier, do you have anything you would like to present to the committee?

Willie Lanier said, the reason that we're looking for an extension on the third amendment was to take care of one of our last remaining items, and that is to assemble our parking management agreement, our parking agreement. As we all know, downtown KCK fortunately is experiencing revitalization, and assembling our parking requirements and getting our management agreements in place have been somewhat of a challenge. It's only because we're trying to project into the future what all of the users in downtown will need when it comes to parking, i.e., the Reardon Center operation, and how many events will occur, when they will occur. The hotel, once it comes back alive and so forth, and just general downtown parking is at a premium.

So, we believe that we are very close. We actually are closer today than we were when we scheduled our request to get on the docket for tonight, the agenda tonight. We believe that with this short extension, we will be able to complete our last requirement for our closing, which, obviously, we need parking just for our financial closing as well, but the parking is where we stand right now. There's been a lot of conversations within the Unified Government as of late, or the past several months, but that's what brought us to the table today. I am able to answer any questions regarding this subject as needed.

Chairman Burroughs asked, does any member of the committee have any questions or comments?

Commissioner McKiernan said, Mr. Lanier, I really don't have any questions for you. I support this third amendment, and I look forward to the commencement of construction on this project. It will be a real benefit for our downtown area. My question, though, is for Mr. Waters.

Mr. Waters, we have in the agenda packet there is Exhibit A, Third Amendment, and it says to be attached. Then, on the very next page, it says Third Amendment to the Downtown Campus Development Agreement and there are some recitals and there are points of agreement. So, what is it that's going to be attached to that blank page? Or is the third amendment spelled out completely on the next two pages of our agenda?

Mr. Waters said, the Third Amendment that you see in your agenda is—it's very short. It's the one that has a few recital paragraphs and then the agreement where it says modification of drop-dead date. Is that the document that you're looking at? **Commissioner McKiernan** said, correct. **Mr. Waters** said, that is, it's a short agreement, and so that is the subsequent agreement.

Commissioner McKiernan said, so that is the base of the substance of the agreement, so this prior page that says Exhibit A, Third Amendment, to be attached really can be ignored because that is taken care of later in the agenda materials. **Mr. Waters** said, that's correct. It's simply, the only change is the date. So, it's just a one paragraph change. **Commissioner McKiernan** said, perfect. Thank you, Mr. Waters. I appreciate that.

Commissioner Townsend said, as I read this, and I just heard your explanation, I'm happy to hear you are not forsaking us. You just have some parking issues that need to be resolved, and I commend you for what it seems as though you're doing is looking prospectively, and all of your parking needs. So, quick question. Is the parking—the amount of parking that you're trying to obtain now, was that the same number contemplated several years ago or are you seeing an increase in what you think you'll need?

Mr. Lanier said, so, to answer that question, a year or a year and a half ago, we entered into or started discussion of the development room that called for 95 spaces of parking within the parking garage behind the Hilton Hotel, as well as other parking onsite of the new project. We understand that today, or the next iteration of the Reardon Center, we hope to have a far better usage rate than the previous Reardon Center. When we factor those things in, we realized that we need to make sure that there's ability to park tenants, apartment users, as well as visitors to the new Reardon Center.

We are also mindful of the fact that we have a fitness facility that needs parking, and then every other user in the block has their own business requirements too; the hotel, BPU, we would have a grocery store, we will have potentially other user in and around the corridor. So, we're just really trying to make sure that we have the best use case that allows all parties to know that they're making the best sense around. So, I do believe that the 95 spaces was originally contemplated and that's what we were going for for sure, but we are not assessing any blame right now. It's my responsibility to make sure that we get all of our parking, and all neighbors can align their needs so that no one has any shortcomings when it comes to usage of the parking garages or spaces on the street or anywhere like that.

Commissioner Townsend said, well, I appreciate your forward-looking and forward-thinking in that regard. The grocery store is in place, and you just don't want to have any problems with their customers. So, to look for not only the spaces for your residents, but also to contemplate the needs for parking for the new Reardon Center and the retail stores that will be below the residential building part is a wise thing and I commend you for that. I just can't tell you how many inquiries

I get all the time about when we're going to see it. So, I'm glad that this is a continuation to pursue your project and not to forsake us. So, thank you very much.

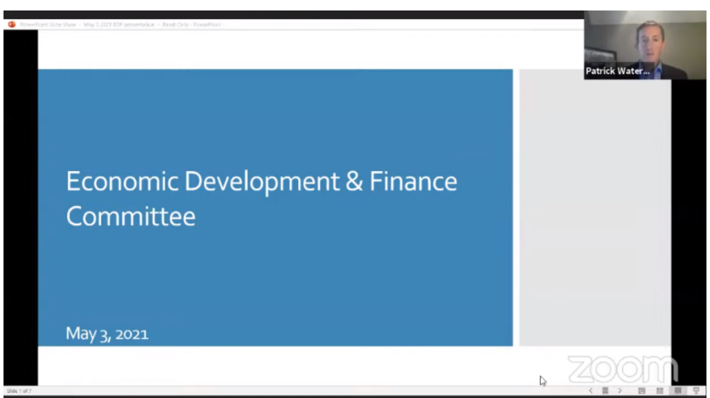
Mr. Lanier said thank you. I did want to add one more comment there that we are also working to try to increase the number of spaces on our current parcel as well by doing some design changes. We know that in order to get more people, you need to be able to park people. Everybody tends to have more cars than not these days, and so we're trying to make sure we're mindful of that. **Commissioner Townsend** said, I appreciate that approach. Thank you.

Chairman Burroughs said, I see no other hands. If the committee has no further questions, I'll ask the Clerk if any comments were received by the public. **Allie Facio, Clerk's Office**, said, no public comments were received.

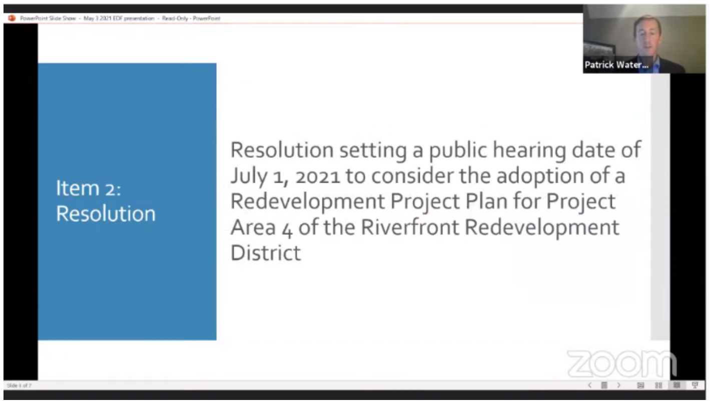
Action: **Commissioner McKiernan made a motion, seconded by Commissioner Johnson, to approve as submitted.** Roll call was taken and there were six "Ayes," Bryant, Walters, Johnson, Townsend, McKiernan, Burroughs.

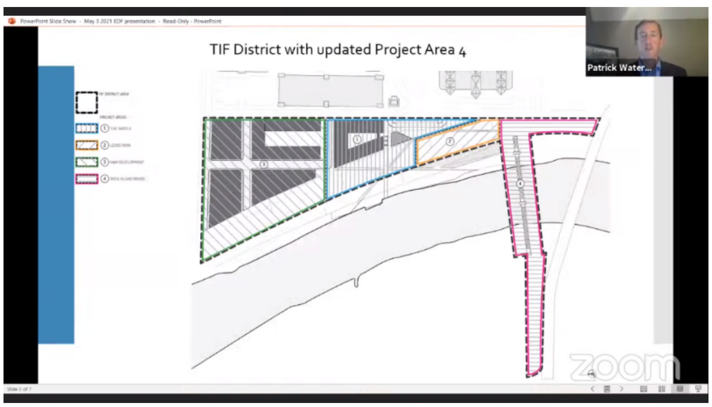
Item No. 2 – 21779…RESOLUTION: SET ROCK ISLAND BRIDGE PROJECT PUBLIC HEARING

Synopsis: A resolution setting July 1, 2021, for a public hearing to consider the adoption of a Redevelopment Project Plan for the Rock Island Bridge project, submitted by Patrick Waters, Senior Attorney.



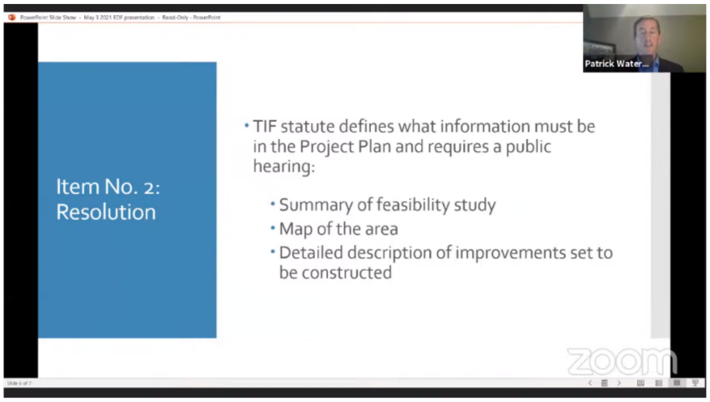
Patrick Waters, Deputy Chief Counsel, said so, we do have a resolution tonight that will set a public hearing. What this will do is simply set a public hearing to consider the project plan, or project area for the river front redevelopment district.



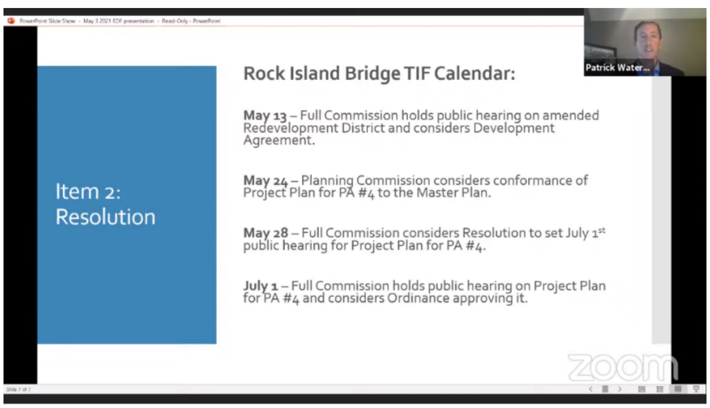


You may recall, just recently you saw the overall amended district that looks like this. Here's a map.

Previously, before this committee, you approved the project plan for Project Area 2, which is the new Yards Apartments. So, that kind of activated that project area for purposes of the TIF. What this will do is, basically, will activate Project Area 4, which is the Rock Island Bridge. Tonight, we are simply setting the public hearing. Because of all the different notice requirements and publications required by the TIF statutes, the actual hearing will not be until July 1st, but we needed to get the process started tonight.



The project plan contains some statutorily required information, which you see in the packet. It's really the same information that you saw in the development agreement previously, kind of a summary of all that information.



Here's the remaining calendar of the main items left in this project. On the 13th, the full commission will consider the overall amended TIF district in the development agreement. On the 24th, the Planning Commission is going to consider a conformance finding, specifically for Project Area 4 for the bridge. The May 28th, that's the day that we're requesting this committee advance the resolution, so that the full commission can set the public hearing. Then, on July 1st, the very last date, we will consider the actual ordinance approving the project plan.

Chairman Burroughs asked, does any member of the committee have any questions or comments?

Action: **Commissioner McKiernan made a motion, seconded by Commissioner Johnson, to set the public hearing date for July 1, 2021.**

Chairman Burroughs said, I would ask the Clerk, were there any comments received from the public before we recognize the motion and the second? **Allie Facio, Clerk's Office**, said, no public comments were received.

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

Item No. 3 – 21769…ORDINANCE: TERMINATION OF 38TH & LEAVENWORTH ROAD TIF

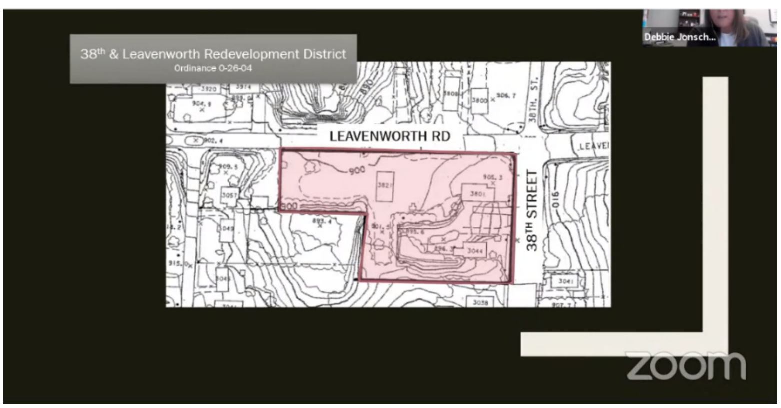
Synopsis: An ordinance terminating the 38th & Leavenworth Road Redevelopment District created pursuant to Ordinance No. O-26-04 and terminating tax increment financing with respect to such redevelopment district, submitted by Debbie Jonscher, Deputy Chief Finance Officer.

Debbie Jonscher, Deputy Chief Finance Officer, said, Items 3 and 4 are both termination of TIF districts, so I've got a short presentation.

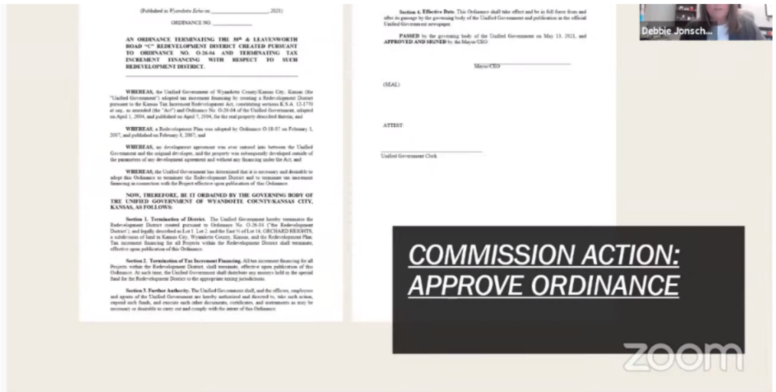
So, we'll start with Item No. 3 is the termination for the 38th and Leavenworth Road Redevelopment District.

Just to give you a little bit of history on this TIF. The district was created in 2004 and a project plan was adopted by ordinance in 2007. There was no activity on the TIF, and there were no project expenses incurred on the development either by the UG or by the developer.

Later on, the land was sold by the owner to a new owner for redevelopment. That owner applied for an NRA. The project that's on the site now is completed, and it does qualify for NRA. In order to proceed with the NRA, we need to terminate the TIF.



This is a map of the redevelopment district. As you can see, its at the corner of 38th and Leavenworth Road. It borders 38th Street on the east and Leavenworth Road to the north.



As I said, action for tonight is to approve an ordinance that would terminate the redevelopment district. If there's any questions from the commission.

Action: **Commissioner Walters made a motion, seconded by Commissioner McKiernan, to approve.**

Chairman Burroughs said, gentlemen, I appreciate the enthusiasm, but before we do that, it's always appropriate that we ask if there's any public comment. So, if you will hold onto those motions, I would ask staff if there's any comments from the public. **Allie Facio, Clerk's Office**, said, no public comments were received.

Action: **Commissioner Walters made a motion, seconded by Commissioner McKiernan, to approve.**

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

Chairman Burroughs asked, Commissioner Townsend, did I miss you having an opportunity to speak?

Commissioner Townsend said, it would not have impacted my vote. I was going to ask Ms. Jonscher, it looked like from her schematic that there at 38th and Leavenworth Road, that was the development for the new Express Mart, correct? **Ms. Jonscher** said, that's correct. **Commissioner Townsend** said, and I remember that project very well. That was all, thank you.

Chairman Burroughs said, my apologies, Commissioner Townsend. I must have missed that.
Commissioner Townsend said, none needed. Thank you.

Item No. 4 – 21768…ORDINANCE: TERMINATION OF MISSION CLIFFS/RAINBOW PARK TIF
Synopsis: An ordinance terminating the Mission Cliffs/Rainbow Park Redevelopment District created pursuant to Ordinance No. O-23-03 and Ordinance No. O-23-05 and terminating tax increment financing with respect to such redevelopment district, submitted by Debbie Jonscher, Deputy Chief Finance Officer. The district is terminating two years ahead of schedule.

Debbie Jonscher, Deputy Chief Finance Officer, said, this is the termination for the Mission Cliffs/Rainbow Park Redevelopment District.

The Mission Cliffs/Rainbow Park was a residential TIF. It had 10 single-family homes, ranging in size from 1,300 to 1,600 square feet. The sales prices on the homes range from $128,000 to $142,000, with total construction cost of $1,350,000.

The total TIF expenditures that were estimated were $235,000 and that included property and land acquisition and relocation, as well as the replacement of curbs and sidewalks.

History on this TIF, the Mission Cliffs TIF district was created by ordinance in 2003. A project plan was adopted for Phase 1, also in 2003, and we issued debt financing for the redevelopment district in 2010 in the amount of about $237,000. That would have included financing costs. Revenue collection was originally estimated or projected through 2023. However, as of 2021, we have collected revenue to pay off the bonds, so they are paying off two years early. So, that is why we are able to terminate the TIF district now.

This is a map showing the redevelopment district. On the left, we have the entire Mission Cliffs Redevelopment District that was established in 2003. Later on, this district was separated into two TIFs. Mission Cliffs/Rainbow Park is the section over here that is highlighted in green, and then the other part is Mission Cliffs 2 TIF. Did just want to note that the only portion—these are two separate TIFs, and the only portion that we are requesting termination on is the Mission Cliffs/Rainbow Park portion. Mission Cliffs 2 is still an active TIF. So, with that, the action tonight is to approve an ordinance terminating the Mission Cliffs/Rainbow Park Redevelopment District. I'll stand for any questions.

Chairman Burroughs asked, committee, any questions? Seeing none, I would ask the Clerk at this time if there was any comments from the public. **Allie Facio, Clerk's Office**, said, no public comments were received.

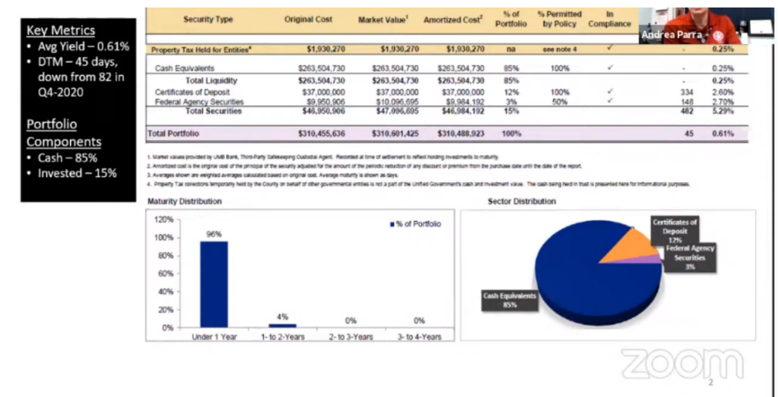
Chairman Burroughs said, committee, I think it's always appropriate when we have an opportunity to eliminate TIFs that have paid off early, or anything that's paid off early in our community, shows investment and continued return on that investment.

Action: **BPU Board Member Bryant 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. 5 – 21776…PRESENTATION: FIRST QUARTER 2021 INVESTMENT REPORT

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

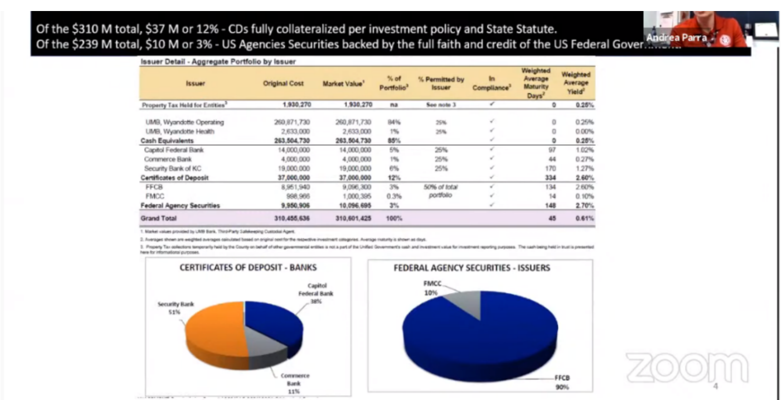
Andrea Parra, Deputy County Treasurer, said very short presentation; the traditional Quarterly Investment Report. We come forth every quarter. This is going to be our First Quarter of 2021, post knee-deep of pandemic, if you will.



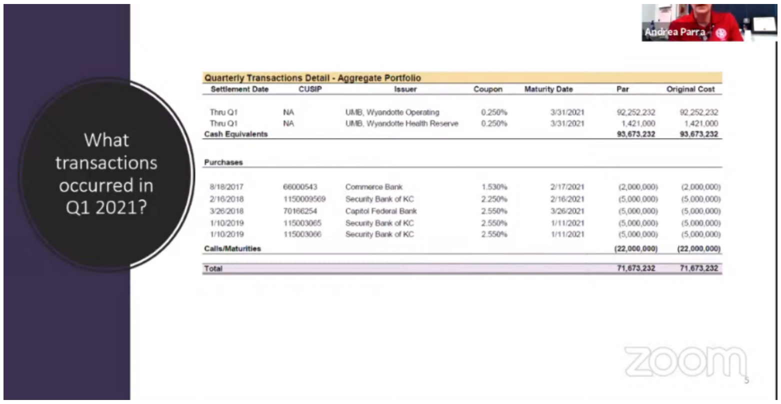
Some of the metrics we have, average yield was at .61. We've got days to maturity, 45 days, which is down notably from the end of 2020. We've had a pretty lengthy certificate of deposit mature, plus a series of a few other maturities happen this last quarter. That's really cut that down significantly.

As far as our portfolio components are concerned, you're looking at 85% in cash, the rest is invested, which is about 15%. As you can kind of see, there was a slope here. This was at about 10% last year, now we're at 4% with what is, I believe, two agencies still sitting there in the one- to two-year frame. None in outside of two years.

Next, we kind of have a few other metrics. As far as the average yield, as mentioned on the prior slide, it's at .61, which was down from Quarter 4 2020. Excuse me, that's an error on that. It should be 2020. Above the target T-Bill rate, which we always meet or like to exceed, which is at .11. Still under compliance for limits for an individual institution. Hope to never see that listed otherwise, but there's things that are out of our control sometimes. Just wanted to note, the interest for Quarter 1 is—it's down a little bit. I would not say it's alarming by any means. We did earn at about right under $700,000 for first quarter interest, based on some maturities we saw. Still strong. I don't foresee us having much of a difference when I come forth at the end of the year.



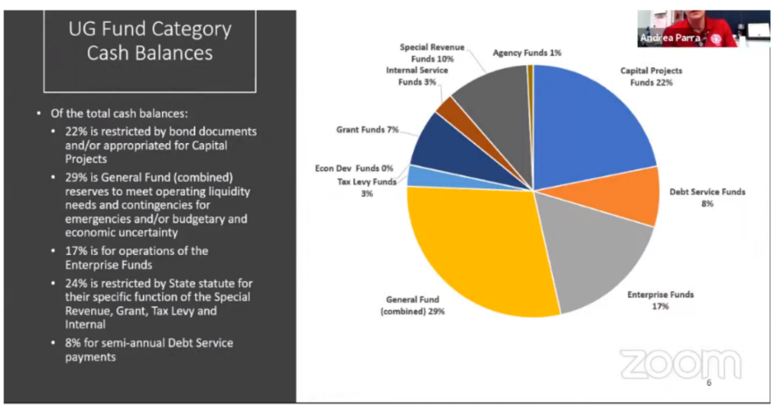
Next is just kind of where the portfolio is as a full. Just under about $310M in cash, which is about eight maturities left. The certificates, then we have about $10M in the US federal agencies that were established prior to Rick and I's tenure that are going to mature here over this summer. Then, we probably won't see any more of the agencies unless you were to decide, as a board, to go out for bid and get something to that nature. Kind of have to see where the rates go. Three institutions left holding strong. Capitol Federal, Commerce Bank, and Security Bank of Kansas City are the three that we have left that are involved at this time.



Settlement Date	CUSIP	Issuer	Coupon	Maturity Date	Par	Original Cost
Thru Q1	NA	UMB, Wyandotte Operating	0.250%	3/31/2021	92,252,232	92,252,232
Thru Q1	NA	UMB, Wyandotte Health Reserve	0.250%	3/31/2021	1,421,000	1,421,000
Cash Equivalents					**93,673,232**	**93,673,232**
Purchases						
8/18/2017	66000543	Commerce Bank	1.530%	2/17/2021	(2,000,000)	(2,000,000)
2/16/2018	1150009569	Security Bank of KC	2.250%	2/16/2021	(5,000,000)	(5,000,000)
3/26/2018	70166254	Capitol Federal Bank	2.550%	3/26/2021	(5,000,000)	(5,000,000)
1/10/2019	115003065	Security Bank of KC	2.550%	1/11/2021	(5,000,000)	(5,000,000)
1/10/2019	115003066	Security Bank of KC	2.550%	1/11/2021	(5,000,000)	(5,000,000)
Calls/Maturities					**(22,000,000)**	**(22,000,000)**
Total					**71,673,232**	**71,673,232**

Still planning to go out and kind of see where those interested banks are, as far as going out to get the new list of active bidders. That's still on our game plan for the summer. Next quarter, hopefully, to present that to you all.

Final, just kind of what transactions made up for this last quarter. As I mentioned, we had five maturities, all stemming back from late 2017, prior to Rick and I and into 2019. Then, we're operating the overnight health reserve is sitting.



Also, just to touch on the UG funds category. Of the cash balances, you see we've got 22% in the capital projects, another 29% is sitting in a combined fund for the General Fund. 17% in the Enterprise Funds, 24% is on the state statute restricted, such as special revenue, we've got tax levy, the Internal Service Fund, and then 8% for semiannual debt service payments. About all I had. I'm, of course, always available for questions if there's any this evening or at a follow-up later. Just let me know.

Chairman Burroughs asked, committee, commissioners, comments? Seeing none, I'll ask the Clerk if there were any comments or questions from the public. **Allie Facio, Clerk's Office**, said, no public comments were received.

Chairman Burroughs said, Ms. Parra, I would just state that I do know that the interest rates are quite challenging at this time, but thank you for keeping us in compliance in some of the most challenging financial times. So, we do appreciate the work of both you and Mr. Mikesic (inaudible) people of Wyandotte County, Kansas City, Kansas. It's not lost on us of the challenges you have, but thank you for keeping us in compliance. With that, I would ask, is there a motion? No motion necessary. Thank you, committee. This is not an action item; this is for information only. I would say that's a test, but I lost my way in my notes tonight, so thank you, committee, for not pointing that out.

Chairman Burroughs adjourned the meeting at 6:30 p.m.

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