ECONOMIC DEVELOPMENT AND FINANCE
STANDING COMMITTEE MINUTES
Monday, June 6, 2022

The meeting of the Economic Development and Finance Standing Committee was held on Monday, June 6, 2022, at 5:00 p.m. The following members were present: Commissioner Burroughs, Chairman; Commissioners Davis, Townsend, Stites, McKiernan, and BPU Board Member David Haley. The following officials were also in attendance: Alan Howze, Assistant County Administrator; Misty Brown, Chief Counsel; Patrick Waters, Deputy Chief Counsel; Wendy Green, Assistant Counsel; Becky Berger, Treasurer; Andrea Vinyard, Deputy Treasurer; Rocki Mayes, Management Analyst, Clerical, and Administrative Assessment Manager; Katherine Carttar, Director of Economic Development; Reginald Lindsey, Budget Manager; Michael Peterson, Assistant Budget Manager; John Kelly, Director of Building & Logistics; Deputy Chief Andrade, Fire Department; Monica Sparks, Acting UG Clerk; and Brittnie McDonald, UG Clerk's Office.

Chairman Burroughs said before I call the meeting to order I do want to announce that some committee members, staff, and public are attending remotely via Zoom as well as on-site.

All participants joining by phone should mute their phones when not speaking to avoid background noise. During the meeting, please make sure you announce yourself by name and title every time you speak so the public that is observing knows who is speaking. This is critical given the number of remote participants and is the current guidance from the Kansas Attorney General.

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. The public also will have an opportunity to provide brief comments from the lobby of the Municipal Office building.

Chairman Burroughs called the meeting to order. Roll call was taken and all members were present as shown above. There was no revisions to tonight's agenda. Our first order of business is the approval of the minutes.

Approval of standing committee minutes from January 3, 2022, corrected minutes, and February 7, 2022. **On motion of Commissioner Townsend, seconded by Commissioner McKiernan,**

the minutes were approved as submitted. Roll call was taken and there were five "Ayes," Haley, Davis, Townsend, Stites, McKiernan, Burroughs.

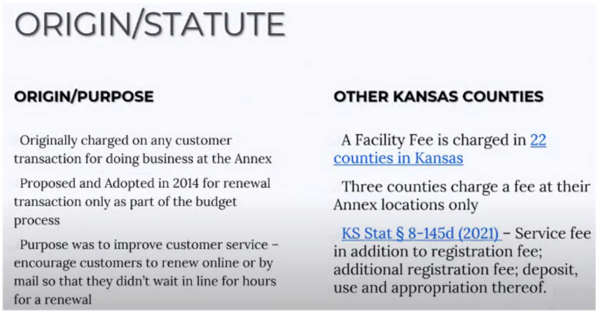
<u>COMMITTEE AGENDA</u>

Item No. 1 – 211710…PRESENTATION: MOTOR VEHICLE COUNTY FACILITY FEE

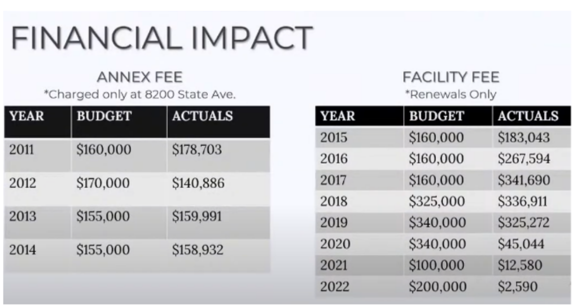
Synopsis: A presentation regarding the $5.00 county facility fee charged by the Treasury for in-person renewal of vehicle tags, submitted by Becky Berger, Treasurer, Andrea Vinyard, Deputy Treasurer, and Rocki Mayes, Management Analyst, Clerical, and Administrative Assessment Manager.

Chairman Burroughs said that takes us to our first item this evening, which is for information only. It's a presentation of the Motor Vehicle County Facility fee. This is a presentation regarding the $5.00 county facility fee charged by the Treasury for in-person renewal of vehicle tags.

Rocki Mayes, Management Analyst, Clerical and Administrative Assessment Manager, said I've been put on assignment from the County Administrator's Office, and I have the experts with me tonight. I have Andrea Vinyard to the right of me, the Deputy Treasurer, and I have Debbie Jonscher to the left of me, the Deputy CFO. This $5.00 county facility fee was brought up in the May 12th full commission meeting by Commissioner Bynum, asking if we still charge this fee and the Administrator asked me to do some research on it to find out where this fee came from and why we're charging it. We're just showing it to you all tonight for information only.



So, where it began is, this originally was charged for anybody doing business out at the Annex only. This was a $3.00 fee, and it was more of a convenience fee because the Annex is more convenient to get into than the Courthouse. In 2014 it was brought to you as part of the 2014 amended and 2015 proposed budget. It was approved by you all to have this be a $5.00 county facility fee, which means that Wyandotte County charged $5.00 for anybody who came in and did renewals only, not new title work or anything like that, it was renewals only. The purpose of this was to improve customer service. Renewals usually are about a 5-to-10-minute transaction, so this was trying to get everybody to get online, do it by mail, do something easier than to come in and wait maybe four hours in line for something that would take 5 to 10 minutes. This facility fee is charged in 22 counties in Kansas, and out of those 22 counties, three of those counties charge a fee at their annex locations only. According to state statute basically, the Treasurer is allowed to put this $5.00 on any transaction that is inside their facility.


FINANCIAL IMPACT

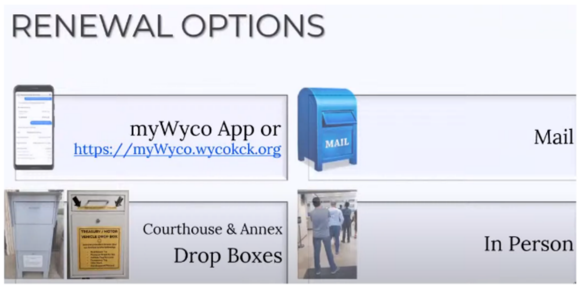
ANNEX FEE
*Charged only at 8200 State Ave.

YEAR	BUDGET	ACTUALS
2011	$160,000	$178,703
2012	$170,000	$140,886
2013	$155,000	$159,991
2014	$155,000	$158,932

FACILITY FEE
*Renewals Only

YEAR	BUDGET	ACTUALS
2015	$160,000	$183,043
2016	$160,000	$267,594
2017	$160,000	$341,690
2018	$325,000	$336,911
2019	$340,000	$325,272
2020	$340,000	$45,044
2021	$100,000	$12,580
2022	$200,000	$2,590

Here's the good stuff, this is the financials. You'll see in this first bucket here that the Annex fee like I said, was $3.00. It was only charged at the 8200 State Avenue location from 2011 to 2014. Like I said, this was only the Annex fee, this was not charged downtown. Then you'll see the next here, and that's when it got approved in the budget. It started in 2015, and this is the revenue that was being brought in by that $5.00 fee. You'll see in 2020 when the pandemic hit it took a huge dip because the facility closed for about two years now.



Right now, our renewal option in the Treasury Department is to download the myWyco app https://myWyco.wycokck.org. You can get online, renew your tags online, you can stick a stamp on an envelope, send it in by mail and they'll mail those tags right to your house. It does not take very long. The Courthouse and the Annex both have drop boxes, so if you want to do a renewal, all you have to do is drop it in one of those nice little drop boxes. As of last Thursday, they started doing in-person renewals. Starting on July 5th, all transactions will be available by appointment, so people can make appointments for renewals, new transactions, etc.

That's basically the gist of it. This fee can be eliminated by the County Administrator if she chooses to do so.

Commissioner Townsend said Ms. Mayes I have one question because I was here when this was implemented and, as you mentioned earlier, it was imposed to decrease the number of citizens who actually came in and promote efficiency and get people to do this through the mail or electronically. Do we have any numbers that support what happened in terms of fewer people actually coming in, compared to taking advantage of some of the other options, the mail, and electronic options to pay these fees?

Andrea Vinyard, Deputy Treasurer, said I can actually answer that for you. Yes, since 2014 when we switched to the new system, we tracked every statistic that came in, in terms of transactions. First-year, full year from 2015 to 2016 there's an 8% drop in walk-ins. Another 4% the next year and it slowly went down. We hit a level where we were at about 60% online, which flipped from what would have been the 20% online four years prior to that. It goes all the way through the pandemic through today where we're at 65% of the online renewal process since we switched from the old vendor to what is now the myWyco app. So, we have all that statistical data we can provide at any time.

Commissioner Davis said thank you all so much for the presentation. My main question is what is the revenue used for? I know that conversation has come up on us not wanting to burden our residents with this fee. I'm just curious as to what you all do with the revenue, and how it would impact your department if you no longer receive that revenue.

Debbie Jonscher, Deputy Chief Financial Officer, said the revenue that comes in is deposited into the County General Fund in the Treasurer's Division. It does go to offset expenses for the Motor Vehicle Department.

Chairman Burroughs said I do have one question if I may. I'm looking at the budget on the actuals, and the budget in 2015, we've run over basically $350K over the last 8, 10 years. Was that money deposited into the General Fund or does that stay within the Treasury Budget? **Ms. Jonscher** said it was in the County General Fund in the Treasury Division, yes.

Chairman Burroughs said it stays within that budget to buy software to ensure that we meet all criteria necessary to properly process the renewals and application process with the state. **Ms. Jonscher** said that's correct. It would offset any operating expenses. It could be personnel and supplies.

Chairman Burroughs said are there any questions from the public? Any hands?

Monica Sparks, Acting UG Clerk, said we have a Thomas that has his hand up.

Thomas Gordon, 2521 N. 7th Street in Kansas City, Kansas 66101, said my question is that the revenue that's collected for the renewal of the vehicles in Wyandotte County isn't that money used for the general maintenance of the Motor Vehicle Department normally?

Chairman Burroughs said does anybody want to respond to Mr. Thomas' questions?

Ms. Jonscher said yes. As I said, the revenue that's collected does go back to fund operations within the Motor Vehicle Department.

Mr. Gordon said okay and the $5.00 fee that was imposed upon the citizens for renewal was to eliminate the overburden of people coming in and standing in line for four hours, etc. Okay if we do not have that fee then wouldn't that require the Motor Vehicle Department to maybe raise the cost of renewing the vehicles?

Ms. Jonscher said I don't know that we would raise the facility fee. Most of the fees that are collected for a motor vehicle are fees that go back to the state.

Mr. Gordon said that the county doesn't benefit from any monies that are collected to renew their vehicles. **Ms. Jonscher** said that's correct. The fee does come back to the county. The facility fee does come back to the county.

Mr. Thomas said the focus of my question is, does it really make a difference whether we keep—if we eliminated it, that really would not impact the operations of the Motor Vehicle Department. For the people that do not have the ability to renew online, or some of the senior citizens that don't know how to operate the internet to be able to renew it, that's an unfair burden on the seniors because we already have a limited fixed amount of income, and we don't really get that much of the cost of the increase even though it's just $5.00. **Monica Sparks, Acting UG Clerk**, said you have a minute remaining. **Mr. Thomas** said it's just a frustration that's been imposed upon the seniors because now that person not only do they have to try to get there they have to pay a fee on top of that as well. I'd like to see it waived for seniors that are on social security or fixed income. That's my comment. Thank you.

Chairman Burroughs said any other comments or anybody in the lobby? Any other community comments?

Ms. Sparks said there are no hands raised, and the Clerk's office did not receive any comments.

Commissioner Townsend said I just wanted to say again that online payment is not the only option. The original option or one of the two original options was to pay by mail, and correct me if I'm wrong, but that is still a viable option. You've got the cost of an envelope and a stamp, but that is still an option for any and everyone who wants to use it. I would like to ask though have we seen more of a rise to pre-pandemic levels yet or is it too early to tell in the number of people coming in to transact the renewal business.

Ms. Vinyard said I would say it's too early but it's different because we implemented a temporary operation through UMB's lockbox service that would have taken on that mail burden, taking that piece out and bringing people back in last week. We see an overflow, but it's still highly going to be online, and we want we continue to use that feature and propose that option, because it's the easiest, quickest way for them to get their renewal done. Give us a month, and I could tell you it may be a different conversation.

Commissioner Townsend said okay and one last question which would be a comparison. Before the institution of this $5.00 fee, do we have any idea what the percentages were for people who were paying online if that was even an option then, or paying by mail?

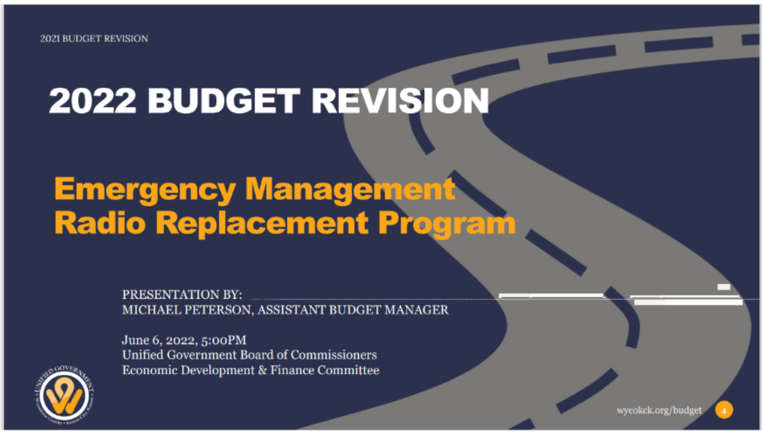
Ms. Vinyard said we only started tracking statistics from my predecessor who came in 2014. Unfortunately, that data is not available to us now. I can say in the office we were at 80%, and the online option has been there since about 2012 when we deployed the new solution from the state of Kansas and the Webtag version was barely used at all.

Chairman Burroughs said any other questions or comments? Seeing none, as I stated this item was for information only.

Action: For information only.

Item No. 2 – 211709…PRESENTATION: BUDGET REVISIONS IN EXCESS OF $50,000 FOR RADIO REPLACEMENT FOR WYCO AREA FIRE SERVICES.

Synopsis: The current radios in use by the Wyandotte County area fire services are no longer supported by the vendor. A request for procurement of new radios and advancement of timetable with supply chain delays and current radios no longer being supported, Michael Peterson, Assistant Budget Manager.



BUDGET REVISION

EXPENSE OF THE COUNTY GENERAL FUND

County

- Advance funding for planned Radio System replacement from 2023 to 2022
- Vendor stopped supporting current radios earlier than anticipated
- Safety concern with greater lead time due to supply chain constraints

WYANDOTTE COUNTY EMERGENCY MANAGEMENT
CASH-FUNDED

Funding Sources	Fund	2022 CMIP Revision	2023 CMIP Budget
Original Request ($15M Total Project)	County General Fund (160)	$0	$3,000,000
Original Anticipated Radio Replacement Schedule Start		**$0**	**$3,000,000**
New Timeline ($15M Total Project) / Immediate Need Fire Intrinsically Safe	County General Fund (160)	$1,700,000	$0
New Timeline ($15M Total Project) Additional 2022 Amended CMIP Request	County General Fund (160)	$1,300,000	$3,000,000
Requested Adjusted Radio Replacement Schedule Start		**$3,000,000**	**$3,000,000**

*Immediate Funding Request for $1.7M for county fire services radio replacement, with remaining public safety radio mobiles scheduled through 2023 as part of the 2022 Amended Budget

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Michael Peterson, Assistant Budget Manager, said I've been working with Matt May and Emergency Management on the radio replacement project that we have undergone in Wyandotte County. Basically, the proposal for this budget revision—and this is an emergency revision—is we originally had it slated as a $15M project that was going to start in 2023 going for five years. The fact that we found that intrinsic—the fire radios require a different standard to operate, and Motorola is no longer supporting the repair of those radios. I think Matt May was here to present during the second CMIP meeting, and he discussed it. We're working through the process of getting access to $1.7M prior to the amended budget in order to replace those radios since we can no longer get them safely repaired by the vendor. A grant did come up during that CMIP meeting and we have found that Fire is requesting a grant for those radios, KCK Fire Department, but that would not cover Bonner or Edwardsville fire radios, and this is a county-wide project. Also, we will not know if that grant is received until after we need the funding so if that grant is received then it's our understanding that we could use that funding to help procure the radios at that point.

Commissioner Stites said when you say you wouldn't know if you received the grant prior to you needing the money. What's the reason you need the money prior to knowing when you've received the grant?

Mr. Peterson said I guess there's no extra radios that aren't in service and so anytime a radio breaks down they have to send it in for repair. When it comes back from being repaired, it's no longer intrinsically safe which means, I guess, the definition of that is it's preventing the radios from sparking or causing some sort of an incident in a fire situation. So, with the lag, the lead time, and the supply chain issues we're having now, and just the anticipated time to get the radios, we want to place the order as soon as possible and not have to wait until the budget is approved in August or September.

Commissioner Stites said the grant would be awarded when? **Mr. Peterson** said we would know by September 1st.

Commissioner Stites said on the grant? **Mr. Peterson** said yes.

Commissioner Stites said okay. Why would it not include Bonner Springs and Edwardsville, if it's a county grant? **Mr. Peterson** said the Kansas City, Kansas Fire Department is going out for the grant, and the grant is for the Kansas City, Kansas Fire Department, so if we cover it as a county, with county funds, it will cover Bonner Springs and Edwardsville. The Radio Project covers the whole county, but the grant that KCK Fire Department is going for would only cover KCK.

Chairman Burroughs said any other questions or comments committee?

Commissioner Townsend said do we know at this point what's the anticipated amount of the grant that is being sought? **Reginald Lindsey, Budget Manager,** said it is \$1.7M also.

Commissioner Townsend said that will cover the entirety of the overage. **Mr. Lindsey** said that will cover the Fire Department's portion, yes. So, the Fire Department, if they get the grant, they will get a different type of radio and the cost would be a little bit more. They're getting like \$1.7M to \$1.8M. The KCK Fire Department goes out for the grant and the amount that we're doing is \$1.7M. The KCK Fire Department and also the Bonner Springs Fire Department, Edwardsville Fire Department.

Commissioner Townsend said would that cover 100% of the cost though, for KCK at least. Mr. Lindsey said I think there is a small match maybe around $180K or so.

Commissioner Davis said thank you so much Reggie, Mr. Peterson. Just a question about this grant as well. In the event that we do get the grant, will those funds just be returned to the General City Fund, or will we see the reimbursement in the event that we got the grant for the radios.

Mr. Lindsey said so if we know that we get the grant by September 1st we won't even have to use the County General Funds. We would just go with the grant funds. But now if we have the order in place, the order is going to take possibly four to six months with the supply chain issues to get these radios, so we want to order these radios as soon as possible because we deem it as an emergency. They are kind of dangerous for the Fire Department to use because there's a possibility of them inflaming while they're on a call.

Chairman Burroughs said I'll ask the Clerk if any comments were received from the public? **Ms. Sparks** said no comments were received and no hands are available.

Chairman Burroughs said I'll now address the members of the public who wish to address the committee. Are there any in the lower-level lobby? **Ms. Sparks** said no one.

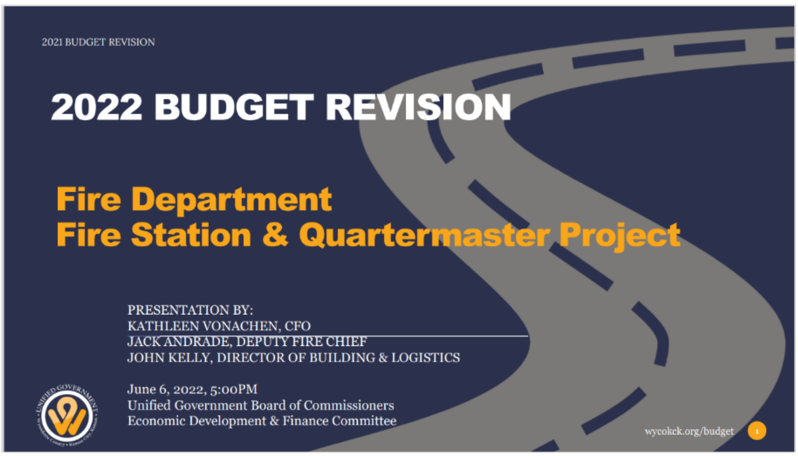
Chairman Burroughs said, again, this item is for information only committee. Thank you, Reggie and Mr. Peterson for your presentation.

Action: For information only.

Item No. 3 – 211720…PRESENTATION: BUDGET REVISION IN EXCESS OF $50,000 FOR CONSTRUCTION OF NEW TURNER FIRE STATION

Synopsis: Presentation of budget revisions approved under Section IV.B.7(a) of the UG Operating and Capital Budget Policy related to the revised construction cost of the new Turner Fire Station, submitted by Reginald Lindsey, Budget Manager.

Chairman Burroughs said this takes us to Item #3, which will be an action item committee, and it's also a presentation from our Budget Department on a budget revision for the construction of the new Turner Fire Station. There is a request to fast-track this item to the June 9th full commission meeting. I believe they're ready so I will recognize Reginald Lindsay, our Budget Manager.



Reginald Lindsey, Budget Manager, said I also have John Kelly, the Director of Facilities and also Deputy Chief Andrade from the Fire Department, and then also the architect on the new fire station. Kyle, I'm sorry, I don't know Kyle's last name, but he was kind enough to join us.

Kyle Morrison, Art Images, said it's Kyle Morrison with Art Images.

Mr. Lindsey said basically what our request is, generally when we do a budget request that's over $50K and it's an emergency, the County Administrator, and Mayor signs off on it. But in this particular case, this is not an emergency, and we have to bring it to the Commission for it to be approved. What we like to do is present the information to you all in hopes that you would approve it and move it to the full commission on Thursday night so it can be voted on there.

What we have going on is a new fire station that we're going to be building in Turner. The construction costs have increased by $2.1M. We plan to use $1.5M of Fire Department money that they have for a Quarter Master Project that was approved for this year, and then we were looking to spend another $600K next year and basically, we've pretty much identified all that funding from the Fire Department's budget. I don't know if there's any questions or anything about the particular construction or anything, but I'll just kind of let….

BUDGET REVISION

EXPENSE OF THE CASH-FUNDED CAPITAL PROJECT FUND

City

- To amend the Turner Fire Station Project to include an additional 1.5 M in the 2022 budget year
- Revision from various funding sources

KANSAS CITY KANSAS FIRE DEPARTMENT CASH-FUNDED		
Funding Sources	**Fund**	**2022 Budget Revision**
Maintenance Facility Quartermaster Project	City Capital Projects Fund (971)	$567,400
Maintenance Facility Quartermaster Project	Dedicated Sales Tax Fund (212)	$432,600
Maintenance Facility Quartermaster Project - New Request	Dedicated Sales Tax Fund (212)	$300,000
Future Land Acquisition	Dedicated Sales Tax Fund (212)	$145,000
Support Vehicle	Dedicated Sales Tax Fund (212)	$31,667
Fire Headquarter Renovation Project and Hutton Road Fire Station Project Balances	City Capital Projects Fund (971)	$23,333
Additional Turner Fire Station Project Funding		**$1,500,000**

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John Kelly, Director of Building & Logistics, said I would just like to make mention and I'm sure you guys are hearing this across the board with inflation and ongoing prices and construction are impacting this project along with several other projects. I think it's unfortunate but it's going to be something that you guys are going to be hearing as we go through the budget process and going into next year as well. As Reggie stated, this particular project just from January to May went up almost $1.8M, which is right around 22%. All those things that drive that are the cost from construction materials to the fueling for the equipment, supply chain issues.

I know a week and a half ago you guys were presented budget items and the topic of Fire Station 12 and Piper got brought up and the timeframe seemed to be lengthy in time. Commissioner Kane spoke of and talked about the team. There were some issues with that particular site that caused some growing pains I think for everybody on that project, Kyle with his architect firm and then with Huron Construction who was also selected for this particular fire station in Turner, have been good partners. I just think that the reason we're looking for you guys to approve this to move forward to Thursday night is because we just don't think the numbers are going to get any better even if we were to wait and table this project. We don't think that number is going to get back to a number that we feel you guys will be able to let the project move forward. Our hopes are that we can get this pushed through so we can get this particular station in Turner underway. That means there were concerns about time delay with the fire station that took place in the Piper area.

I will say that I'm not going to sit here today and tell you guys or anybody that there might be some delays because there are delays with roofing materials, mechanical equipment. Our own

Board of Public Utilities is having issues with transformers being here and I've been working hand-in-hand with BPU on this particular project. Me and Kyle for the last probably, what would you say, Kyle, of last two to three months on getting people to get the electrical for the site. We still haven't got those numbers. So, I just want to make everybody aware that I don't think this is just this project, in general. I think we're going to see multiple projects that we're working on that will be, unfortunately, giving bad news due to rising costs. Like I said, I don't know if anybody has any particular questions for me or the architect or Jack, but I just kind of wanted to touch back going to a week and a half ago's meeting of the timeframe and the partners that we have. Like I said, I feel like we're going down the right path with this particular station, but unfortunately the cost is starting to get away from us.

Chairman Burroughs said committee, any questions. I'll ask the Clerk if there are any comments.

Ms. Sparks said BPU David Haley has his hands up.

Chairman Burroughs said Mr. Haley welcome to the committee this evening. You have a question?

BPU Board Member David Haley, said I didn't get clarity on the request that came to the utility for transformers. I was listening, I thought I was copiously listening to what he just said, but could you please clarify what request was made and what has not yet been received by way of that information?

Mr. Kelly said BPU has been working with us hand-in-hand. Very good partners in regard to this particular project. What I informed you guys of tonight is that BPU, themselves, are seeing supply chain issues with transformers and such for projects. For this particular project for the Turner Fire Station, there is a transformer for this that I believe has been on hold for this project, which is good. What I'm referring to is just in general, other equipment and also costs associated with bringing the power. There are some contractual fees from third parties that BPU uses to get the power. There's some power issues that we have to do some design work there on 55th and I think if Kyle would like to give maybe a kind of a two-minute blurb just so you understand that Mr.

Haley, to what needs to happen there, then you can maybe have an idea just what I'm talking about. BPU has been working very well with us up to this point. We're just still waiting on some additional costs to see how that's going to impact the project.

Kyle Morrison, Art Images, said I would agree with John. The folks from BPU have been extremely helpful. There was a concern for a little while about getting a transformer, but one has been identified. The other issue that we've been working on is the high-tension power line that runs down 55th and then turns and runs North on Douglas. We're making some modifications so that the guys don't come down in the front yard of the fire station and have been working with folks at BPU on that. I think that issue has been mostly resolved now, but during those discussions, a lot of the discussion was just about how long is it going to take to get the parts that we need. I think those parts have been found and identified so that in that particular instance, that has been put to bed.

Commissioner Davis said this is a little tough for me because this is a lot of money that's being requested and given the concerns of another commissioner, it does make me fairly hesitant. So, if you all can indulge me here. Are there any non-supply chain-related issues that have caused delays on this project?

Mr. Kelly said, well Commissioner, so contractually where we're at, this is why we're requesting the funds to move forward to go into contract with—we selected a CMR construction manager at risk for the project which acts as the general contractor and this is why we're trying to fast track this because the longer we wait, the number is continuing—weekly some of these materials there are some supply chain issues but I don't feel comfortable telling you today which issues. Maybe Kyle from the industry could talk, but I will tell you ones that I'm talking with other trade partners, we're talking about mechanical equipment and roofing materials. Those two things will be in this particular project. I don't know, Kyle, are there any other I don't know if as far as masonry-type stuff if there's any issues with concrete or block or any of those materials.

Mr. Morrison said I really don't mean to give an evasive answer, but it seems like every month it's something different. Currently, as John said one of the big things is the membrane roofing that we use, and I'm told that right now the manufacturer will give you a price for the roofing when they load the truck, and as far as a firm price and in a delivery date. It's one month you can't get bar joists; the next month is some mechanical equipment item that you can't get; the next month its light fixtures. It just is a moving target. There's no one thing that we've been hit with. Everything seems different times to be difficult to get. In the Station 12 Project, one thing that I would point out is that during construction is when the pandemic hit. They actually had to reduce the workforce on the job site to be able to spread people out because we were all learning how this works at that time. They had to reduce their workforce somewhat to be able to spread people out with the six-foot guidelines and so forth, which added a little bit of time to the project, along with the weather and site conditions that John referred to. In this case, it's very difficult for anybody to be sure and say well we've figured out the roofing issue and so there are no more issues.

Mr. Kelly said I've talked to so many different contractors throughout the week, and like Kyle said, it's just, it's kind of a moving target so that's why I just wanted to stress that, even though we're looking for approval on these budget dollars. I don't think Reggie had made mention, these were some already allocated dollars that you guys approved for the Fire Department on another project. So, we're taking dollars within another project that we're just moving the timeline in order for us to get to what I'm saying and not to alarm anybody or make somebody feel like we don't make this decision but the health, life, and safety of the people there and Turner. Like I said, we're replacing two fire stations that are in not the best of condition and putting them into what we did at Fire Station 12, more of a state-of-the-art facility that will be able to be not only for our firefighters to keep them safe coming back from fires, but as well as the community in itself. So that's the only reason I made mention of that Commissioner because I don't want to sit here today and act like we're not going to have any issues with timeframes because I don't have that crystal ball and I don't think any of our contractors—and in my 28 years of been doing this, I've never had contractors tell us that they'll hold pricing for one day or one week. That's never been done, so that just tells you right there if people are doing that it's just not here in Wyandotte County it's everywhere.

Commissioner Davis said and Turner is part of the 8th District and so that's kind of where my questions are coming from. Thank you all so much. It's good to know that we're able to move the money around it's nothing necessarily additional. I don't have any more questions, thank you Chair.

Commissioner Stites said so, I guess what happens with—we're taking the money that was allocated for the Quartermaster Project. What happens now? I'd like to just hear, just real quick what happens to that project and the costs that were associated with that. They're also going to rise just like this fire station, we're going to have to face that at a later date also, so what happens?

Mr. Kelly said we have already worked with the CFO and Mr. Lindsey in the Budget Office that will move that project to 2023, and we have already put a buffer dollar amount knowing that the cost will continue. I will say that Quartermaster Project is kind of a renovation project within a facility instead of coming out of the ground. So those costs per square foot look different than this. It's still all the same thing for construction materials but we think for that project the Fire Department will be under construction in 2023. It's already through the budget process to be awarded or not awarded, it's approved for those dollars to go in 2020 allocated towards us.

Mr. Lindsey said here also the capital schedules as we all have seen in the last few weeks the quartermaster in 2023 is already built into those schedules, FYI.

Chairman Burroughs said 'll ask the Clerk if there are any other guest comments that were received from the public. **Monica Sparks, Acting UG Clerk,** said no comments were received, and no hands online. **Chairman Burroughs** said and none was in the lobby. Thank you.

This is an action item committee and just for the committee's understanding this is above the $50K, but this is a budget enhancement for the 2022 year, versus 2023. You need approval for us to take it back to the full commission so that we can put in, the $1.5M? **Mr. Kelly** said that is correct.

Chairman Burroughs said committee any questions? Seeing none, I'd ask the Clerk to please call roll. **Ms. Sparks** said we need a motion.

Chairman Burroughs said I'm sorry. I do need a motion.

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

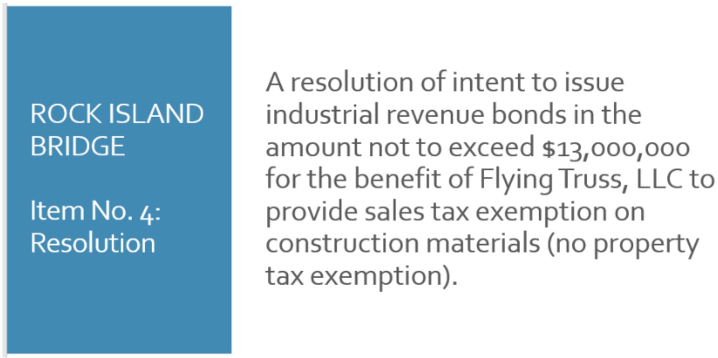
Chairman Burroughs said I got ahead of myself. We do have a motion and a second. Thank you. Committee. I would ask the Clerk to please call roll.

Roll call was taken and there were six "Ayes," Haley, Davis, Townsend, Stites, McKiernan, Burroughs.

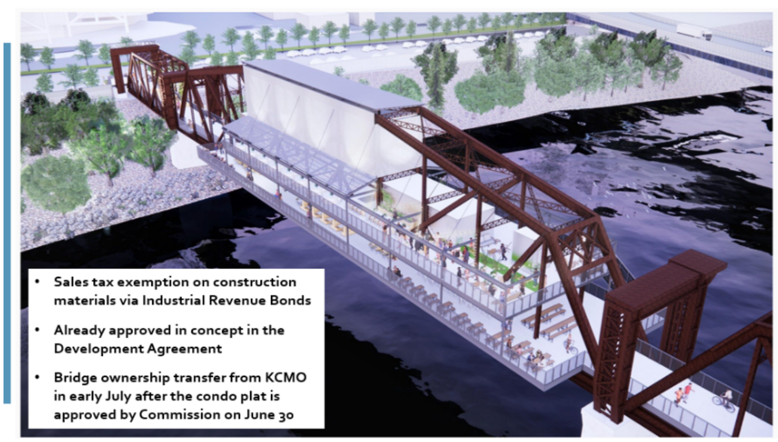
Item No. 4 – 211712…RESOLUTION: ROCK ISLAND BRIDGE IRB SALES TAX EXEMPTION

Synopsis: Resolution of Intent to Issue Industrial Revenue Bonds in the amount not to exceed $13,000,000 to finance the costs of acquiring, constructing, improving, and equipping a multi-purpose commercial project for the benefit of Flying Truss, LLC, submitted by Katherine Carttar, Director of Economic Development.

Chairman Burroughs said that takes us to Item #4, which is our second action item of the evening. This is the resolution for Rock Island Bridge IRB sales tax exemption. I do believe we have Katherine Carttar with us. I'll slow down just a bit so she can get seated and get prepared. This resolution is the intent to issue Industrial Revenue Bonds in an amount not to exceed $13M for the benefit of Flying Truss, LLC.



Katherine Carttar, Director of Economic Development, said this first item tonight is a resolution as Chairman Burroughs mentioned, as a resolution of intent to issue Industrial Revenue Bonds for Flying Truss. This is the Rock Island Bridge; this is not the right presentation. Please if you will indulge me, take two seconds. I apologize for this delay.



As I mentioned this is Industrial Revenue Bond to the Rock Island Bridge. You all have seen the Rock Island Bridge many, many times. This is nothing new. This is something that has been a part of the development agreement for I believe, literally years now. We are now in the process of working through all of those items in order to get them to the point where they are able to close on the bridge, but we are able to close on the bridge and then they are able to actually start construction. What this, the Industrial Revenue Bonds, it says $13M, that's the total cost of the entire project. We are not providing $13M. We are solely a pass-through for them to buy their construction materials. All we're doing is providing them a certificate of sales tax exemption so that they can purchase their construction materials wherever they would like and get that sales tax exemption. They are looking at about $4M worth of construction materials, so it's pretty significant, especially considering there's a lot of steel that is involved in those, in the cantilevers and actually expanding that bridge. This would be about a $350K benefit.

So, again, most of this would not be money that we are giving away. This is them purchasing materials in other locations, receiving a sales tax exemption as if we were to be the ones purchasing it. Just so you know, kind of looking at this timeline as we move forward, they already have their contractors and GCs on board. They are working with KCK's own Barcus Construction, which is going to be doing all the steelwork, and then Centric Construction will come in, which is a metro construction firm to do kind of the finishes. So really excited about that.

Again, we are looking to actually transfer the bridge from KCMO to the Unified Government's ownership in July. We want to make sure that this is approved as well as their condo plat is going through the Planning Commission and full commission. Once those are done and all the boxes are checked, they should be ready to go. As soon as that ownership is transferred, we'll be at a point where we can get their management agreement finalized. We will be the owners of the bridge at that point and then they will purchase their steel and start construction.

Chairman Burroughs said does any member of the committee have any questions.

Commissioner McKiernan said refresh my memory, Katherine. The $13M. I thought the total project cost was $5M. We were going to loan them $2M, they were going to raise $3M that's $5M, we're done. Where did $13M come from?

Ms. Carttar said honestly, we're about at $10M. Your point is still very well made. There have been a couple of different situations. One, the project has just gotten I think bigger and better. When we look at when we first had those conversations, if you remember the renderings looked much more simple, so just the project in and of itself has kind of been augmented, and I think is going to be something pretty phenomenal. Secondarily, inflation supply chain issues, all the things that you have already heard tonight has made a change in about $2.5M in what their costs were about a year ago since we've kind of finalized this general—I mean their construction drawings are done now, so there's no more augmenting. But, when they first had their construction drawings nearly done, got a general idea about a year ago, that cost has gone up about $2.5M. So, per this resolution, they put a little cushion in case that cost just gets even more.

Commissioner McKiernan said just to make sure, all of the additional—so we are still in for our original $2M loan from Transient Gas Tax Fund. **Ms. Carttar** said correct.

Commissioner McKiernan said we are still in a TIF this for 20 years to get that loan back. Everything above and beyond that $2M is the developer's responsibility regardless of how far it goes. **Ms. Carttar** said 100%.

Commissioner McKiernan said it is anticipated it could get as big as $13M. We're going to authorize IRBs up to $13M so that they can get the sales tax relief on materials. **Ms. Carttar** said that is correct.

Commissioner Davis said thank you so much, Katherine. You said bigger and better. Commissioner McKiernan kind of knocked out some of the logistical questions that I was going to ask, but can we talk about the bigger and better aspect of it, just so our communities are notified?

Ms. Carttar said yes, definitely. I appreciate that question. When this first came through the Commission, now probably two years ago, it was still cantilevered out. That hasn't changed. Looking at primarily the public trail, which again, from the UG's perspective, the first and foremost priority is that this is a public crossing that has retained. But if you look at what's on the screen now, look at that second floor in particular.

When this first came through there was planned to be a second floor. It would have been maybe a fourth of the size of what is now being suggested. There are now I believe, three different restaurants and one coffee shop/bar. The whole second floor really is an event space but can also be just a community space and open when there is not an event in that location. I think they have just created far more opportunities for space, for people who are just enjoying a bike ride.

Then also you don't see in this rendering, but a little over to the right which would be to the west, there is a whole added section which is kind of a community zone, and they are having to bring offices, so additional cantilevers so offices for a number of local non-profits that will actually office on the bridge. It really just has expanded to become its own kind of little mini-ecosystem.

Commissioner McKiernan said so, just again, to go back to some of this historical stuff on this. This area was originally broken up into four project areas. As I remember this was Project Area 4. The IRBs only apply in this particular strip. We had the three that went up the V of land and then we had this as the crossing. IRBs only apply here. **Ms. Carttar** said yes, correct, this is solely for the bridge.

Commissioner McKiernan said, and just to make sure, I know you've already said this but I'll say it out loud again. Although these monies are being loaned, these loans are being taken out in the name of the Unified Government, we are not responsible for them. We will not pay any of them back. The developer will pay every penny of these loans back and not the Unified Government. They simply get the public benefit since we issue the loans or the recipient of them that we get a tax break so to speak. We don't have to pay sales tax on materials.

Ms. Carttar said correct, with one caveat. It's even better for us. The state has even changed it in recent years so that our name is not even on any of the final—we are not the owner of any of these, so even in name only, which is how it used to be done. So literally this is just about issuing a certificate that would be in the UG's name that they can use when they buy that steel.

Commissioner McKiernan said or even better that we don't backstop this at all. I want to make sure we're clear on that. Initially, the developer had some cash flow projections that projected that they would be able to pay back all of their loans in due time. I would assume that they have revised their cash flow projections or their financing projections so that they're confident they can pay back these additional loans.

Ms. Carttar said yes, they are, and it doesn't really, again, kind of affect us. There's kind of a two—if you kind of look at this in two different tracks, we have our $2M. We would only anticipate that assuming all of this comes to fruition the way that the construction drawings and everyone is planning for, we would anticipate that we would get paid back even faster, as there are more amenities, and more sales to be had. Thus, all that sales tax, thus, that would go to paying back the UG for that $2M.

In terms of the wider project, the Flying Truss, LLC has been doing pretty astounding work in terms of getting different philanthropic and others involved. They even had some shares of the bridge, and they've been very creative in terms of what they're doing. But yes, all of their projections at this point, they've got a number of grants out and such, but I think they feel that they're in good shape too to be moving forward.

Commissioner Stites said like Commissioner McKiernan was saying that we're not on the hook for the payback of those, but we are making a $2M loan, that is at risk.

Commissioner McKiernan said that absolute, well no, they have a Surety Bond. We're going to get our $2M back. As my understanding in the original development agreement, we are guaranteed to be returned that with the Surety Bond that they have taken. So if, for whatever reason, and we hope it doesn't; but if this project would not move forward in the way they envision, we will be made whole. Is that correct? **Ms. Carttar** said that's correct.

Commissioner Townsend said good to see you, Ms. Carttar. A couple of questions. When you mention that this project has become bigger and better, I was wondering what was bigger and better, that was within the scope of our original development agreement. What about it became bigger and better that did not require the developer to come back to the committee? That's one question. The second question is will these improvements, is it forecasted that it will lengthen the completion? You've already made mention of when ownership will come to the UG. Did you say that was July? **Ms. Carttar** said July.

Commissioner Townsend said okay, thank you. Those are the two questions that I have.

Ms. Carttar said so in terms of the kind of bigger and better, they have stayed within kind of the original scope that was approved by the Commission. The actual activities that are happening, none of that has changed. The entire second floor and augmenting that event space and community space, which has gotten substantially bigger, adding some of that community space that's not on this rendering that is, I think, new. Then just in terms of the finishes, I think once they have seen the type of—and a lot of this is with the Unified Government's stamp of approval that was as we discussed when this went through. That was really important to a whole host of people to make sure that this was something that if the Unified Government went through and did the due diligence, that this is something that could be done, and they'll get on board. So, as they've had more and more folks get on board, I think they've gotten more creative with the design. So, again, this is all locked in now. The design is no longer evolving. Their construction drawings are complete, and they have both of their GCs on board getting price costs and costs are all estimated out now.

Commissioner Townsend said well part two, will these improvements lengthen the estimated time of completion of the project? **Ms. Carttar** said not substantially. Their hope would be for this to break ground this fall. They want to be very careful because steel is very expensive. So, I want to make sure that all the boxes are checked before they make that order. There is quite a lengthy lead time for that material in particular, but their hope is that it's about a nine-month construction period, so barring crazy weather and all that, their hope is to ideally have this open by next summer.

Commissioner Townsend said and was that the original expectation? I just don't remember. **Ms. Carttar** said yeah, roughly. I can't remember exactly, but it's not totally out of…

Chairman Burroughs said thank you committee. Katherine, I only have one question. Down here at the bottom it says, if we go back to the previous sign, it says the early July ownership transfer from KCMO, the bridge. I think the owner is supposed to be purchasing it for a dollar if I remember correctly. We won't do it until after the plat is approved by the Commission on June 30th. What does the plat have to do with the bridge?

Ms. Carttar said so basically, we want to make sure that everything that we are in control of, to make sure that all the conditions are met for this bridge to move forward and be successful are met prior to us taking ownership of the bridge. The last thing we wanted was to, a year or two ago before we were absolutely sure that this project would move forward, take ownership of the bridge, and then we're the one's kind of stuck with the bridge that there's no project on. We wanted to make sure that all of those things, including the item that is in front of you tonight, are approved to make sure what the condo plat is doing because we're going to be the owners of the bridge and it is a tax-exempt parcel. It's not really a parcel, it gets a little weird with the bridge. There are going to be specific areas of the bridge that are condoed out like a condominium, apartment or office building that has different tenants. Those are going to be kind of the private side, which is taxed at a different rate than, for example, the area that is just a trail going across the bridge, which is kind of public use.

Chairman Burroughs said the optics of it just don't look good because the way it reads is that we're advancing the authority for the bridge to go ahead and move forward, but we're waiting on the condo plat, which if I remember correctly, the condo plat came before the bridge, if I remember correctly, the development of that side of the river. I'm just kind of curious what one had to do with the other. It sounds like we're putting up the money in advance to let them know that the bridge will be constructed and there will be that avenue to transport the public back and forth across the river to the condo area.

Ms. Carttar said this is actually a condo plat on the bridge. **Chairman Burroughs** said okay, thank you for that.

Ms. Carttar said sorry if that wasn't clear. The restaurants, the event space, and those will all be condoed out. It's probably not the technical term. They will be taxed at a rate for a private enterprise versus the tax-exempt nature of the trail across the bridge.

Chairman Burroughs said great, thank you. That explained it much better. I'll ask the Clerk if there were any comments from the public. **Ms. Sparks** said no comments were received, no requests to speak.

Chairman Burroughs said great. I don't believe there's anybody in the lobby. Okay, we're going to move on. This is an action item. I would entertain a motion.

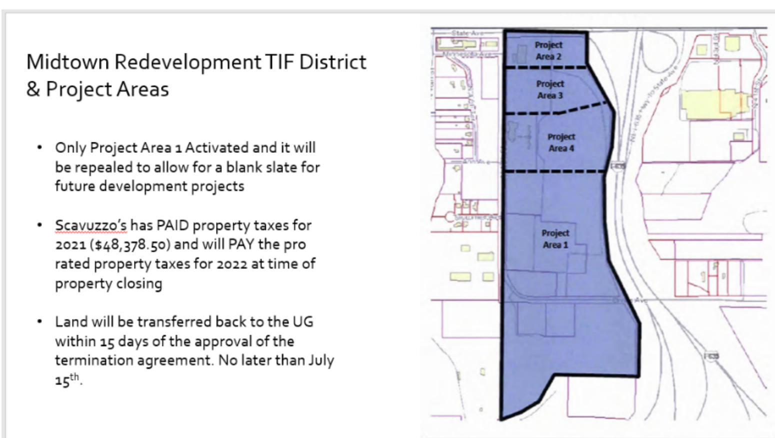
Action: **Commissioner McKiernan made a motion, seconded by Commissioner Stites to approve as submitted**. Roll call was taken and there were six "Ayes," Haley, Davis, Townsend, Stites, McKiernan, Burroughs.

Item No. 5 – 211714…RESOLUTION: TERMINATION OF SCAVUZZO'S FOODIE PARK

Synopsis: Resolution authorizing the approval of the termination of the Foodie Park Development Agreement and subsequent amendments submitted by Katherine Carttar, Director of Economic Development.

Chairman Burroughs said okay now we're going to move on to our Item #5, which is an action item this evening. This is the resolution terminating Scavuzzo's Foodie Park.

Katherine Carttar, Director of Economic Development, said I will kind of speak to Items 5 and 6, as they are related, and they would be two separate votes, however. As Chairman Burroughs mentioned, Item 5 is a resolution terminating the Foodie Park Development Agreement and Item 6 is an ordinance repealing the 2019 Midtown Development Project Area.



Just kind of a reminder, this is the area we're talking about, the former Indian Springs site. What we had done was break that so that there was actually a TIF already there. That TIF district had been created, but in 2019 we have amended that keeping in mind what Scavuzzo's plan was, which had these four different project areas and indeed we actually approved Project Area 1, which meant that the clock for that TIF started.

What we would like to do is repeal that project area so we'll still, for the moment, have these kind of four project areas that can be changed in the future. We'll keep the TIF in place, but kind of wipe clean all the project area so that no clock —we won't waste any of that on a project that is not moving forward so we'll have a blank slate so to speak for future development at this location. That's Item 1.

Then generally the development agreement—the Unified Government has been doing reversionary clauses in their development agreements for about 20 years now. This is the first time we've actually had to use one, so it's a kind of a disappointing situation. But we don't need to get into all the reasons that this project will not be moving forward, suffice it to say I think everyone is disappointed. Just so you know, in terms of the development agreement, again, trying to make sure that we're all kind of copacetic and everyone—we're getting back to zero on everything.

The big one was with—I believe it was the Second Amendment to the development agreement we actually sold them that first track of land. It was at the time kind of a show of faith that they were very serious, and things were moving forward. Just so you know, they are current on their taxes through 2021 and that has all been paid. We have the property closing as we get the land back and we're basically pro-rating for 2022. They will continue to pay those taxes that are owed and then we'll get that bit at closing. The land will be transferred back to the UG within 15 days of the approval. This presumably will go forward to the full commission on June 30th; thus, we will have the land transferred back no later than July 15th. I will say that there are a number of ways that this could have been done. There could have been lengthy litigation and other things to get this property back, but the Scavuzzo family and company have been very good to work with throughout this whole process from the time we were working on the project itself to kind of the dismantling of this. They're voluntarily giving us back the land and everything as per our agreement, so it has been very smooth. Happy to answer any questions. I also have Todd LaSala from Stinson, our outside counsel, on Zoom as well if there are any other questions.

Commissioner Stites said when you're saying that they're doing everything and being nice about it, actually, they're adhering to the development agreement. **Ms. Carttar** said yes. That's not a given in these situations.

Commissioner Stites said so the sale of the land and this happened prior to me coming on the Commission. They will still retain that portion of land, correct? **Ms. Carttar** said everything reverts back.

Commissioner Stites said so are we reimbursing them? **Ms. Carttar** said no.

Commissioner Stites said for the amount that they paid for the ground? **Ms. Carttar** said no, they're just giving it back.

Commissioner Davis said I do want to acknowledge that this is in my district, number one. Number two, I do want to acknowledge the community, nostalgia, and the expectation that we as a Unified Government do something with this particular property given the history that is there. I'm hoping to have some good news and some opportunity for engagement and partnerships to really hear from the community on how we can reimagine this space and work with developers so that we can get something that would work for everyone. I do want to recognize that this is a tough loss for us, but hopefully, we'll be able to bounce back better. Katherine Carttar has done a phenomenal job giving a not-so-ideal predicament regarding this development.

Chairman Burroughs said any other comments? Seeing none, just for clarification, Commissioner Stites you were absolutely correct. The property does revert back to us and we're only talking about Project Area 1 was the property that will be coming back to us. That was the original property, I believe the warehouse potential that was to be developed there so we've come up with a solution that reverts the property back to us. Taxes are paid and we can look forward to an opportunity for, the future development of that property through public discourse. Are there any members of the public wishing to speak to this item? **Monica Sparks, Acting UG Clerk**, said no comments were received, no request to speak.

Chairman Burroughs said great, thank you. With that, committee, these are two action items we talked about. I would like to separate them and vote on each one. The first one will be the termination of the Scavuzzo's Foodie Park resolution. I would ask the Clerk to please call roll on the first item and that's determination… **Ms. Sparks** said I need a motion.

Commissioner Davis said I'll make a motion Chair, to move as submitted.

Chairman Burroughs said we have a motion and a second. **Commissioner McKiernan** said second.

Chairman Burroughs said we have a motion and a second committee; I would ask the Clerk to please call roll.

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

Item No. 6 – 211715…ORDINANCE: REPEALING 2019 MIDTOWN REDEVELOP-MENT PROJECT PLAN

Synopsis: Ordinance repealing the 2019 Midtown Redevelopment Plan, submitted by Katherine Carttar, Director of Economic Development.

Chairman Burroughs said that takes us to Item 6, which is the ordinance repealing the 2019 Midterm Redevelopment Project Plan. I believe Ms. Carttar gave an overview of that as she was explaining the project, so even though these two are tied together, I do need a separate motion. So, I'd entertain a motion.

Chairman Burroughs said we have a motion and a second. I would ask the Clerk to please call roll.

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

Chairman Burroughs said thank you committee. I know Scavuzzo has been an issue before us for quite a while, and I'm pleased to see that we were able to find a remedy to satisfy both entities. That's commendable. Thank you, Katherine.

Item No. 7 – 211716…RESOLUTION: BROTHERHOOD BANK BUILDING SPECIAL NRA

Synopsis: Resolution approving a special project application for a rebate on incremental property taxes pursuant to the Neighborhood Revitalization Act Plan for the redevelopment of the Brotherhood Bank Building at 753 State Ave., Kansas City, KS into residential apartment units and upgraded office space, submitted by Katherine Carttar, Director of Economic Development.

Chairman Burroughs said the next item is resolution Item #7. It is an action item also and committee, and we're closing in on halfway through the agenda. The next item is a resolution approving a special project application for a rebate on incremental property taxes pursuant to the Neighborhood Revitalization Act Plan for the Redevelopment of the Brotherhood Bank Building at 753 State Avenue.

Katherine Carttar, Director of Economic Development, said this is one that has a few different items kind of attached to it. I will give a bit of an overview. Kurt Peterson, the attorney for the client, for the developer from Polsinelli, is here to also speak to it, as the developer Kevin Kearns is on Zoom somewhere. A just quick overview and I'll speak to items. I guess I should back up here. I'll speak to Items 7, 8, and 9. Item #7 is the resolution to approve the Neighborhood Revitalization Special Project Application. Item #8 is the resolution of intent to issue sales tax exemption on construction materials for the project, and then Item #9 is actually an option for real estate purchase for the building next door. So, I'll kind of give an overview, and then we can either break these up or I—there's a number of ways to move forward.

The Brotherhood Bank is the largest building actually in our downtown. It is on the corner of 8th and Minnesota and actually goes all the way back the entire width of that block. It's on both Minnesota and State. You can see there's this first section up front. Right now Minnesota, that was I believe 1915 is when that was built, and then it is actually connected to the building you see behind it, which was built as an expansion in the 40s. This whole time it has been office space. The section here on Minnesota has been largely vacant for many years.

About three years ago a group called KDG purchased the building from the Brotherhood Bank, and they have been interested in renovating this building and went through the painstaking process of getting this building on the Historic Register. So, it is on the Historic Register both with the state and federal registers. Through that process, they are eligible for historic tax credits and are moving forward with that process.

Their desire is to keep a large amount of office space in this building, which is great news for us, as I believe there is a dearth of high-quality office space in our downtown. Having this renovated and brought up to a certain grade will be really positive, I think, for our downtown. Additionally, they're interested in putting 29 residential units, most likely those will be here in this older building there on Minnesota. Overall, this is just under a $21M investment so this is quite a significant investment in our downtown.

1. **Neighborhood Revitalization Act**

   Special Project Area Eligibility:
   Project Area 1
   Historic designation by State or Federal Register
   Over $3 million of investment
   Not tax delinquent

   Benefits per the Policy approved by the Commission in 2020:
   75% rebate on increased property value for 20 years
   – 85% if LMW goals

   KDG, LLC will continue to pay the current tax base ($145,000 in 2021) and will receive a rebate on the incremental property tax due to $20,900,000 investment.

2. **Sales Tax Exemption on Construction Materials via Industrial Revenue Bonds**

Thin project. Little return projected. Goal is to spur residential demand downtown resulting in a market where KCD, LLC can build new construction residential.

I'll talk about the first two items kind of as one. First is the Neighborhood Revitalization Act. You all don't see this very often as the vast majority of NRA projects are really focused on projects that are $3M and under. This is really used for renovations of small offices, renovations of homes, and building new homes in our community, so you only see it every three to five years when we bring the large policy in front of you and go on a whole roadshow and get all the different taxing jurisdiction's approval. There is a special project area that is not very used because it's very specific about what can fit into this.

When you're talking about this kind of special project area plan, they have to be in a specific area so Project Area 1, which is generally east of I-635, or we have a couple of corridors that are also included in that. The project would have to be on the Historic Register, state or federal, I guess. Again, a couple of other significant environmental remediation or significant retail components so, again, it is very specific in terms of what type of projects can be used for this.

Then it's over a $3M investment, so we're looking at larger investments for this. The applicant cannot be tax delinquent of course. This is, in my time only, the second project to come forward to ask for this kind of NRA special area. The difference is in the normal NRA with the smaller projects you're talking about a 95% rebate, and these are rebates, not abatements. Over 10 years this provides for—because it is really looked upon as something very catalytic—this provides the opportunity to get a 75% rebate, again, on just the increase in the property value. That base in what they are currently paying in property taxes. In 2021, they paid just about $145K. That will not change. They will always pay their base and property taxes. So that rebate will be on the increase due to the work that was done on the property. So, that would be a 75% rebate for 20 years. We do have some pretty significant local minority- and women-owned business goals. If they do meet those goals, they have the opportunity to go to an 85% rebate. So, again, they would continue to pay their current tax base and just receive that rebate on the incremental property due to that investment.

The second item is as we talked about with the bridge. This would be a sales tax exemption on construction materials. So, again, the Unified Government would not be liable or taking any responsibility for any of those costs. Again, this would just be providing that sales tax certificate that says that they do not need to pay that. I will pause there.

Commissioner Stites said so 75% abatement, 85% if LMW goals are met. What if they're not met? **Ms. Carttar** said then it would be 75%.

Commissioner Stites said so there are no LMW requirements, it's just this incentive if you make it. **Ms. Carttar** said that's correct.

Commissioner Stites said if you make it. **Ms. Carttar** said yeah, that's how the policy was created.

Chairman Burroughs said any other questions. Katherine, do you have more?

Ms. Carttar said I will turn it over to Mr. Peterson to see if he has anything to add at this point.

Chairman Burroughs said welcome Mr. Peterson.

Commissioner Townsend said this dovetails into the question that Commissioner Stites asked about the LBE, MWBE. In the original, I guess this Commission saw this in 2020 and there was no LBE, MWBE requirement. I saw something on the screen that just said was this approved in some form back in 2020? **Ms. Carttar** said the policy is the Neighborhood Revitalization Policy.

Commissioner Townsend said okay, not this. So, my question goes to there is no requirement for the use of LBE, WMBE, or WBE.

Ms. Carttar said that's correct. But it's highly incentivized. I mean it would make sense for them to do so, and I think they have every plan to follow through on that.

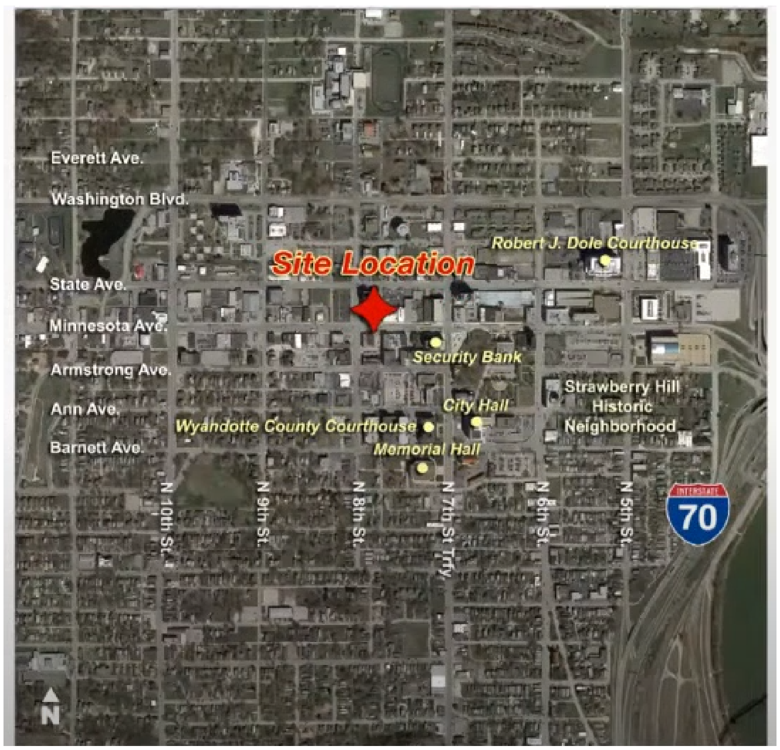
Commissioner Townsend said it just strikes me as unusual that there's no requirement. **Ms. Carttar** said I'm just following the policy. That was how the Commission approved the policy.

Commissioner Townsend said oh, the policy though for the NRA. **Ms. Carttar** said yes.

Commissioner Townsend said and that policy says there's no requirement. **Ms. Carttar** said correct.

Commissioner Townsend said okay. So someone seeking this may or may not avail themselves of that. **Ms. Carttar** said that's correct. It would be beneficial to them to do so, but they're not required.

Commissioner Townsend said well as I read this that answered my question as to why there was an additional incentive. It seems as though since this act most commonly is used in disadvantaged areas of the city anyway, there should have been some requirement.



Maybe that's something we need to go back and revisit. **Ms. Carttar** said yeah, we certainly can.

Commissioner Townsend said thank you. That was it then.

Commissioner Davis said I could not agree more with Commissioner Townsend and Commissioner Stites. I think, perhaps, we have a new item that could be brought forward to this standing committee at some point to review. I think we need another name, the Neighborhood Revitalization Act, especially in 2022. Maybe we can look at renaming it and look at whether or not we should include some sort of mandated LMW goals, and just for the community, LMW local minority women-owned business participation, that's what we are discussing. Katherine are there any PILOT payments along with this and are there any community benefits beyond the project itself?

Ms. Carttar said so the way that the Neighborhood Revitalization Act works, there would not be any payment in lieu of taxes. Every year what happens, and this is the same if the project is your normal run-of-the-mill—someone's putting some investment into their home or something like this, which is a little different. What would happen is every year that project pays their entire tax bill and then they receive a rebate on again just a certain percentage. In this case, 75% or 85% of that incremental property tax would receive that back. Then the Unified Government would receive that base, so in this case about $140K a year, as well as whatever that amount again either 15% or 25% of that increased appraisal or assessed value.

Commissioner Davis said so there is going to be an increase, at the very least into the tax base if this development is successful and does what it's supposed to do.

Ms. Carttar said yeah, and I will say, in terms of just kind of that community benefit, as I kind of touched on briefly earlier, this is really filling an area of need that we have in our downtown and for a variety of reasons have not been able to see the type of development to move potentially as fast as we would like. What this will be bringing that I think is kind of—I'm sure there are ways to quantify it, but for today it's a little unquantifiable in terms of providing good quality office space in our downtown. Then also providing market-rate apartments. This will be kind of a bit of a first. We'll have a few apartments that will have already opened by that time with the Boulevard Lofts, but this would be kind of that first sizable market-rate residential project that I think will hopefully prove what we all think, which is that there is quite a bit of demand for market rate and other residential in this area. Then hopefully that will open up a lot of other things. I think a big thing that at least I've been working on, and I think a lot of people have been focused on is trying to get additional density in our downtown. What that does in terms of sustaining the residential, or the retail that we have and then also bringing new and kind of increasing the level of that.

Commissioner Davis said then just the last question. In the event that the LMW goals are completed, what are the percentages that we're looking at for this?

Ms. Carttar said we'll find those for you in just a second, but they are our normal percentages that you see in all of our big development agreements.

Commissioner Davis said okay. So, it was like 7% or 15% or something between there for each one. Thank you so much.

Commissioner McKiernan said I just want to go back and revisit a little bit of our conversation about the NRA and its history. I want to make sure everybody's clear on this. The whole purpose behind this was to spur some growth in our stock, so-to-speak, our building stock in especially these areas, and anything that a property was already paying, it would pay 100% of that. After its improvement and then to incent, to give an incentive to the property owner to make that improvement, we would agree to rebate some percentage of the incremental taxes, the taxes that ordinarily would be added on as a function of that property becoming more valuable and making more taxes.

We say tell you what, you're going to make these improvements, here's what we're going to do to help you make them. We will give you a rebate on the incremental property tax for the first 10 years, that'll help you fund the improvements. But I think when we were talking about the NRA a couple of years ago, we were more thinking about smaller developers, maybe individuals and not development companies, and so I don't think LMW necessarily entered—not that it shouldn't—but I don't know that we thought about LMW incentives in that way, because we're thinking about just George, and he's going to improve his building and we didn't want to either put the administrative overhead on nor saddle George who maybe doesn't have the capacity to do that with meeting those additional criteria benchmarks.

Ms. Carttar said if we're actually drilling down, they're probably under $100K in terms of the amount. The majority are owners who live in their homes and want to make some improvements, and if they see a 15% increase in that assessed value, they get that benefit, that rebate back on that increase, as the commissioner said. This is only, at least in the last four years, this is only the second of these that is a larger project because there is such specific qualifications to get in that to be eligible for a project like this. And I believe only the third project that the UG has approved over the existence, but the Y loss is the other, so again a historic building that was...

Commissioner McKiernan said then I would suggest to the committee that we consider the next time we review and revise this policy, that we consider some sort of a threshold that if you exceed that threshold then there is an automatic expectation that you will meet LMW requirements and that if you're below that or some other qualifications exist, then you are not mandated but encouraged to. I would just throw that out as a suggestion to the committee.

Commissioner Stites said well the last part you added there Commissioner McKiernan I'll scratch off number one because that's exactly what I was going to say. There should be some sort of threshold benchmark once we reach that, LMW kicks in, and those requirements. Now I am quite confident knowing, and Mr. Peterson our concerns as using local LMW will be relayed to the developer and how passionate we are about those goals and utilizing our local minority- and women-owned businesses in Wyandotte County. I appreciate it if you will relay that information. **Kurt Peterson, Attorney** said, Commissioner, knowing this body, knowing the commissioner that was just speaking, anticipated this discussion and already relayed, but we'll relay again.

Commissioner Townsend said Ms. Carttar, Counsel, I know this may be several years in the actual completion and you mentioned price, well that this is market rate. Just to give our audience some idea, in this body, what would the market rate be if this project were completed now, just to have some idea. So, one bedroom apartment at 7th and State. What would that run?

Mr. Peterson said on behalf of the applicant, Commissioner. One, you have to give the caveat, when there's a lot of people listening, that they don't run with one sentence in the newspaper or something like that. The market rate, I know you know this, the market rate is set by the market. So you can build whatever you want to build, and the number of people that are willing to come to that unit based on everything that's available in the area and that's competing with your product, will truly determine what your rate is. You can set your rate, but if it's too high nobody will rent, and you'll have to drop the rate down. So, that is the obligatory, but important caveat.

I would say the goal definitely, and if the Chairman says in a minute when you all are finished with initial questions, I'll give a little bit more of a brief presentation that'll give a little bit more meat to this. But you're asking the question now, I would say the target is definitely to try to get the downtown residential market above $1.50 a square foot and let's go up from there. Because that's when the floodgates, and my world of multifamily, that's when the floodgates open and we can start to get more and more investment downtown. When we quote like that, we're talking about the average. So, if there's, let's say, something had one bedroom and two bedrooms, you would take the average square foot and you'd say well the average would be $1.50. If it's a bigger amount of space, usually your dollars per square foot goes down and vice versa. That's meant to be an average number since we're not talking specifics.

Commissioner Townsend said right, and I don't want to tie you down. But just in my mind, and this may be in your presentation, what's your expectation or plan with square footage though for these units? Then you can take that $1.50 multiplier.

Mr. Peterson said sure. For easy math, for everybody, for myself included, take a 1,000-square-foot unit, times $1.50 and you get your $1,500. Yes, ma'am.

Chairman Burroughs said committee, any other questions? Ms. Carttar, I think we're only talking about 29 residential units, correct? **Ms. Carttar** said correct.

Chairman Burroughs said I just wanted the committee to understand how many of those units were there. Mr. Peterson, you were going to speak earlier. Did you have something you wanted to add to the conversation?

Mr. Peterson said I think to augment, Chairman if I can, just because we've been working on this for so many months this is our opportunity. But if I can be brief and augment, I will. **Chairman Burroughs** said if you can be brief, you can.

Mr. Peterson said well, I'll actually say this as I look at you all. If we are all feeling good about this project and what's proposed, I don't want to say another word, how about that?

Commissioner Stites said motion to approve as submitted. **Commissioner McKiernan** said second.

Chairman Burroughs said I have a motion and a second. I do need to ask if there's any comments from the public. **Monica Sparks, Acting UG Clerk**, said no comments were received. We do have some here that want to speak.

Chairman Burroughs said I want to say thank you. I'll now recognize members of the public who wish to address the committee. You will be given three minutes to make your comments. I'll ask the Clerk if there are any hands, which we know that there's not any downstairs at this time, and you'll have three minutes. Please state your name and your place of residence and the Clerk will monitor their time.

Jason Norbury, Executive Director, Downtown Shareholders of Kansas City, Kansas, said thank you, commissioners. We are located at 726 Armstrong in KCK. I wanted to just briefly touch on Items 7 and 8 and say that as an organization we have actually talked about the project, and we think the project—at least as we have seen the proposal so far and I obviously realized that there are a lot of details to come—is an excellent concept. Adding, one of the things that I have preached since I came on board four years ago about downtown, the best way to revitalize downtown is to increase the number of people in it, by improving the office stock and adding residential stock. It does exactly that. Our master plan really details things on multi-use development and having a ground floor with a long-standing bank, I don't think there's any plans on that changing. Then having an upstairs full of offices and residential really meets that goal. We are, however, as sort of the stewards of the downtown—and I will say this, as a whole, shareholders don't take a lot of stances on individual incentive projects, that's not our strength and bailiwick. We'll leave that to Katherine and Greg Kindle to work on things like that they have in there.

However, as stewards of the master plan, we do have one concern and a fairly strong concern with Item 9 on the agenda. The proposed option of the building at 742, once again, with limited information, my understanding from the agenda is that the proposed use of that would be to demolish the building and put in its place a surface parking lot. As broadly as I can put it, that is a terrible, terrible idea from an urban planning standpoint. It goes against virtually every major kind of measure we have of good downtown development; it goes against the uses of the master plan, it will put a hole... **Ms. Sparks** said in one minute remaining.

Mr. Norbury said …in one of the only blocks in downtown that has not been sort of hammered by the destruction of a building for either a service parking lot or nothing in its place. I think there are other solutions. The developer does own properties to the west and behind the subject property at 742. I think that there's got to be a solution for parking for the residential units on hand, but to tear down that building with only the plan to put a surface parking lot in its place is something that Downtown Shareholders cannot support and would encourage you to hold on that option until a more suitable plan is in place. Thank you.

Mr. Peterson said Mr. Chairman, at the right time I'd like to respond when you allow.

Chairman Burroughs said sure. We haven't got to Item 9 just yet. That's an item we haven't discussed, but it is part of this discussion. I'm going to allow those that want to speak to that, to speak to it. Committee, it'll be the next item up as we discuss this project. As Katherine Carttar stated, they're all three tied together, but right now we're on Items 7 and 8 specifically. Is there anybody else that would like to speak to those two items? If you want to approach, please state your name and place of residence and you have three minutes.

Shirley Carter-Ikerd, 804 South 89th Street, Kansas City, Kansas, said I am appalled that there was nothing written in about how many minorities was going to be in the project. I do not like that by being a minority myself. I want to commend Councilwoman Townsend and Councilman Davis for bringing that up because that never should have been overlooked, if you would want to do something good for the inner city of Wyandotte County and Kansas City, Kansas. I'm just appalled at this. I would like to ask the council to think this over before you vote, talk to them about it, and afterward see if they write something in, not voice stuff, you got to write it down in black and white and this should be done because this is the inner city of Kansas City, Kansas and if you're going to do it, let them do it right and get somebody on their Board to help with that project. Thank you.

Chairman Burroughs said any other comments from the public? Seeing none. Mr. Peterson, did you want to make a comment before we have the motion and a second on the floor on Item 7, if I remember correctly, to approve Item 7? **Ms. Sparks** said that's correct.

Chairman Burroughs said council? **Mr. Peterson** said that's correct.

Chairman Burroughs said if you have no comments. Ms. Carttar?

Ms. Carttar said just once again, kind of clarify. As part of the agreement that is in your packet and what you are voting on today—there are goals for LMW participation for professional services it's 18% local, 13% minority, and 8% women. For construction, it's 18% local, 15% minority, and 7% women-owned businesses. Again, as we mentioned, while not a requirement, it certainly behooves the developer to meet these goals as it gives them an additional 10% to their rebate. So, that's a real benefit over the course of 20 years. So, again, something that I certainly support, in looking at the policy as we move forward, but just so we're clear, there are goals on this project and how those would work.

Commissioner Townsend said I just wanted to, in response to Ms. Ikerd, who's been a long-time active constituent, well not my constituent, the constituent of Wyandotte County. She's not a late-to-the-table citizen and I appreciate her input. I got to know her about eight years when I first came on. But just for clarity's sake, I think what Commissioner McKiernan and Stites and all of us have been talking about is looking at the plan that this is coming under so that we as a Commission look at, again, the do's and don'ts and the requirements of the Neighborhood Revitalization Act itself. I think, as Commissioner McKiernan mentioned, that's usually used on smaller-scale items and not really contemplated for this. But there have been safeguards put in this action, but I appreciate your comments. I, for one, and I think several other commissioners have already expressed their support for looking at that act and going back. We're clear in the future on these projects but thank you for your input for the last eight or nine years.

Commissioner Davis said thank you so much Ms. Ikerd for your comments. I believe Commissioner Stites had also brought it up, so I wanted to recognize that as well. I think we have our marching orders. I'm in support of this particular project and my vote, just so the developers are aware of this, Mr. Peterson exactly would get those LMW goals met. I think there are three things we can reiterate for the community. We need to look at that name, we need to look at a cap, and then we need to look at mandating LMW goals as a part of this legislation, just so the community is aware of what we are doing. That is kind of where my vote is. It's with those particular expectations and it's my hope that we get this back on the agenda so that we can make those adjustments.

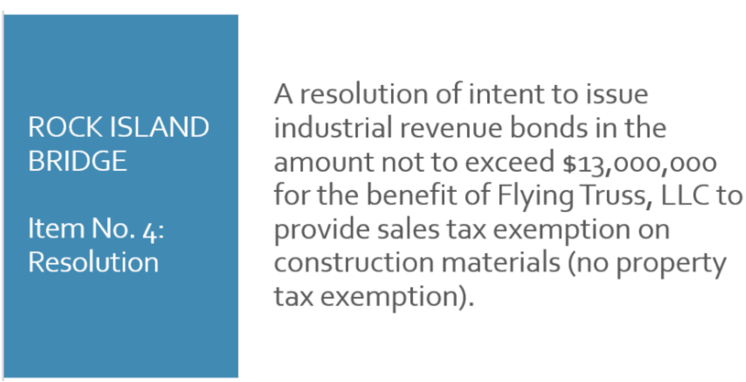
Chairman Burroughs said I think there's been—it's been reiterated by members of this committee that that is an important element in development for our community as we move forward. I don't believe there's any one commissioner who doesn't support it. I believe it's significant and important that our communities are reflected in developments as we move forward. I'm pleased we had this discussion in a public forum so that it can be discussed and brought out openly and get the commitment of the Commission to look into doing whatever requirements are necessary with the NRA to meet the needs of the community and the development associated to it.

We do have a motion and a second on the table. We need action on this item and just so everyone understands, this is Item 7 alone, the resolution for the Brotherhood Bank Building NRA agreement. With that, I'll ask the Clerk to please call roll.

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

Item No. 8 – 211717…RESOLUTION: BROTHERHOOD BANK BUILDING IRB SALES TAX EXEMPTION

Synopsis: Resolution of Intent to issue bonds in the amount not to exceed $12,000,000 to finance the costs of acquiring, constructing, improving, and equipping a multi-purpose commercial project for the benefit of KDG, LLC, submitted by Katherine Carttar, Director of Economic Development.



Chairman Burroughs said Item 8 is the $12M of finance costs for the sales tax exemption on construction costs. I believe Katherine Carttar, do you have anything else you want to add to that?

1. **Neighborhood Revitalization Act**

Special Project Area Eligibility:
Project Area 1
Historic designation by State or Federal Register
Over $3 million of investment
Not tax delinquent

Benefits per the Policy approved by the Commission in 2020:
75% rebate on increased property value for 20 years
– 85% if LMW goals

KDG, LLC will continue to pay the current tax base ($145,000 in 2021) and will receive a rebate on the incremental property tax due to $20,900,000 investment.

2. **Sales Tax Exemption on Construction Materials via Industrial Revenue Bonds**

Thin project. Little return projected. Goal is to spur residential demand downtown resulting in a market where KCD, LLC can build new construction residential.

Katherine Carttar, Director of Economic Development, said just very simply that this is similar to what we discussed with the Rock Island Bridge. So, again, we are solely talking about sales tax exemption on construction materials. We're just using the Industrial Revenue Bonds as the mechanism to provide that certificate. This is not touching any property tax at all.

Chairman Burroughs said any comments from the public? **Monica Sparks, Acting UG Clerk**, said none were received.

Chairman Burroughs said I'd really like to say I thought this was a very innovative approach to help this project move forward to have it meet certain criteria to incentivize the participation of LMW. But just the way the NRA is put together allows us to recoup the present tax base and then get incremental, utilize it as our exemptions for additional improvements of buildings. I think that's a very novel idea, so I commend this project and how it was put together.

I would entertain a motion for Item 8, the $12M IRB Approval.

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

Item No. 9 – 211718…CONTRACT: REAL ESTATE PURCHASE AGREEMENT FOR 742 MINNESOTA

Synopsis: Option contract for real estate purchase agreement between KDG, LLC and the Unified Government for the real estate at 742 Minnesota Ave., Kansas City, KS, submitted by Katherine Carttar, Director of Economic Development.

Chairman Burroughs said that takes us to Item 9. I believe we will have a little bit of discussion about and so Katherine Carttar please on the real estate purchase agreement for 742 Minnesota.

Katherine Carttar, Director of Economic Development, said sure so I will just open, just kind of give an overview and then turn it over to Mr. Peterson. So, again, this is related to the two items that were just approved. There has been a request by the developer to purchase the building immediately to the east of the Brotherhood Bank Building. This is a building that the Unified Government owns currently and has for a number of years. Some may remember it many moons ago as the former EPA Building. The old, old EPA Building as it were in our community. It is a building that has gone through—we've looked to see if there is the possibility for historic tax credits, and we've had a number of different folks come out and look at that and feel pretty confident that the answer, unfortunately, is no. There's been a lot of changes this building made over the years so it would not be eligible. So, again, their request is to sell this building. They would demolish the current building they already own. The parking lot behind which has actually been another issue in terms of trying to get this building renovated over the many decades, and they would like to build some additional parking specifically for the residents. With that, I will turn it over to Mr. Peterson.

Kurt Peterson, Attorney, said nice to be in person with you all after two and a half years. Somebody's gotta say it. Pretty amazing, back in the room. I'm Kurt Peterson here on behalf of KDG who is the applicant here, as you've heard tonight. To make quality residential work, we have to have proximate and safe, and I say safe, perceived safe and actually safe parking for these residential units. I can tell you, as I guess an industry expert with all the multi-family that we do both in the region and nationally, that it is undeniably true you will not get people to live in a place unless they have like I said close and safe and always parking, period. I will say I could go on and on and something I'm really interested in and have devoted a lot of time to, and I won't.

I'll just make the statement emphatically I believe and have put a lot of time in, not even always when we have clients, into thoughts with Greg Kindle and others about how can downtown KCK get to a place where it was long before I was around. How can, I mean it is, I know it's possible and we've tried a lot of different ways, and like I said insert a long 10-minute monologue right there about, passion about that. But here's the point kind of the summary conclusion on that, which is I know for a fact, it will never happen. It will happen. It will never happen without quality residential downtown. Not a few units but a lot of units and you can't do that until investors with real hard cash believe they can get rents and it's one thing to come in with these 29 units.

This is a risk for this developer, big time, but they believe in it, and they have this building and they're doing a lot of office with it. They're going to go for this and then slowly when they go wow, they leased this up and they got x dollars per square foot that's what goes. I go to my other clients and say are you ready to do 100 units now. I think we can do it after that. This is real. You come in through 300 units and $60M but it doesn't you can't go zero to 60 you have to be incremental. So, there's my prefatory speech on why personally I think this is really compelling what's about to happen.

You got to have the parking though. We investigated where do you get the parking. You can't get the parking off to the west just off the screen to the left, there, all of that parking is owned by KDG kind of next to McDonald's there. What is it used for because you also have to have good parking for good office. It's completely utilized or will be when the office is full after the renovation for the office. The parking, just to the—I call it the south tower in the north tower—that north tower is the taller one up on State just to the east of that as Ms. Carttar is pointing out with the cursor. They also own that. Guess what that's used for? The office and particularly one specific tenant that's a very important part of their lease. So, the question is if you believe that you have to have the parking to put the really good residential in, where do you put the parking?

Our first choice was not to go next door to the building that we're talking about just to the east, as the cursor will indicate, of the south building. But we do believe it is the only real solution here. At first, we had engineers and contractors go over and spend real money and time on saying wow, could we keep the shell of that building so that has the frontage and you put parking behind it? We came forward, as I know Ms. Carttar will attest, because we have written bids and analyses that were done there. I'll keep it short on that Chairman because you'll ask questions if you haven't. It's not, it absolutely isn't feasible, which is consistent really with Ms. Carttar's experience. Again, again not putting words in her mouth. I've just talked to her a lot about how many people have come to try to refurbish, renovate this building and they find it doesn't work because structurally it's not "worth it." It's not feasible to put a bunch of money into the way that it exists today.

The other key piece here is it also has no—people above me make this statement I'm repeating it—it has no historical significance. It's not any sort of registered federal or state and the reason is because it's been so butchered over time, with façade work and redos, so it doesn't have the significance historically. When we investigated the amount of parking that could be put on that site if the building wasn't there, we were very, very fortunate to find it absolutely does meet the parking needs of residential. It works without that building, but again, please understand it's not where we started, and I know many of you—I'd be shocked if you didn't have initial hesitancy. Again, they come down I know downtown we don't tend to want to go knock down buildings, but we don't propose this lightly is my point. It's not where we started, and it wasn't without investigation.

The residential component of this project can't happen without this part of Item 9. It's infeasible to renovate as I said and not historically significant. I would propose this sort of paradigm that probably is different from either what you're thinking now or what you came into the meeting thinking, which is, I'd say this is the paradigm. We are trading up on this situation. It's a trade, you have to give up one good player. One of my favorite Royals players will be traded I'm sure, but we're going to trade up, we think or we wouldn't do it. This is a trade and it's a trade that we contend is absolutely worth it and furthermore, I would say this isn't a promise but it's coming from industry expertise and this very developer has plans for the future if we can prove out this market.

This is a perfect site for the long-term to get rid of the surface parking lot have there be parking with a podium above it and then you build your apartments. We do that all over the metro. But what do you need to make that happen? You have to have the rents that support it. How do you get the rents to support it? You have to start somewhere and start to build that market to show lenders and to show investors that it'll work. This is a stepping stone. In terms of logistics kind of closing on this point Chairman, on the logistics of this transaction what we're calling an option agreement, which is effectively a purchase agreement. The ability to buy this site from the UG, we proposed a purchase price, which I think is important to get on the record and get some discussion going of $181K. You say where did you come up with $181K? This site, although in UG ownership right now, has accumulated—I forgot to look how many, lots of years of back taxes that just haven't been paid that would completely wipe out all the back taxes and get this back to kind of clean title. One of you might say, two of you might say, all of you might say in your mind, well you want to pay more than that? Can we go above $181K? Fair question, right? We can talk about it, but I would just say right out of the gate think about it. I would ask that you think about it this way from this perspective. This is an over $20M construction project which don't even talk about the soft cost by the way and then the historic purchase of the building it's much bigger than that, but the construction is over $20M. I sat here tonight and it's always interesting to hear the UG from its perspective on its projects, the fire station and things like that. Did you hear the bridge, 25% increase in cost? Can I just insert all that discussion? This is really hard. These folks have been planning this project for three years. They have their federal and state historic tax credits ready to go, they have their lender, not closed because we have to do this part. This is a big deal.

I would say think of it this way, the building right now, clearly to the market people, have approached Ms. Carttar and her staff, they can't figure it out. The building ultimately, I'm going to say based on that, it probably has to come down. Even tearing down the building is expensive in any abatement you need to do, environmental, whatever you have to do. That's really expensive. So, I would argue there's even a liability to taking on the building and incorporating it into this project. So, that is a request Mr. Chairman, in closing, to please carefully consider what is not the first choice, but I think is a trade-up for the Unified Government and hopefully a ripple in the long-term effect that we'll have on downtown. We would ask that you consider the purchase price of these back taxes of $181K. But I'd love to dialogue and answer any questions you have or anybody on the committee.

Commissioner Stites said how long has that building been vacant, right now? I mean, do we know how many years it's been sitting vacant? **Ms. Carttar** said I think at least 20.

Commissioner Stites said so 20 years, vacant building. Do we have any kind of like an estimated reno cost the way it stands right now? The way I've understood that this building is kind of past that stage that you could renovate it. The cost way outweighs—you know sometimes people remodel houses and they think they're going to go in there and gut it and start over. They go boy, I wish I would have just dozed this thing. So, my question is do we have, is it past the point of somebody coming in and renovating it?

Ms. Carttar said I will put a huge caveat first that I am not a construction professional; however, I have attempted this has been a bit of my white whale working here trying to get someone to actually take this building and renovate it. I have shown it to a lot of people, and I will say that there are a few different issues.

One, at some point there is this addition if you can see my cursor added, that was not part of the original building. Basically, the entire wall anytime it rains, water just seeps in through that wall, so that would have to be either demolished or completely rebuilt. There is an elevator in the building that would, of course, have to be completely redone. HVAC, electrical it's a bit of a blast from the past when you go in there and look at how they were plugging things in at the time because you wouldn't be able to plug anything in today. You would have to take it down to the studs. Anyone that I have taken in there kind of comes in excited at the prospect of getting a building downtown and then in the end it has been fairly consistent by actual professionals that it's not worth the money.

Commissioner Stites said how many parking spots would this utilize, I mean… **Ms. Carttar** said I believe it is 47.

Commissioner Stites said how many? **Ms. Carttar** said I believe 47, yes.

Commissioner Stites said so 47. I'm going to round up to 29. It makes it easier on any housing division that we would ask for a parking spot and a half, for 30, which makes 45. Easy math. This exactly meets what is needed for the residential component of this project, right, is that correct? A spot and a half is what our code say. **Ms. Carttar** said I believe so, [inaudible].

Commissioner Stites said okay, Gunnar's in the back, shaking his head no. **Ms. Carttar** said I don't know.

Commissioner Stites said at least I think he is or he was choking on his mask.

Gunnar Hand, Director of Planning & Urban Design, said this is Zone CD, no parking is required for residential.

Commissioner Stites said okay, but I'm saying that we would, on other projects, a parking spot and a half is what our code says, correct? Another development that we've been talking about on Central per se. **Mr. Hand** said it averages around one. If you get up to two bedrooms, it's one and a half.

Commissioner Stites said okay. I will tell you there is nothing more frustrating than to try and go do business at the Annex out west or go to the soccer game or go to a restaurant and you drive, or you come down here to pay your tags or pay your taxes and you drive around for an hour to try to find somewhere to park. It's frustrating. I would think that we would be doing a disservice to this project if we didn't allow them ample parking spaces to make everybody that wants to come in there, utilize the office space and for the residents to have a spot that they can pull in off the street and go to their home, and again, their home. Not parked on the street, not parked down in an alley half a block away, but right there where they live. I'm totally in support of this.

Commissioner McKiernan said I've told Ms. Carttar, I've told the developer, and now I'll tell Mr. Peterson. I just am not in favor of approving this sale, nor this demolition. Now, it's not to say I won't do it, it's kind of amazing that we talk about well you can build up your downtown and all you gotta do is tear half of it down that just doesn't seem like the way we want to go on this and so I that that's the problem I'm having getting over this. We have a block here, the 700 block is almost completely populated in terms of buildings. Directly across the street to the south from this building, there is that giant pit where there used to be a building and it's gone now, but that's the only gap. Well, I'm sorry, next to the Economic Development Council Chamber Building there's also a gap, but there are very few gaps in this block. I am reluctant to introduce more gaps regardless of the benefit that it might bring. Not to say that I wouldn't ultimately go along with it, but I just, have a real problem with that. Ms. Carttar have we ever actually put this building on the open market, put a for sale sign on it, and allowed people to come look at it? **Ms. Carttar** said we have not, at least in the last four years, we have not.

Commissioner McKiernan said so take me through. If we had put a for sale sign on it and to the open market, what would have been the difference in the reactions of people who came to look at it? Would it have been any different than the folks that we have taken through?

Ms. Carttar said I mean, I don't know. My guess is that we would not, considering it is a building that the Unified Government owns and whether it's someone proposing a renovation or someone proposing to tear it down, I kind of look at this similarly as because it is our building. We kind of have that standard that we can determine what we want, so we wouldn't just sell it to anyone who was going to put $10 into it and call it a day. That would not be code compliant I'm sure, but a long way of saying I don't know. It is certainly something that we could do and see what happens.

Commissioner McKiernan said I completely appreciate what Commissioner Stites says in terms of the critical relationship between this space and parking the tenants who would live in this renovated building and the energy and capital that those tenants would bring to downtown. I completely get it. I understand the additional tax value, even with the NRA, we're going to get more from that building than we're getting today. We'll get additional residents downtown; they will probably generate sales taxes among other things that they will generate downtown. So, I get it, but I am still reluctant to see this building disappear. If it were to disappear, I would say I will expect, no demand, that it doesn't look like a parking lot from Minnesota Avenue, for goodness sake. That we somehow construct a façade that hides the fact that it's just one more parking lot and makes it look better. A buffer, a bench, something that hides the fact that it's parking from Minnesota Avenue.

Commissioner Stites said is it possible that this parking lot, and I like what you said about it having the appearance of it's not just a black asphalt parking lot or concrete parking lot for people [inaudible]. And having it shielded from the road, and maybe some nice plants or whatever, however, this gets designed. But what about the possibility of it being gated for just those residents? Is that a thought, where the people that are paying rent, and I'm excited to see that we have folks that can utilize it? People that may work down in this area can utilize those apartments. So, I don't know, just a thought, maybe something to think about. It could be gated, where you use your card and it's shielded, and it is protected from the view of Minnesota. Looks nice, it's appealing and you're not looking just directly at an open parking lot.

Mr. Peterson said that's one of those things that we've had preliminary discussions with Mr. Hand and his staff. We didn't want to get the cart before the horse. You don't want to spend too much time on that because we need to come to this body and the full Commission, but we've already started that discussion on what that could look like. Commissioner McKiernan's comments are well received, as are yours.

Commissioner Townsend said it's already been stated you're looking at 45 spaces for the desired lot to the east. Do I understand correctly that this developer also owns the parking area that sits to the east of McDonald's, you see it on that screen? **Mr. Peterson** said yes, ma'am.

Commissioner Townsend said what would the addition of 45 more spaces due to that lot in terms of capacity. Would that be something, I mean in other words, have we already got space there that could be utilized for these new apartments and the other tenants that would be there? **Mr. Peterson** said so from an ability to practically park, what will be very nice office space, we don't have access stalls. That's point one. Point two of two is in discussing very closely with Kevin Kearns, KDG, the developer, the expectation we believe, and more importantly they believe, is that to have the parking be sufficient; what did I say, proximate and safe and that member perception counts on that at night, what have you. It really needs to be next to it. Not crossing streets and all that, and without getting into the details in front of this committee right now and spending more time on it. There's already discussions anticipating that if this is moved forward on how exactly even you have secure walking from your car in the parking lot where the building is now, into the residential? And again, I can start giving examples, but I don't want to do that to the Chairman on committee time, but that's how important the proximate part is, Commissioner Townsend.

Commissioner Townsend said I understand. Well, thank you. I just wanted to see if that had been considered. I agree wholeheartedly with my other colleagues who stated that for that kind of project, you do need parking, but it would be great not to have it appear just a flat open surface. People will miss the visual of something there, even though it sounds like it's not usable right now for anything. But that is interesting. Is this lot a Land Bank lot? **Mr. Peterson** said no ma'am.

Commissioner Townsend said it's not. It's owned by the UG, but it's not Land Bank. **Mr. Peterson** said correct.

Commissioner Townsend said but it is interesting that maybe we just never put a for sale sign on it. Kind of late at this point, but that's interesting that wasn't done. I would appreciate seeing whatever aesthetics could be achieved to make it look more inviting than just the bare flat lot. I don't know if that means an arch over it or something more aesthetically pleasing, because that will be a hole. I think people will perceive a hole there, where they're used to seeing a building, even though it's not usable in its current state, apparently.

Commissioner McKiernan said so I'm going to restate what I believe I've heard tonight. If this whole project comes to fruition, we will have a true mixed-use building on the northeast corner of 8th and Minnesota. There will be commercial tenants and residential tenants in this building.

Mr. Peterson said yes sir, in a screened residential parking lot. I'm being serious—a screened residential parking lot. But clearly, if this committee recommends this to full commission, it's approved. There needs to be adequate screening, which we'd work with.

Commissioner McKiernan said another thing that I want to remind everybody is that ultimately this committee makes a recommendation to the full commission, which then ratifies one way or the other the recommendation made by this committee. This might not be the last time that this project is discussed.

Chairman Burroughs said we have a motion and second. Committee, thank you. I do want to see if there's any comments from the public. **Monica Sparks, Acting UG Clerk**, said no additional comments were received.

Chairman Burroughs said we do have some people present that would like to speak. You'll have three minutes. Please state your name and place of residence, please.

Greg Kindle, President of the Wyandotte Economic Development Council, KCK resident, said I will admit I wasn't planning on speaking on this issue tonight, but I do think that having been in this role now for the last 10+ years and probably your chief real estate agent on this particular building. It is a UG building without a real estate broker on it. We have largely held the keys to this building and have shown it many, many, many times. When I say many, many, many times, we probably have shown it at times once-a-week. For a long period of time, we showed it a lot, we talked to a lot of very large, well-known companies throughout the metropolitan area, and very recently, we've shown it to some fairly well-known companies. And each and every time here's what we basically got back as a response. I don't know what the ultimate right decision is, but here's what we've largely seen. There is zero parking for this building.

In all of the years that this building has been under the UG's ownership, and keep in mind, this is a former-EPA building, so we were not given this building when it was in good shape, to begin with. The EPA left the building, the UG was left with a building that needed to be abated, and the UG and/or the EPA long before I came along, gutted the building to some degree, but didn't do it really particularly well. It had a leak some years ago. Then the UG partially fixed that leak, but it didn't stop. So, today we have a building that has zero parking identified to it. The UG didn't purchase any additional land to give it a parking lot so we could meet the needs of the clients coming in. It doesn't technically face Minnesota in an easy way. The only really easy part to identify and market is on the north side of the building, which we do have an active client looking at that part of it, but to be honest I don't think any of the clients we've talked to recently have the financial capacity to do the project. It has a leaking roof, and the elevator doesn't work. We know that almost every one of these buildings downtown have major elevator issues. **Ms. Sparks** said one minute remaining.

Mr. Kindle said it has structural concerns that we don't yet have resolved. I've walked that building many times. Power is not working, so we tend to take a lot of flashlights and our phones so that we can see in the basement. We hope that it hasn't rained recently, because you can walk through a couple of inches of water in certain spots within the basement. It has a very interesting inside when we walk around all the dead birds, and it doesn't have a lot of windows, and all those ones that it does have need to be replaced. To be honest I wish there was another option. We have talked to this particular client a couple of different times about whether or not the existing parking lot to the west of the building could be improved to the safety standards they require, so that we could figure out a different option on what to do with this building, or if they would commit to a term of time in which they would construct new investment on this soon-to-be-demolished building so that we could move forward with the project. It does drive new real estate property taxes. It does drive new interest and… **Ms. Sparks** said your time has expired.

Mr. Kindle said investment. I don't have the right answer for you but that is the situation analysis that I have for you.

Commissioner Stites said I have one last statement I want to make. So if I'm not mistaken, in the presentation it said that ultimately the success of this project would spur additional development in the form of apartments, with maybe mixed-use apartments/office space, and that would then utilize some above-ground parking or above-the-surface parking would go away. Then I guess is what I'm saying. But that's our plan is for this to ultimately be successful and this not be a vacant parking lot in the future. Is that correct?

Mr. Peterson said yes and it's not a pipe dream, just look at North Kansas City. I'm not saying we need to be like North Kansas City, but that is a—I know people live around that have paid attention to North Kansas City was, well that could never, that will never—and just in my career, just in the last 16+ years, guys we're just the lawyer for, you know and all that—for our project that what has structured parking with beautiful apartments around and a little—I need to go—I mean this is not a pipe dream. It's hard, it'll take some time. It's not tomorrow but that's the dream, that's where we're heading.

Chairman Burroughs said any other comments, concerns, questions?

David Haley, BPU Board Member, said I'm not sure you can hear me, I'm sorry. I lost my reception for a bit. I certainly appreciate this consideration for this downtown development and many of the comments that have been made, notwithstanding, I respect. I am going to, and I know which way, I can kind of read where it's going, and not suggesting it shouldn't be made. I will be abstaining from this particular vote, not because I don't think some of the merits that have been raised are good and certainly the full commission, I think, will be able to consider them. I've been a long-standing supporter though of trying to find a means by which we maintain the integrity of some of our structures. I'm not a fan of green space or of asphalt, even though the need might be clearly shown where a renovation is possible. I will abstain, I'm not going to vote against this motion. Obviously, those who are on the Commission will have the opportunity to discuss it more fully and allay whatever concerns those of us like myself and the minority might have about the presentation.

Commissioner Townsend said can we just have more of an explanation about the extent of abstention so that all of us understand in what circumstances any of us could abstain since it's so important for us as members of this body to say yes or no. I know it's quite often very hard but maybe this is a question for counsel as to under what circumstances a member can or can't abstain from a vote.

Wendy Green, Assistant Counsel, said you can abstain but it's still going to take four votes to get it to the Commission, affirmative votes. In essence, what an abstention vote ends up being is an affirmative vote when it's counted. You would still have to have affirmative votes, so inevitably you would count the abstention, but only after you already have your four affirmatives, if that makes sense. You have to have four affirmative votes to get it to go to Commission. If more people abstained, you wouldn't have that affirmative votes.

Commissioner Townsend said I think that's the underlying question I'm asking here. Under what circumstances can you abstain? Not just the count, but when can you and when can you not?

Ms. Green said I believe anybody could. It's just that if everybody does, then it goes nowhere.

Commissioner Townsend said okay, and I asked this question because there was, way back, a situation where I abstained, but because that was the relationship involved with the entity that was before the Commission. I can't remember exactly what it was, but that was the situation. That's why I'm asking under what specific circumstances, can you abstain or not?

Chairman Burroughs said I know in most cases an abstention is usually due to a conflict of interest, whether it be personal ownership, financial benefit, business benefit, or business relationship. That's why we disclose our contacts at Commission meetings. I know on the state side if you abstain, the body makes a determination if it's allowable or not. I don't know that we do that here at the UG. **Ms. Green** said I don't believe we do that.

Chairman Burroughs said any other questions.

Mr. Peterson, I'd just like to state that there's been a lot of nice comments but when it comes to that building, we had the Landmarks Commission appear before us last Thursday. One of the comments has stuck with me. I remember it was Chairman David Meditz that made the comment that demolition by neglect is because we have failed to board up or properly take care of the facilities that we own.

When we talk about revitalization and rehabbing these buildings, we have done a disservice to that piece of property, because we didn't take care even when it needed care, and it just drives up the cost of rehabilitation of that facility. I, too, am very concerned about the parking lot's presence. I'm concerned for safety reasons, because of the parking lot, it's going to allow vehicles to come straight out onto Minnesota Avenue, because there's not a retaining wall to stop it from coming all the way through the parking lot, onto the sidewalk, into the public purview. There's a header opportunity to put on the corner of the building, that would reach over to a façade that could be built a 4-foot, 5-foot façade on the front of the parking lot that could have an ornamental fence put on the top of that. Not a barbed wire fence, not a straight chain link fence, but an ornamental fence that could complement the downtown area to show that is a residential parking facility and not just a parking lot. I think the safety of the pedestrians and the safety of the traffic flow on Minnesota Avenue would be very concerning if it was just a flat parking lot. I agree with the downtown shareholders that open space there would not complement the downtown even though we would have an opportunity to have the new building beside us.

I don't have the answer as to the cost of demolition or anything like that. My concern would be the value of that property once the building is torn down. Now if they want to build a new facility, they've gotten a very good price, received a very good price, on a piece of property that would have to come back before us, the Planning Commission, to determine if we even want to allow a building of such. You already have a prerequisite with the Brotherhood Building having a business model on the bottom and lofts and stuff on the top. You could have your parking, your covered parking on the site that's 742, and then build on top of it as you stated later on. These things all come to mind when I had a long discussion with Katherine Carttar in reference to what we can do.

My number one concern is the safety of the public dealing with a parking lot that just comes straight out onto Minnesota Avenue. I believe you need to talk to your partners in the process here about some sort of barrier, that's an acceptable barrier that complements the fascia and the façade on Minnesota Avenue. I believe that would address some of the concerns we've heard here this evening. As I stated, it was mentioned the gated community, actually, it could tie into the corner of the Brotherhood Building if they wanted to on the front of Minnesota Avenue, come across with the header to the corner of the proposed parking structure and tie into a façade that's 4- or 5 feet tall, runs the length to the new building that is to the further east of the parking lot. You could put stucco on the front of it, whatever, but it just needs to be acceptable to our downtown community. That, in turn, would address some of the safety concerns that not only have I mentioned but some of the façade issues that have been mentioned by the committee.

I can't answer if I like the building being torn down or not. I did talk with the Landmarks Commission, and I have talked to the Downtown Shareholders. I'm pleased to see them here this evening, but there is concern about creating a gaping hole. I think the façade and maybe a gate or recognition of the facility that is being rehabbed would be enough to remedy some of the concerns that we have. The next question I have is if we don't take action this evening, what does that do to the plan?

Mr. Peterson said the south building, the residential building can't move forward without it. If it's delayed, it just delays the project and if it's not eventually approved by the full commission then it kills the residential project.

Chairman Burroughs said in reference to the comments you've heard here this evening, you can't state and I don't mean to put you on the spot, but you cannot state that they're agreeable to putting some kind of façade or retaining feature on the front part of that parking lot to remedy the concerns that have been mentioned here tonight, not only by the commissioners but by the public.

Mr. Peterson said I can definitively state that it sounds like that's the direction. There's so much time and money in this project and I can be around a little while here, I can read the tea leaves. It has to happen now. The fine details of working with Mr. Hand on the exact design and all that I hope, and I know you'll let us work with staff and come back before or through the planning process. That's the color behind the answer is, yes we need to move forward with if the votes are here tonight, we need to move forward with what's being proposed from the dais.

Ms. Green said I was going to say, I did find an answer, a definitive answer to the question about abstention in voting. In Section 906, it does say all commissioners are to vote except in case of conflict of interest, and it specifically says a commissioner shall discharge the responsibility of the elective offices and shall vote on all matters coming before the Commission, except in those particular cases of conflict of interest approved by the presiding officer. In which case, the commissioner may request permission and may be authorized to pass his or her vote unless a commissioner votes audibly to the contrary or unless the commissioner is granted permission by the presiding officer to pass his or her vote on a particular matter. His or her silence and voting shall be recorded as an affirmative vote.

Chairman Burroughs said as an affirmative vote. I believe that the Legal Counsel advises if we can abstain or not, if I remember correctly. **Ms. Green** said the presiding officer does.

Chairman Burroughs said so who would be the presiding officer this evening? **Ms. Green** said the presiding officer would be the head of the committee.

David Haley, BPU Board Member, said point of clarification. So rather than abstain, a voting member can pass without anything. What's that difference then, please, between an abstention and a pass?

Ms. Green said it's the same thing.

Chairman Burroughs said Mr. Haley did you get that answer? **David Haley, BPU Board Member** said I did. Thank you.

Chairman Burroughs said any other questions or comments? Committee, there's a motion and a second on the table. There's concerns we have no commitment that the façade will be built, but we do have an agreement with Mr. Peterson that he will work with Mr. Hand on the Planning Commission to address this issue. The main issue is are we going to approve the demolition of 742 in this discussion this evening. Is that a position or a commitment this committee is ready to make as a body, or would you like to bring this forward to the entire Commission to make the decision?

Commissioner Stites said [inaudible].

Chairman Burroughs said well there could be a substitute motion. There's substitute motions always in order. I'm sorry, I didn't hear you Mr. Stites.

Commissioner Stites said I stand by my motion [inaudible].

Commissioner Townsend said looking through here, this option contracted, it appears, correct me if I'm wrong, that the closing date on the property is no later than two years. Does that not mean that until the closing date takes place that no demolition can occur?

Chairman Burroughs said so we have time.

Commissioner Townsend said if we pass this they can't demand and I need clarification from Legal that is how I'm reading this, that if we pass it there still can't be demolition until the title passes. **Ms. Green** said that is absolutely correct. The option agreement gives them the exclusive option to purchase this property.

Commissioner Townsend said after two years. **Ms. Green** said they could be within the two years if they wanted to. If they don't do it within the two years, then the option agreement would expire, unless it's extended.

Commissioner Townsend said but until the title passes, they would not have the right to demolish. **Ms. Green** said that's correct.

Chairman Burroughs said any other questions or comments? Seeing none, I asked the Clerk to please call roll.

Action: **Commissioner Stites made a motion, seconded by Commissioner McKiernan to approve as submitted**. Roll call was taken and there were five "Ayes," Davis, Townsend, Stites, McKiernan, Burroughs, and one "No," Haley.

Ms. Green said this is Legal again, saying that he's passing, that again has to be approved by the presiding. So, he can't pass ahead of time without permission from the presiding officer to abstain or pass. Saying that he passes is the exact same as saying he's abstaining from voting. He would need prior approval from a presiding officer to do that.

Chairman Burroughs said Mr. Haley, you'll have to vote, there was no approval by the presiding officer ahead of the vote to allow the abstention. You'll have to, I'm going to have to have you vote.

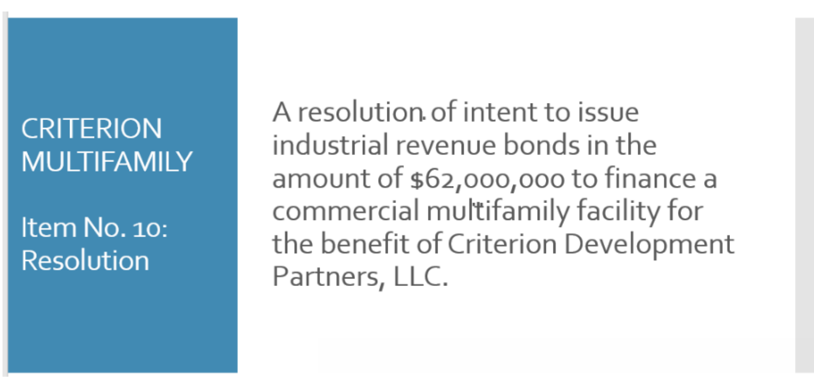
David Haley, BPU Board Member, said thank you Mr. Chair. I vote no.

Chairman Burroughs said thank you, Mr. Haley, appreciate it. **Ms. Sparks** said the vote is 5–1.

Chairman Burroughs said 5–1. We will have a discussion before the full commission in reference to this issue. Thank you, committee, that was some heavy lifting. Mr. Peterson, thank you. We do hope that you take the message back from this body to the developers and let them know that we're excited about the project, but we do have some critical safety concerns in reference to the parking lot and the visuals of our downtown community. **Mr. Peterson** said yes sir, heard it loud and clear. Will do.

Item No. 10 – 211719…RESOLUTION: CRITERION MULTIFAMILY PROJECT IRB
Synopsis: Resolution of Intent to issue Industrial Revenue Bonds in the amount not to exceed $62,000,000 to finance the costs of acquiring, constructing, improving, and equipping a commercial multifamily facility for the benefit of Criterion Development Partners, LLC, submitted by Katherine Carttar, Director of Economic Development.

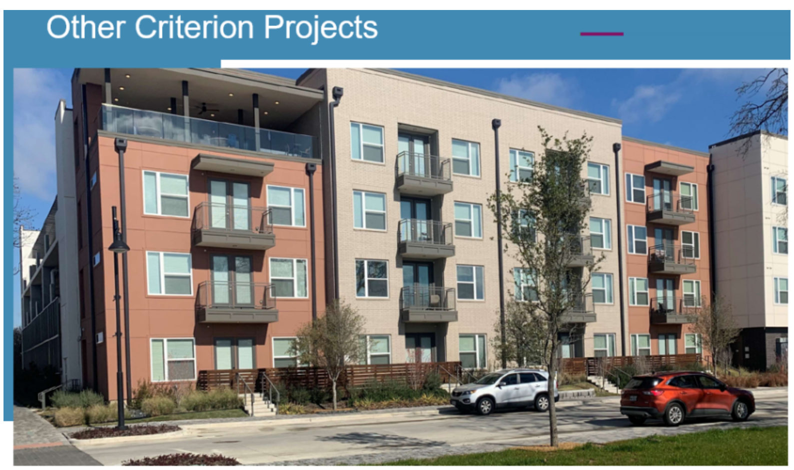
Chairman Burroughs said that takes us to Item 10, the resolution for Criterion Multi-Family Project IRBs. That's the resolution to issue IRBs in the amount not to exceed $62M to finance the costs of acquiring, constructing, improving, and equipping commercial multi-family facility for the benefit of Criterion. I hope I'm pronouncing that properly. Criterion Development Partners.



Katherine Carttar, Director of Economic Development, said we've talked about IRBs twice already this evening. Both of those were sales tax exemptions. This is the other type of IRB, Industrial Revenue Bond. This has to do with property tax. I'm going to let Mr. Peterson give an overview, there's a lot to kind of dig in on this one, but generally just keep in mind as we're going through this, this is a multi-family project proposing $62M. The way that the Industrial Revenue Bonds would work, would be as we've seen in the past, industrial as well as multi-family projects.

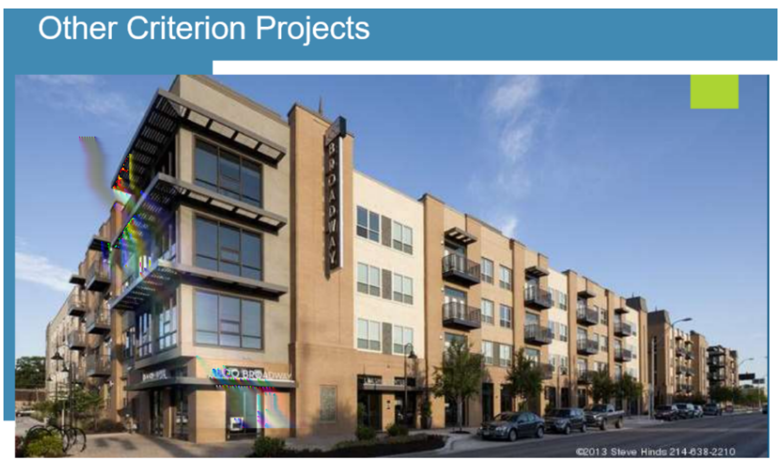
Basically the project would be tax-exempt; however, then we come back, and we put a predictive payment plan in place. This is a payment in lieu of taxes, so while they are technically not paying property taxes, they are paying a property tax like a payment every year for 10 years. Then the property would be put on the tax rolls as normal. We can get into all of those details here, in a bit, but first I'm going to turn it over to Mr. Peterson for an overview of the project.

Kurt Peterson, Representative for Criterion Development Partners LLC, said you had it right, Criterion Development Partners LLC. Quick roadmap to be efficient and going through this quickly.

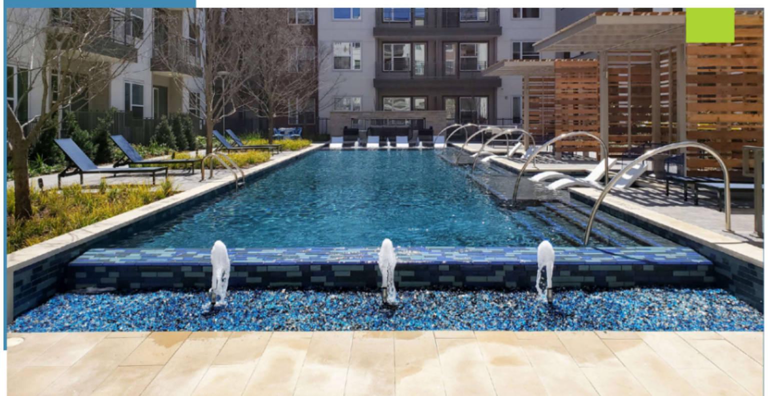


Give you a little sense of who the developer is because that will be your partner here, a sense of the project site, a sense of the project and what we want to put on that site and lastly restating with just a bit more detail what Ms. Carttar just said in terms of the request that we ask of this committee's consideration tonight to move the project forward.

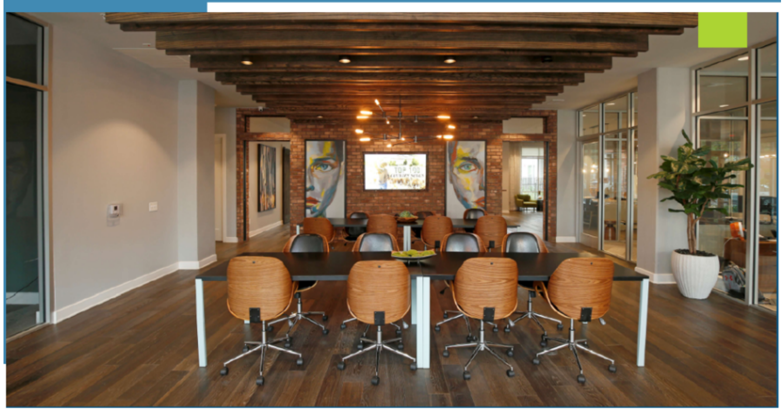
First, the developer. So, the developer, Criterion, is an approximately a 20-year-old multi-family real estate investment firm. They're based in Boston and a majority of their projects have been focused in those areas. They have approximately a billion and a half dollars of experience, so far, doing multi-family in those markets. They are top shelf as I like to say, very, very high-quality projects. That's all they do. I should, before going any further, say with me from Criterion tonight are Kelsea Riddick and Todd Thomas. We've been working closely now for months on this proposed project. Then also sitting with them is Steve Allison, a face that many of you know quite well. Steve's relevance here is he's not with Criterion, but Steve owns the land that we're going to talk about in a minute where this project would go and believes in this project enough that he will also participate financially in the overall project with Criterion. I'm going to spend all of about 20 seconds trying to emphasize that point, which I think is really important. Who is this developer that's coming into town that wants to pump $60M into this site?



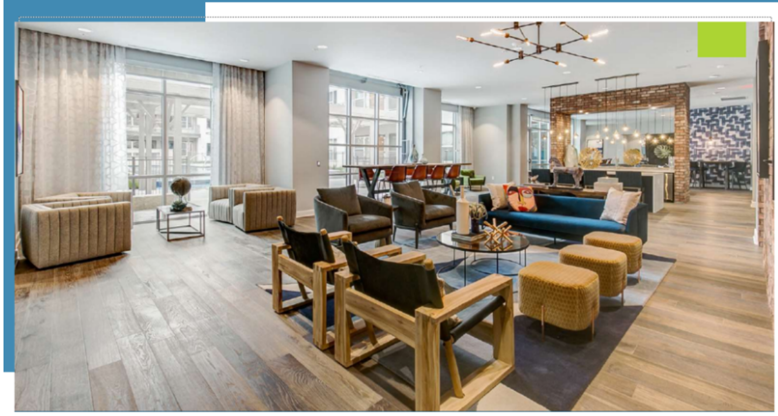
Other Criterion Projects

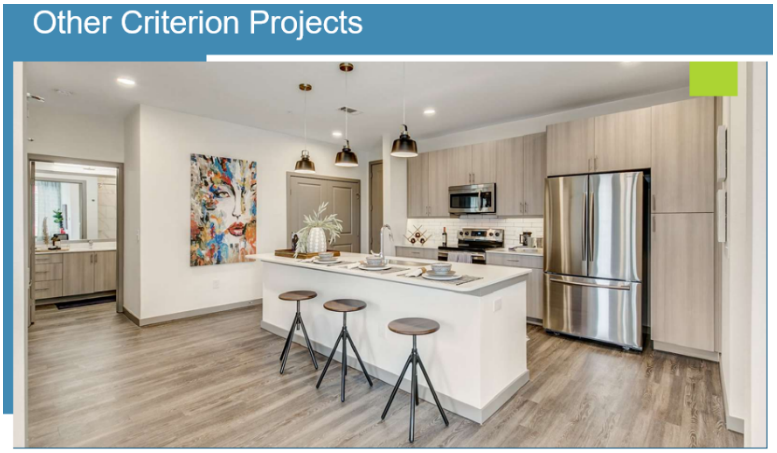


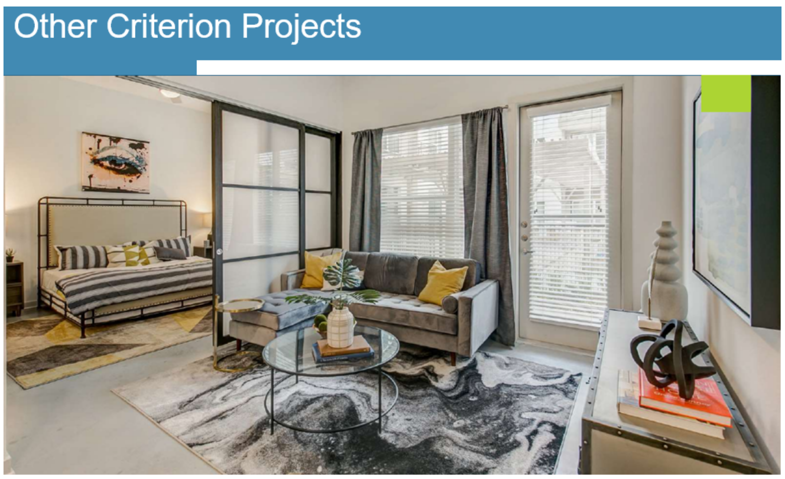
Other Criterion Projects



Other Criterion Projects

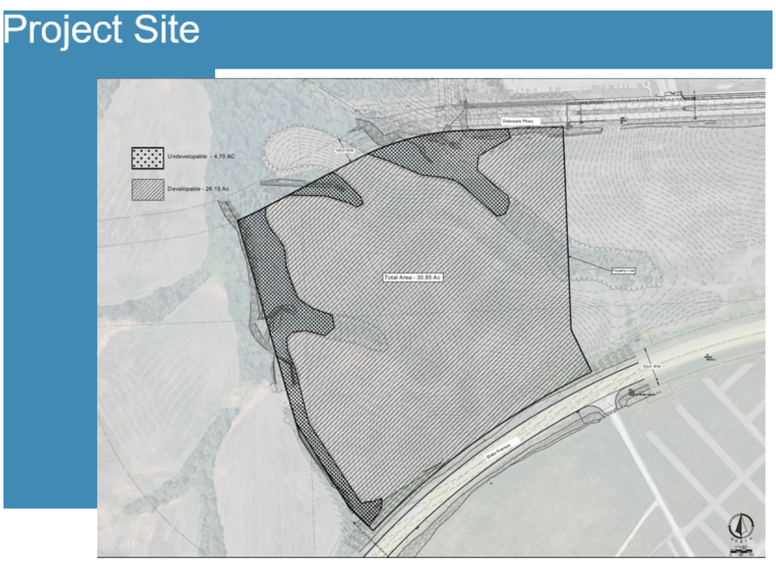






If you just take a quick look at the screen, these are just exemplary projects they've done. Again, in the Boston and Dallas market and you'll recognize you know luxury high-end quality both exterior and interior for all the projects that they do. So, that's the developer. Gives you a quick sense of who they are and what they're great at, what their experience is.

Second is the project site. This project site is approximately 30 acres northwest of the Speedway. It's north of State. You can see State curving around there, around the northwest part of the Speedway. That's the southern boundary. The northern boundary is, you could say, the Village West Apartment Projects there that you can see just north of Delaware Parkway where the cursor is here.



So, this 30-acre piece here; now we're going to zoom in to that spot. You can see the shaded area, that's the 30 acres, very specifically, where this proposed project would go. What do we want to do on that piece of dirt, what is the proposed project? It's called single-family residential. That doesn't, single-family rental, I should say. That doesn't tell you much by the name, but I will tell you if you Google it, and now forevermore when you hear it, SFR is the acronym for single-family rental. You're going to find that it is a hot commodity in the top markets, in the top cities across the United States. What is it? In short, and I'm going to quickly tell you why it's not apartments, I'm going to use that, but I'm giving you the punch line afterward. I would call it horizontal luxury apartments and what I mean is the feel of it, but very specifically, it's not apartments. But again, giving you a sense for what is SFR.

Specifically, on this site, I'm going to show a concept plan. On this site, this SFR product would be approximately 230 residential units. Now, these residential units would be spread across both single standalone, single-family residential houses, not attached to anything. That would be some of the units, and then others would be put together as a twin, connected to one other unit. So, you have singles and twins, and a total of 230 of them. You have a mix of one- and two-story homes. You have a lot of different shapes because they really believe in not sort of a monolithic homogeneous design. It looks interesting.

You have all the amenities you all have seen in our handful of luxury apartment projects. That's why I say it's horizontal in some ways, horizontal apart luxury apartments. Pool, clubhouse, business and our co-working space, dog park, I could continue, but you've seen this before. It's the top end in terms of amenities. Each unit would have a garage that's attached, part of their home. The community design is all about having a community block, so what you're seeing on the left of the screen where I'm indicating with the cursor, State Avenue, Delaware Parkway, again, the 30 acres. If you look at these fine little boxes here, that's giving you a sense of what a little community block would look like. That's the pool and the amenities. Here's another one here.

What this is not, I should say this right out of the gate for the public seeing this, these larger white boxes are not buildings. That's just because we're at the early stages, we didn't have the renderer take every one of these little blocks and draw these smaller buildings. But each one of those white blocks constitutes what you see over on the right side of the screen, which is a little community of residential units. For instance, here's a single that I mentioned, that's totally detached. Here's a twin where two units are connected, and you can see this wonderful courtyard area that they open up into. You have your garages here that we talked about. It creates a really nice sense of community.

We have maintenance provided for the whole complex, so you don't take care of any of the landscaping and the green space and the amenities. It's all taken care of by Criterion and they're professionals.

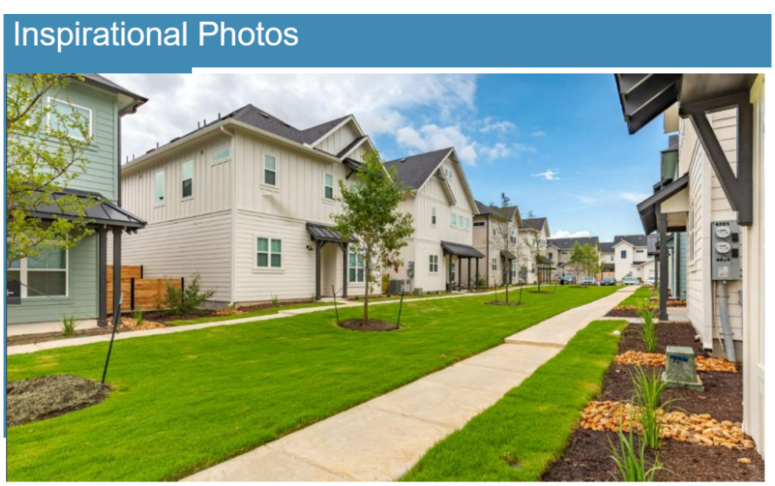
You have one-, two- and three-bedroom units to give a great diversity of types of living units and then if you average it all out it's about 1,100 square feet per unit. But, again, you have smaller than that and you have larger. That gives you a sense of the average unit size. In terms of rent, because that question, I don't care what project I'm doing, where I am, people would like a sense of the rent. What are people going to pay here? So, insert, I'm allowed to do this, right, as lawyers? Insert what I said at the other discussion a little while ago, the caveat, so you don't have to hear it all. But again, the market sets the rent is the point. But you certainly make plans and with your pro forma. So the rents, the hope is the rents come in and this is the app, this is very similar to the last discussion, average rent just like it gave average square footage would be between $1.65 and $1.75 per square foot.

Quick note, it might occur to some people in this room because it occurred to me, because I have the privilege of doing residential projects all over the metro, that one of the hottest themes right now that we all care about and are focused on, is attainable housing. So, someone might say, Kurt that didn't sound like attainable housing at this project to pay $1.65 to $1.75. That's because this wouldn't be one of those projects. It's just not possible to build this level of quality with SFR like this and pull that off. That's not to say it's not important, but it's just not part of this project. There'll be other projects that I'll get to bring forward and that we'll have in Unified Government, but it's not this project. Just to say it right out of the gate.

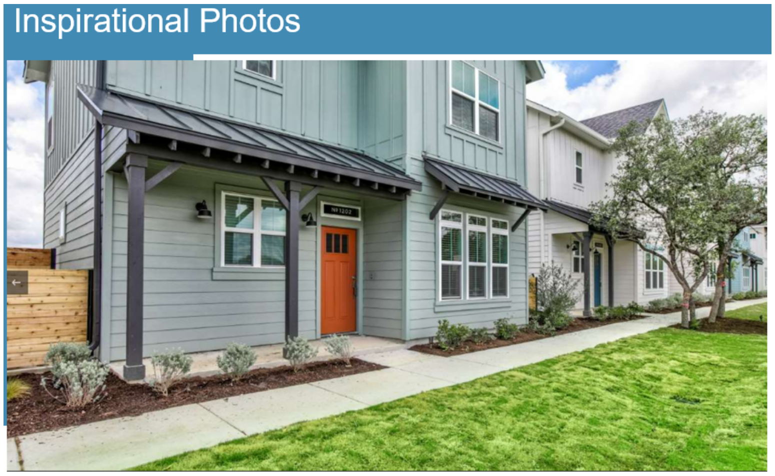
But it does provide something really important that I know is a policy goal of the Unified Government, which is a diversity of housing types. I've heard specific commissioners speak to this and I want to emphasize it. This is a product that, Johnson County doesn't even have one out of the ground. I have clients that are looking and trying to figure it out. This is a cutting-edge, high-end product that would expand what's available to both current and future Wyandotte County residents.

One other caveat and it has to do with community benefit, because that's something that I've heard this Commission and specific commissioners talk about with a lot of projects that come forward. So, even though there may not be an attainable component with this project, there is a community benefit aspect that's built into the subject agreement that's in your packet, that I imagine Ms. Carttar may speak about in a minute. I just wanted to put, I think it's relevant here to the attainable part, there's a community benefit associated with this project that again, is part of the contract associated with this incentive of IRBs.

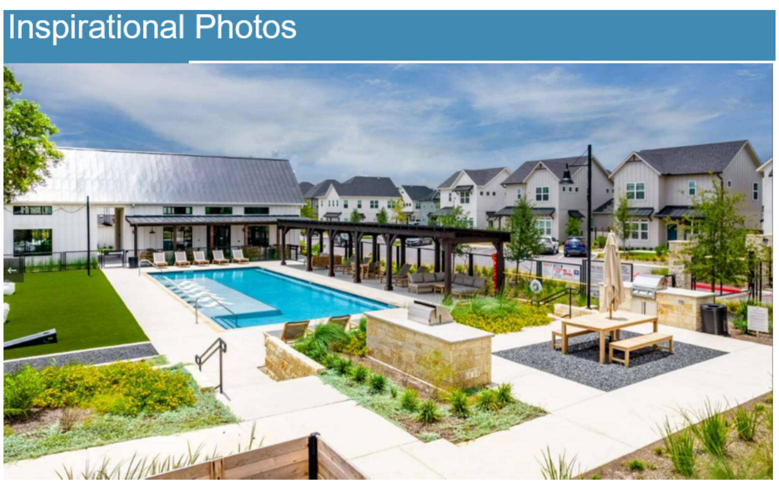
Another question that always comes up, who lives here? You got to be targeting some groups, right? Different housing types for different types of folks and walks of life. The target group is young professionals and empty nesters, lock and leave, that whole group so, kind of both ends of the spectrum. And that, by the way, if that sounds reminiscent of something else, that's high-end luxury apartments. It's the same general sort of audience and yet this provides something that many people want to get out of the high rise. They want to still feel like they're in a home and this provides those same, again, I call the bookends of people, the earlier in life and later in life. It provides them that home, sort of atmosphere with the luxury apartment, sort of feel and amenities. So, what it doesn't target is families. It doesn't mean a family couldn't move in, but you can get so much more, so much more yard, so much more house for your money if you have a family. It could happen now, and again, but it's certainly not a target and it's not going to happen in general.



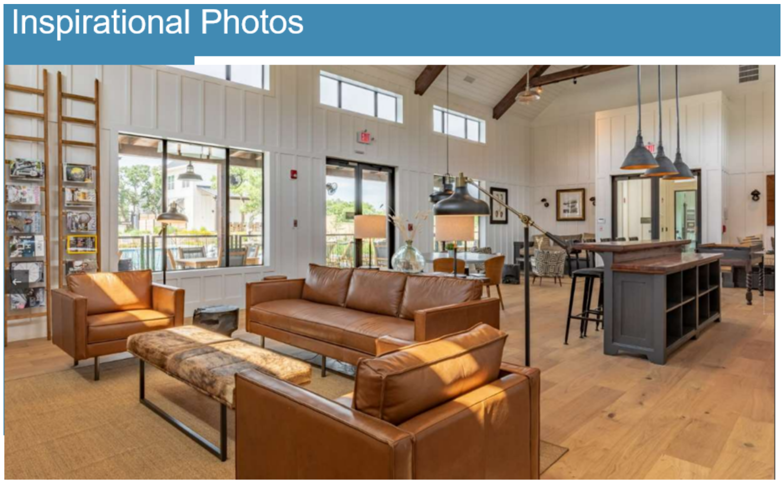
So, you may need a picture to end here like I did, frankly about a year ago when I first got into SFR projects nationally. These are just inspirational as they're doing their design right now.



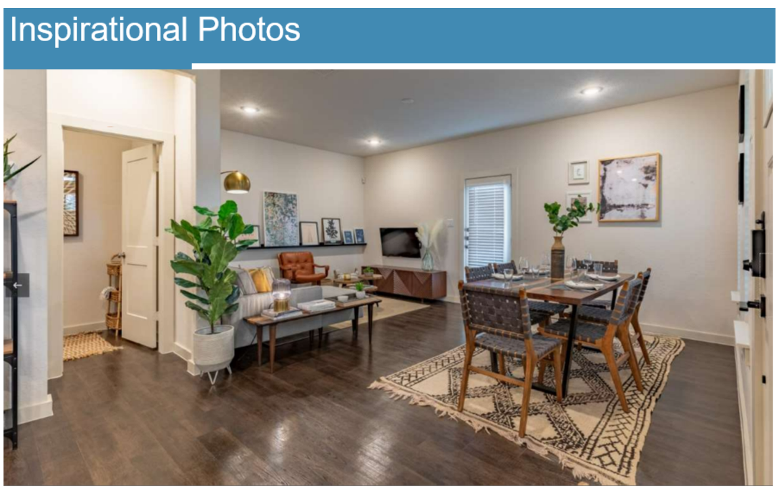
I'm just going to go through a couple of slides here. You can see them in color, on the screen, gives you a sense again of one- and two-story also.



This is an example of common area, amenities.



Go interior to the common clubhouse space on this one.



Another look inside a unit. Just illustrative here.

With that and wrapping up, I said I would end with what the request is, of course, for this body tonight in terms of making a recommendation hopefully to the full Commission. As Ms. Carttar introduced, the sole tool requested tonight is the use of Industrial Revenue Bonds and both possible benefits under the statute. One sales tax exemption for construction materials and FFE. That's over, that would help this project immensely.

Then secondly, is predictable tax payments. I assume Ms. Carttar will probably unpack that with you. It's in your packet in the agreement. But there's really no comps, there's no comps for a product that doesn't even exist in our state, frankly. So, it is very, very important for a project like this to have lock-in tax payments. So, with your support for IRBs, this project is targeting an early 2023 start. It will take approximately two years to get all the way open, with the last units being occupied. We're really excited about it and thank you for listening. We'd love to answer any questions that you have now or later.

Chairman Burroughs said committee, questions? Any hands up? No hands. A couple of points of clarification if I may. These are rent versus purchase. **Mr. Peterson** said yes sir.

Chairman Burroughs said market rate. **Mr. Peterson** said absolutely.

Chairman Burroughs said the road that is on, it would be on the south side, I believe of the project. **Mr. Peterson** said State Avenue?

Chairman Burroughs said there was a road that was going to be Delaware Parkway is what I'm thinking. **Mr. Peterson** said on the north side.

Chairman Burroughs said yeah, on the north side it will. The road is truncated now. It won't encompass the front of this development, right, they have to expand the road?

Mr. Peterson said so I'm going to give this short answer because that's a big—you can't because you're the Chairman—that's delving into a bigger planning issue that we haven't fully worked through as planning staff. But the answer is we don't need that road. Our entry point would be where the Delaware Parkway extends to the northeast corner of our project. But if you will, that's a bigger project to work through, with process and discussion, to work through with planning. Well, do we ever build anything we're not needing for our project? We talked about it. But to strictly answer your question, the road does not need to be extended to give us proper access.

Chairman Burroughs said I do remember that coming forward in another discussion with the development of additional apartments out there. The next question. I see a large retention pond, I assume that would be on the west, the northwest corner of the facility, the green area.

Mr. Peterson said yes, we would have to detain on the property. We have not worked with Mr. Hand on those details yet. I have a pretty good idea, Chairman, of your well-thought-out views on that, but I'm not cutting you off at all. Please, I'd like to write them down again.

Chairman Burroughs said some of us are not fans of retention ponds. They become nothing more than a water refuge for rodents and trash and weeds and it then it becomes our responsibility to maintain them. I would hope that if there may be an alternative to that in the development as we move forward. I do hope that staff has been listening to certain commissioners that these retention ponds need to go by the wayside to the extent that at every development, we have a retention pond, and they are not—I can just state in other communities—they are a welcomed water feature in a development and not just a collection of water and vermin and everything else it comes with a pond in our community. So, I would hope that there would be some discussion in reference to what would/could occur in reference to capturing the water from our community in the design. That's just my comments moving forward. I am not a fan and full disclosure—I am not a fan of retention ponds that don't add an aesthetic recreational purpose to developments. They become more of a burden than they do a benefit to our community. We'll get to public comments. It'll be just a moment. Any other comments from commissioners, any other questions?

Commissioner Stites said yeah, I 100% concur with you on the retention/detention ponds. They look terrible. They end up not being maintained and I think that we have the opportunity here with luxury housing that it no longer exists here in Wyandotte County that we can turn that into a water feature, an amenity versus it being a 3-foot-deep collection of cattails, I won't say Casey's Cups, but Styrofoam cups and plastic and lids and just trash. I think there's an opportunity for us to make that look better than just that. I'm excited, this is in my district. It's a component we do not have right now, and I look forward to this moving to full commission.

Commissioner McKiernan said this is what? **Ms. Carttar** said I can give my portion and get into the financing part of it if you'd like. **Commissioner McKiernan** said that would be swell, fantastic.

Industrial Revenue Bond Financing

- 10 year, 100% PILOT based on a projected per unit value of $135,000 (an average of $1,455 annual PILOT per door)
- Starts at $308,328 annual PILOT with a 2% annual escalator
- UG will collect a total of $3.4 million in PILOT over 10 years
- LBE/MBE/WBE goals are in place with a 4% escalator as an annual penalty with penalty starting year 1
- Additional tax payments (8 mills) for the statutorily required school district's capital outlay levy will be collected separately

Annual Benefits

- *Before*: Property currently pays approximately $1,300 in property taxes annually (zoned ag)
- *During*: Property will pay an average of $337,610 in PILOTs annually
- *After:* Property will pay over $600,000 in property taxes annually
- Additional sales tax generation for area retail due to more residents
- UG PILOT (via BPU bill will be paid as normally)

Ms. Carttar said this is where the developer and their attorney sell you on the project and then I tell you about how what they're asking, and how the financing works.

So, again, as you all know but for the edification of those people watching, the way Industrial Revenue Bonds work for a project of this nature would be that they would receive a 10-year, 100% tax exemption. However, in lieu of those taxes, they would be paying, they would be receiving, we would put a schedule in place that would be a predictable payment schedule. This is beneficial for both sides, especially a project like this, where there aren't any real comps. I've had conversations about this project specifically with our appraiser Mr. Willard so that everything I'm saying is accurate.

The benefit to the developer is that they can put in their pro forma for the next 10 years down to the penny, exactly what they're going to owe. It is beneficial to the Unified Government: two things, one, that we can do the same. It is predictable. We can put into our budget; we know exactly how much this project will be paying the Unified Government and other taxing jurisdictions over the next 10 years. Because of that, because there is no comp, we went through a number of different ways that it could work. No predictability when it's just kind of on the tax rolls as normal.

So, what we have done and what we put in place is a PILOT schedule. I will show you the full predictable payment schedule here in a second. The overview is that it starts at $1,455 annual payment per door, so that is just over $308K annually and there will be a 2% annual escalator to keep up with normal inflation. We used to do 1%, that has been increased to 2% with recent projects. Over the course of ten years, the Unified Government will receive $3.4M, these payments in lieu of taxes. Additionally, there is the same LMW goals that we discussed with the last project that 18%, 15%, 17%, 18%, 13%, and 8% percentages. Those are in place for this project as well. There is a 4% escalator and that would be the penalty that is starting in year one. That is something that Commissioner Townsend had made note of that why would it start in year two when we know ahead of time that they have not made it. So, we've changed that now starting in year one.

Again, I'm sure Mr. Peterson will say we have every anticipation that this will not be something that we have to look at because the developer will meet their goals and that's what they have told us, and that's what we are banking on. We do, of course, have the penalty in place if that is not the case.

As with all Industrial Revenue Bonds, there are an additional 8 mills that are statutory required to go to the school districts for capital outlay. That is in addition to the money that you're seeing here. Just to give you a snapshot of what we're dealing with, this property is zoned AG, so approximately $1,300 annually is what we're receiving right now in taxes for this property. That will change dramatically when we're looking at this incentive, this IRB period. That will go up to an average so, again, you have where it starts and the escalator to an average of about $340K annually. Then once the Industrial Revenue Bond period is over, again, we don't know exactly what the property tax will be, as it has not been formally assessed yet and can't be until it is built, but we would guess somewhere in the realm of $600K or more.

Additionally, this is more residents. We are hoping that what we have seen with other properties similar to the Northpoint Properties just the north of this, is that these rentals get people to our community and then what frequently happens is they fall in love with our community and want to then buy a house, put down additional roots. That is certainly what we would anticipate either as Mr. Peterson mentioned you've got kind of two sides, either it is someone who will be new to our community and then hopefully have a long life here in various stages or someone who is downsizing who's currently in our community, or I guess not, but and wanting a different housing product. Then additionally there is the UG PILOT via those BPU bills that you see which will be another annual, monthly bill that would be paid.

PREDICTABLE PAYMENT SCHEDULE

*Year		L/M/W Achieved Annual PILOT	L/M/W Achieved PILOT per Unit	L/M/W Failed Annual PILOT	L/M/W Failed PILOT per Unit
1		$308,328	$1,329	$320,661	$1,382
2		314,495	1,356	333,488	1,437
3		320,784	1,383	346,827	1,495
4		327,200	1,410	360,700	1,555
5		333,744	1,439	375,128	1,617
6		340,419	1,467	390,133	1,682
7		347,227	1,497	405,739	1,749
8		354,172	1,527	421,968	1,819
9		361,255	1,557	438,847	1,892
10		368,481	1,588	456,401	1,967
		$3,376,106		**$3,849,892**	

That's kind of a quick overview to kind of look at the exact predictable payment schedule, and as I mentioned that predictability is really helpful for both the developer and the Unified Government. It gets down to the dollar, really exactly how much we would be collecting over the course of 10 years.

PREDICTABLE PAYMENT SCHEDULE

Business Category	Participation Percentage Goal: Construction	Participation Percentage Goal: Professional Services
LBE	18%	18%
MBE	15%	13%
WBE	7%	8%

*Year 1 represents the first calendar year after the issuance of the Bonds.

Taxing Entity	Benefit to Cost Ratio
City of Kansas City	2.29
Wyandotte County	1.60
Piper-Kansas City USD 203	3.54
Bonner Springs USD 204	3.79
KC Community College	1.64
Wyandotte County Library	1.48
State of Kansas	1.70

Here are the LMW goals that were mentioned. Also, with every Industrial Revenue Bond project, we do a cost-benefit analysis. This is a third party. This is not the Unified Government. This is not the developer. This is a third party that does this. Basically, what we're looking for is probably a 20-page document, so, if you are interested that will be uploaded and anyone can see the cost-benefit analyses. This is kind of a snapshot. What we're looking for is kind of the threshold, rule of thumb, is that we want to see everything at a minimum of over 1.3%. What that means is, for every one-dollar kind of spent, or foregone in this case, the Unified Government or the other taxing jurisdictions are getting at a minimum of $1.30 back on every dollar. You can see here that threshold is met in all of the different taxing jurisdictions that would touch this project. With that, we'll open up to questions.

Commissioner Stites said I think this last slide here may have answered my question. **Ms. Carttar** said the weird one.

Commissioner Stites said that incorporates two school districts, right, Bonner and Piper.

Ms. Carttar said correct. So, what I have been told and because the specific development plan has not been finalized yet, we don't know the exact counts. What would happen and how the Unified Government would look at that is, it would literally be, however, many units are on the side of the line versus this side of the line, and they would pay that. That's where those PILOT payments in the 10 years, and then taxes after that, would be split up and going to the two different school districts.

Commissioner McKiernan said Katherine, it's almost as if you anticipated what I was going to ask a moment ago. funny that. Could you go way back to the very beginning where we had the aerial view of the property, where State Avenue is curving away down toward the left? Delaware Parkway, the previous one will work, that one will work. So, it's right there. Okay, so right now that property is part of a much larger property. This would be subdivided out of that larger property. **Ms. Carttar** said correct.

Commissioner McKiernan said that piece is paying its portion of the larger property's current property taxes, which is about $1,300. I want to make sure we all understand... **Ms. Carttar** said even less.

Commissioner McKiernan said that this property once developed, would make several thousand times more, even in an incented state, than it's making today for the Unified Government. Would you say that these new dwellings, which are southwest of the other apartments, on the other side of Delaware Parkway, would you say that even they are not apartments, that they are equivalent, in terms of construction, in terms of amenities, in terms of desirability. Is there a difference one way or the other?

Ms. Carttar said from what I have been told and certainly the rents that they are trying to get, I think this would be—and kind of how I did the analysis for that predictable payment schedule—I think these will actually be of a higher quality, higher grade; more akin to the Legends 267 product, than the currently two, and soon to be three apartment complexes here. Kind of one step up.

Commissioner McKiernan said it would be safe to say that these would be a nice complement yes to those existing structures. **Ms. Carttar** said correct.

Commissioner McKiernan said thank you, that's all I have.

Commissioner Davis said I thought I heard there was no public comment. I'll wait.

Chairman Burroughs said these are going to be slab homes. There will be no basements, right?

Mr. Peterson said the answer Chairman is because we're designing fine points right now, there may be some grade changes, where you might do some basements, but mostly no, mostly slabs.

Chairman Burroughs said this is not a 55 or older community. **Mr. Peterson** said yes sir. I think you'll get a lot of folks in that age group, but no.

Chairman Burroughs said and all of them are rental units. May I ask why the developer chose to go with rental units and not a housing development?

Mr. Peterson said Chairman's asking the question why is this not a single-family development where you sell houses, or lots as compared to this? The answer is, again, like a lot of things, a much longer, interesting over a sandwich, sort of like why is this SFR product so hot in the United States? The short answer is if you just think about everybody's so different, the way they think about money and what they think a home is and all that. But you put together all these preferences and there are people that want a home, they want to feel like they have a home and have community and they want to be near things like Legends and all that. Proximity and yet they don't want to own their house, especially this generation. I know we've all read about this, whatever, grandkids, cousins, brothers, whatever. They don't want to own. They can own a house, but they don't want to, so that's some of it. I got to watch myself and go on and on. It's the psychology. That different product that is appealing to people that don't have an option like this right now but want it.

Chairman Burroughs said I appreciate that comment, I just wanted to ensure it wasn't something that we as a local unit of government couldn't come to terms with the developer or anything like that in reference to the single-family housing development. We want people to be our neighbors and our families raise their families, attend our schools, and attend our events here. The only other comment I would have is the comment that was made by Commissioner Stites and references school districts Bonner Springs and Piper, and their 5% taxes there. I don't have any other questions, so at this point, if there's no other questions from the Commission.

Ms. Carttar said one thing I forgot. I neglected to mention the community benefit piece of this. With any of these projects, there is what is called an origination fee. This is a fee based upon the amount of the total amount of bond, so the total investment of the project. For this project, it ends up being approximately $130K. Something that we have done in this project for the first time, and I think is something that I'm interested in your thoughts on and if this is something you'd like us to keep doing or revert to. Typically, this is kind of something that just goes into the General Fund. However, what we added into the performance agreement in front of you today is that and I'll quote, "Such fees shall be used exclusively for local economic development activities but shall not be used to pay any administrative costs of the city or county." The thought here is that this would be a great payment if we had something in the future such as a Housing Trust Fund or something like that. I know we've started having some conversations about it, but I don't think we've, or I know we have not kind of coalesced around a specific way to move forward with this. We were not quite to the point, we really liked the idea of having something, actual money that could be provided as a community benefit, but without kind of the larger framework. We don't have something kind of readily available to very specifically earmark this to. But I do want to point out that this is a sizable amount of money that at your direction could be used to provide it be a gap filler for an affordable housing project coming up next. If we do move forward with a Housing Trust Fund or something like this, it could be a nice kind of starter fund that gets that moving. So, I did want to just point that out to you as this is something a little different from previous agreements you've seen.

Chairman Burroughs said I believe that was what we utilized with Homefield. It was part of the Homefield event. **Ms. Carttar** said a similar, yep, yeah.

Commissioner Davis said very hesitant on this particular development, because we hear it over and over and over again, about how there's a lot of development out west, all of these great things out west. But then, how are we going to take the great things that are happening on the western side of the county and equitably ensure that everyone else is able just because Village West is hot. I think what Katherine has laid out is hopefully the framework for us to begin having those conversations on how we use the PILOT payments from not just this particular development, but from others so that we can start gaining some ground on important issues to our community's affordable housing and access to housing. I know, for example, some groups like Cross Lines and Mutual Aid have thrown out a Landlord Mitigation Fund. Perhaps at the beginning of that conversation, I know housing trust has also come up as well and so I think we have to continue to be creative and get away from these developments in the General Fund because that's where it becomes impossible to ensure that development on the west flows throughout all of Wyandotte County. I'm happy to hear that, I would [inaudible] to make an additional contribution because they do stand to make a hefty profit to definitely consider that. We definitely need to have more conversations on community benefit; how we're going to leverage the western side of our city or county for the benefit of the rest of the county.

Chairman Burroughs said any other questions. I have two different numbers on my board than what you showed up here Katherine. You showed the present property pays only $1,300 a month but yet my records show $47,675. Then I show after Property, after it comes online, you showed I believe $300K and $600K a year in property value and my paper says $1M a year. In my flyer that was sitting here tonight, my PowerPoint online, under annual benefits, everything else matches up, except when I get down here to Before, right under Annual Benefits is $47,675 not the…

Ms. Carttar said [inaudible].

Chairman Burroughs said okay, so which one is the accurate number? So, it's not the ones that we have presently before us. **Ms. Carttar** said correct.

Chairman Burroughs said because that's a $400K difference a year in value on property.

Ms. Carttar said again, this one we don't—this is just an educated guess, but still a guess. In speaking with our appraiser, since we do not have anything quite like this, there wasn't an easy comp to know what this would be when it's on the tax roll. So, that's kind of an educated guess.

Chairman Burroughs said I just want that point of clarification. If there are no other questions from the Commission, now we'll get to the public comment. Do we have members of the public who wish to speak? Again, you'll have three minutes to speak, and we ask that you give your name and address so we can make it a matter of record.

Shirley Ikerd, 804 South 89th Street, KCK said I was wondering are you the same company that built the first apartments at 110th and State? **Ms. Carttar** said this is a new company.

Ms. Ikerd said okay. Are you the one that's building the apartments on 94th and State? **Ms. Carttar** said they've never worked in Wyandotte County before; this would be the first.

Ms. Ikerd said so you're not the ones that cleared the big area on 93rd and State going east? **Ms. Carttar** said I work for the UG, I don't know.

Ms. Ikerd said okay they're not involved in any of these. Okay, thank you. All of you have a good evening.

Chairman Burroughs said thank you for your patience with us Ms. Ikerd on being able to present.

Mr. Kindle, you know the three-minute rule and the name.

Greg Kindle, President of Wyandotte County Economic Development Council, KCK resident, said I really just want to make three comments tonight and I'll make more as when it goes hopefully before the full commission. One, it does make a higher use of this land. Obviously, it's a far more dense use than we would traditionally see.

This has an ulterior piece of this, it increases our population. We are only growing as a county by less than 1%. We're really about .7% annually. Just really behind most of our colleagues and our competitors in the region. We need this population growth for additional attraction and retention of the retail that we already have. One of the things that Katherine and I often hear is what is your population growth? What are you doing to drive additional population growth even in this part of the county? It may seem like there's a lot of development out west, but the reality is we need far more population if we, in fact, do want more grocery stores and more retail to come into that area. Our population today does not sustain the development that we largely have there. It's the other ten million plus folks who come visit the Legends that keep that retail alive. I just think it's useful to keep that out there, that these are the kinds of developments we need to continue to see if we want more retail and we want to keep the retail we've got in a really tight retail market.

Second, there's this ongoing social media thread on almost every development we do around multi-family that they don't pay taxes. The reality is these folks do pay taxes embedded in their rent. The folks who are developing this are fine folks, but they don't pay the taxes out of their own pocket, it comes out of the rental prices. So, I just want to make sure that when we see these things on social media and as you all are out and about, please don't be caught in the middle of this trap that these folks, our citizens, folks who are going to live there and pay for products here in Wyandotte County are paying taxes via their rent.

The last one is I just think it's a good reminder that this is still $335K net new dollars every single year for the first…**Monica Sparks, Acting UG Clerk,** said one minute. **Mr. Kindle** said and then $600K after it's out of the incentive period. That's a significant amount of community benefit in and of itself for you all to decide how you want to use those dollars in the General Fund. I know that they're putting extra dollars in, but I just think it's really important that we do focus on the fact that you all then have a choice to spend these additional $300K to $600K a year annually. I just want to make a finer point on that. Thank you all very much.

Chairman Burroughs said thank you, Mr. Kindle. Any other members of the public? Any other hands up? **Ms. Sparks** said none are online.

Chairman Burroughs said okay seeing none, this is an actionable item. I would entertain a motion to move forward if it’s the will of the body to do so.

Commissioner Stites said motion to approve is estimated.

Commissioner McKiernan said second.

Chairman Burroughs said we do have a motion and a second. Clerk, please call roll.

Action: **Commissioner Stites made a motion, seconded by Commissioner McKiernan to approve as submitted**. Roll call was taken and there were six “Ayes,” Haley, Davis, Townsend, Stites, McKiernan, Burroughs.

Chairman Burroughs said committee, that brings us to the end of our work this evening. I want to thank you for your patience and to the conferees, thank you for sticking with us this evening. I will now relinquish my Chair position to my colleague and good friend, Commissioner McKiernan.

Next bit of business once I adjourn. We have a motion and a second to adjourn. All in favor say aye. All responded aye. **Chairman Burroughs** said can we do it that way? **Wendy Green, Assistant Counsel**, said absolutely. Mr. McKiernan will now take over on the Neighborhood Community Development standing committee.

Action: **On motion of Commissioner Stites, seconded by Commissioner McKiernan, the meeting was adjourned. Motion carried unanimously.**

ADJOURN

Chairman Burroughs adjourned the meeting at 8:25 p.m.

am