I. Call to Order / Roll Call

II. Approval of standing committee minutes for July 9, 2012.

III. Committee Agenda

Item No. 1 - INVESTMENT REPORT AND BUDGET REVISIONS

Synopsis:
Quarterly Investment Report for June 2012 and Budget Revisions $10,000 or greater for 2nd Quarter 2012, submitted by Lew Levin, Chief Financial Officer, and Reginald Lindsey, Budget Director.

For information only.
Tracking #: 970146
Item No. 2 - RESOLUTION OF INTENT: NORTHPOINT DEVELOPMENT IRB PROJECT

Synopsis:
Resolution of intent to issue $30M of Multifamily Housing Revenue Bonds for the benefit of NorthPoint Development Legends Apartments project, located on a 12-acre site on the west side of N. 110th St., between State Avenue and Parallel, submitted by George Brajkovic, Economic Development Director. The project will be comprised of 306 units with a mix of one and two-bedroom units with rents from $755 - $1,350 a month. The developer is also requesting sales tax exemption certificate for construction materials purchased in Kansas.
Tracking #: 120219

Item No. 3 - COMMUNICATION: SECTION 42 SCORING CRITERIA

Synopsis:
Communication submitting Section 42 scoring criteria, submitted by Charles Brockman, Economic Development.
Tracking #: 120221

Item No. 4 - COMMUNICATION: PARKWOOD POOL HOURS OF OPERATION

Synopsis:
Communication providing options regarding Parkwood pool hours of operation, submitted by Margie Witt, Parks and Recreation Director.
Tracking #: 120222

Item No. 5 - REVIEW: ECO. DEV. PROCESS AND CONCERNS FOR A NE GROCERY ST...

Synopsis:
Review of the Economic Development's project/development intake and review process and review of staff's response to Commissioner Barnes' question concerning a potential grocery store project for the northeast area.
Tracking #: 120224
Item No. 6 - GOALS AND OBJECTIVES

Synopsis:
The Unified Government Commission conducted a strategic planning process resulting in specific goals and objectives adopted by the commission on May 17, 2012. Commission has directed that the goals and objectives appear monthly on respective standing committee agendas to assure follow-up and action toward implementation.

1. Economic Development: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community.
2. BPU regarding waiving utility fees for electricity and water
3. Reestablishing the Port Authority

Tracking #: 120137

IV. Public Agenda

Item No. 1 - APPEARANCE: BAPTIST MINISTERS UNION OF KCK

Synopsis:
Appearance of Rev. Robert Milan, Jr. and Rev. Jimmie Banks, Baptist Ministers Union of KCK, to express funding to address serious issues in the northeast area of the county. They are interested in programs and plans which provide employment opportunities, job training, improved housing stock, and recreational facilities. Further, they would like to see this area benefit from the county's newest revenue sources.

Tracking #: 120223

V. Adjourn
The meeting of the Economic Development and Finance Standing Committee was held on Monday, July 9, 2012, at 5:35 p.m., in the 6th Floor Human Resources Training Room of the Municipal Office Building. The following members were present: Commissioner Holland, Chair; Commissioners Maddox, McKiernan, Barnes and BPU Board Member Mary Gonzales sitting in for David Alvey. Commissioner Kane was absent.

**Chairman Holland** called the meeting to order. Roll call was taken and members were present as shown above.

II. Approval of standing committee minutes for June 4, 2012. On motion of Commissioner McKiernan, seconded by Commissioner Maddox, the minutes were approved. Motion carried unanimously.

III. Committee Agenda:

**Item No. 1 – 120166…NRA PLAN: FOUTCH BROTHERS FOR HORACE MANN CONVERSION**

**Synopsis:** NRA tax rebate application submitted by Foutch Brothers, LLC, for the Boiler Makers/Horace Mann building located at 824 State Avenue, a registered historic property, submitted by Charles Brockman, Economic Development. The plan calls for 30 market rate apartments at a cost of $4.2 million, consisting of 12 1-bedroom and 18 2-bedroom units, with a rental rate between $665 - $900/month.

**George Brajkovic, Economic Development Director,** stated we’re here tonight. We’ve got actually a couple of projects on the agenda and they are both considering the NRA plan, which
we’ve kind of been back and forth with you guys discussing that particular policy. Both projects are really exciting to our department because they are both within our urban core, major redevelopments, housing of buildings that you’re probably going to be familiar with, buildings that have set idle and had issues for years. I am going to turn it over to Charles Brockman who’s on our staff. He’s been working with Steve Foutch, the developer. Charles will give a quick, brief overview of what we are contemplating from the NRA program for this and then Steve will go into much more detail about what the project is and identify those hurdles that we need to hopefully use NRAs and incentives to overcome and see this development come to fruition.

Charles Brockman, Economic Development said our first project we’d like to share with you is the old Horace Mann Boiler Maker building. It’s at 824 State Ave. and Steve Foutch, the developer, is spending $4.2 million renovating the building to 30 market rate apartments. He’s looking for an 85% rebate for 20 years through the NRA special projects. At this time I’ll let Steve introduce his project to you.

Steve Foutch, Foutch Brothers, LLC, said go ahead and ask questions if you need to. I can talk for hours about these projects, but I want to keep it simple for you. The Horace Mann project, 824 State, is one of the two Boiler Maker buildings. The first one was across the street, the old Kansas City, KS high school athletic building that we have already turned into the soccer facility. That one we just did by itself. I’m sorry. It’s the one on the floor at the moment. We’re switching them around. The Horace Mann building across the street has the big structural steel tower out in the backside of it. We have half of that down already, just trying to get things cleaned up a little bit. We are going to turn that into 30 market rate apartments. Each classroom — through historic renovation, the chalkboards are still going to be there, the old schoolhouse doors, everything that we’re finding internal that are historic were going back in. By the one perspective you can see the trim, the moldings, and the chalkboards are still going to be in there, but then nice new modern kitchens, appliances, and new double pane insulated windows. We’re going to be thermal everywhere possible. All the insulation we can shove into the ceilings and there is actually a gel we can put in between the wise of brick for the walls to get some more insulation going without furring out against historic standards on the interior, lots of technical things we can talk about.
As mentioned, it is a $4.2 million project. We have already closed on the purchase of the building. We’ve already closed on the construction loan as well. We’re currently also closing here in the next couple of weeks on the historic tax credit equity on the project as well. Obviously that’s leaving the gap and the need for the bank to feel comfortable knowing what our taxes are going to be in that situation. I’m trying to get your catalyst of market rate housing in downtown rolling again, trying to solidify and keep our rental rates as low as possible in that community.

As you guys probably know, the building is all covered with asphalt so we’re going back to green. Besides all the green buzz words that you find in buildings these days, the asphalt in the front is going away for as much green as possible and shade trees. The back which was all of the steel structure and all the training facility, most of that is going away and we’re putting the parking on the backside of the building with as much trees and green space in the backside as well. That is not shown up there as well. That’s a real quick summary. I can go into more detail or just entertain questions.

Commissioner Barnes asked what are the requests from the UG? Mr. Brockman said Mr. Foutch is requesting 85% rebate for 20 years and that is in line with our special projects. Mr. Brajkovic said you might recall that the NRA program really starts at a 75% abatement and then as we rewrote the policy, we put in some provisions that allowed a developer to increase that percentage by doing things like participating in LMW and paying minimum wage to take that project up to potentially 95%. Mr. Foutch has been engaged with Mr. Banks in the Compliance Department and they are looking over the scope of this project to see what LMW percentages can be achieved. He is committed to that program so we’re presenting it as an 85% over the 20 year project.

Commissioner Barnes asked how can we approve this and that portion hasn’t been worked out. Where do we intervene when they work it out and it is not satisfactory? Jason Banks, Contract Compliance Department, said I shared the scope of the project Commissioner, with Mr. Foutch last week. Based on the project scope, we do have numbers and I can share those with you this evening if you’d like percentages for both projects respectively. Commissioner Barnes said the only concern I would have is that they are being read into the minutes and that’s a part of the commitment. That’s my concern. As I was going through here, there are a lot of blank spaces on here. I saw 13.9, but if you have that information, that’s fine if you’re going to read it into the minutes as part of the official contract.

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Chairman Holland said I see 10% written on the front sheet, 10% LMW. Mr. Banks said the 10% is what percentage abatement agreeing to LMW participation qualifies for. What we do I guess just this for the commission purposes, what I do is share with the developer. We go over the project scope and the reason we’ve trended away from standard aggregate goals is because we’ve realized over the years that no two projects are alike and so based on the scope of the this project, we had determined goals for 824 State Ave. project to be 10% L, 8% M and 6% W. Commissioner Barnes said of a $4 million project, that’s $400,000 on local, a little less than that on M and what was the women. Mr. Banks said to qualify for the $4 million I think Mr. Foutch can speak to that. Mr. Foutch said the $4.2 million, is the total hard and soft in acquisition and financing so the hard cost is $3 million.

Commissioner Barnes asked so it goes down from $300,000. Mr. Banks said correct, roughly $665,000 on the 824 State Ave. project and just over $2 million on the 759 Vermont project. Those big numbers as Mr. Foutch indicated are hard and soft costs. We set percentages based just on construction cost, what’s going to be subject to competitive bidding. Commissioner Barnes asked what if they fall short? We had the concern on 39th St. What if they just say the hell with what you said and I’m going to bring in my crew from Texas and we’re going to get it done? Mr. Banks said this project is different from 39th St. as 39th St. wasn’t a NRA project. What we’ve incorporated into the NRA policy is language that simply states if the developer does not meet the goal that is set forth in the agreement, they forfeit the 10% that was allocated subject to LMW participation. Mr. Brajkovic said since this is on the construction phase, we’ve quantified it depending on where the tax value comes in. It could cost Mr. Foutch somewhere between $75,000 on the low end and $100,000 during the life of the incentive if he cannot meet the goal he’s committed to.

Commissioner Maddox asked can someone define LMW qualifications? Mr. Banks said local businesses, a business located here in Wyandotte County. The business has to either be located here or the business owner has to be a resident of Wyandotte County. Minority businesses are certified as such based on the ethnicity of the owner and women owned businesses are majority owned by women. Commissioner Barnes asked where does that certification come from? Mr. Banks said Mid America Minority Business Development Council in the city of Kansas City, Missouri, also both state agencies certify minority and women owned businesses. There is no certification process for local business. We simply coordinate with our business license division to determine the physical address of the business.
Action: Commissioner McKiernan made a motion, seconded by Chairman Holland, to approve. Roll call was taken and there were five “Ayes,” Maddox, McKiernan, Barnes, Holland, Gonzales.

Item No. 2 - 120167...NRA PLAN: FOUTCH BROTHERS FOR OLD ST. MARGARET’S HOSPITAL

Synopsis  NRA tax rebate application submitted by Foutch Brothers, LLC, for the old St. Margaret’s Hospital building located at 759 Vermont, submitted by Charles Brockman, Economic Development. The plan calls for a 108-unit independent living elderly facility at an estimated cost of $11.6 million, consisting of 49 LIHTC and 59 market rate units, with a rental rate between $430 - $900/month.

Charles Brockman, Economic Development, said this is the old St. Margaret’s Hospital located at 759 Vermont. Foutch LLC once again has estimated construction cost at $11.6 million. Previously, the full commission approved LIHTC tax credit for this project so this is the market rate side of it doing the NRA. This conversion will have 49 LIHTC units and 59 market rate units. It will be an 85% rebate which includes the LMW portion. Chairman Holland asked can you translate LIHTC again? Mr. Brockman said low income housing tax credit.

Steve Foutch, Foutch Brothers, LLC, said as mentioned, this is the old St. Margaret’s Hospital. All of you are probably very familiar with it and the weeds around it and so forth. As mentioned, the LIHTC have already been awarded by the state. It’s already on the historic register. The LIHTC credits are awarded, our investment partners are already signed up, and we’re working on the bank documents as well at the moment. The LIHTC units are for the 55 and older affordable housing and the 60/50/40% LMI for median income categories. The rest of the units, what’s called market rate, they are open to any income limit, but we’re calling it more of an independent living center where the elderly people that are just shy of the nursing home, want to live independently, but yet we will have a third party nursing and health services, cleaning services, maid and laundry services, and food and nutrition services are also provided for those people in that location. So it’s sort of an elderly community before being in a nursing home and it’s more affordable than a nursing home, as well if you only need a pendant for occasional medical calls. That’s all in this one building so out of the 108 total units, if you’re
LIHTC or if you’re independent living, you still have all these services available to you for sort of an a la carte as you go. As we said, the construction, $11.5 million in construction ready to get started on that very soon as well; just waiting on these processes.

The same sort of thing for the 20 year NRA. It’s a 15 year compliance project under the LIHTC. At the end of 15 years, we then have to sell it to another person or if we can’t, then we sell it to ourselves again but it’s under a 30 year lieu or land use restriction that it will be affordable housing for the next 30 years, but we’re only going for a 20 year tax abatement to get us through ours and then get it sold to the next person.

Commissioner McKiernan said as excited as I am about Horace Mann, I am even more excited that somebody is finally going to step up to the plate and not run away from the old St. Margaret’s. Cleaning this up, I am confident will be a catalyst for all of that land around that property because it has certainly been a negative catalyst for a long time and I see this as a positive catalyst.

Commissioner Barnes asked what were the greatest financial incentives that really made this attractive for you? Mr. Foutch said financial incentives. I think our company prides itself on some of the projects we do that most people find unable to do. I think I looked at the building first and the site and the views because we’re going to have two rooftop decks that the residents can go out onto. The project, as an architect, made me most envious of the building. I hate to see it torn down because I think that was the only option you guys had coming up on it.

Originally we were going to go for 100% LIHTC because that is a huge financial, not gain, but it’s comforting that you have all those tax credits helping you get it done. There is no way the state can afford that so we worked with the state to bring it back to what was the most economical means to get affordable units, but still not tap out all their resources so we leveraged every possible financial obligation we could. We didn’t throw in there the Federal Home Loan Bank AHP grant in there as well. We layered in everything possible to keep their funding mechanisms as small as possible.

I don’t know that there’s financially about it that is huge other than it mixes so many synergies together of the services and the different kinds of people. There’s actually a homeless unit in there clear up to anybody’s income level that can live there in that community. I don’t think you have that kind of housing in that community. I think it’s going to be popular and hopefully then profitable that we’ll be full just by the beast itself of putting that much emphasis in one location for the people that have not been served in that area.
**Commissioner Barnes** said I just asked that question for a couple of reasons because we were just dealing with Land Bank issues. We were talking about the tools in the tool chest and it seemed like he used everyone of them from the feds all the way down to the local and that’s what it’s going to take to turn these communities around are those kinds of efforts where we have multiple tools available to us to make it happen. He’s an architect so he was just looking at the beauty of the whole thing. He gave the financial headache to somebody else. **Mr. Foutch** said I gave you a five minute answer to a one minute question, but yes, the same thing, the catalyst for the neighborhood and the pride. If we don’t get started, no body else in that neighborhood is going to keep cleaning up. I heard you talking earlier about the weeds and the rental. If I can’t clean that up, nobody in that neighborhood is going to rent up there. I hope they’ll reciprocate.

**Commissioner McKiernan** said that is the beauty here. We’ve got to get developers engaged in this who have the vision to see beyond what’s there and to see a possibility. It’s not only all the tools in the tool chest, but it’s people with vision and passion. **Commissioner Barnes** said absolutely. We talked about the Land Bank. I know it’s hard to get people there, but this is the guy that can tell you what makes it work for him. Rather than a bunch of lay people sitting around saying I want to see my community improve and I think we need to do this, this is the guy that says these are the hurdles I am running into and I need to know in real time what can we do, what can you do to remove that for them. This is valuable information. We wish you well. **Mr. Foutch** said they all know me. I have hours of answers or opinions for you.

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

**Mary Gonzales, BPU Board Member**, said said there will be staff of management to make sure that this is just for the elderly. **Mr. Foutch** said correct. We have our own property management division as well and we’ll probably have 20 to 25 people working there between the food staff, house cleaning staff and the managerial staff. **BPU Board Member Gonzales** said correct. I know that our own community needs this and we’re an aging community and we need a place. Not every neighborhood welcomes us into their neighborhood so I applaud you for taking this and doing something that’s needed in our community.

**Commissioner Maddox** said I just had have an inquiring question about the old Kansas City, Kansas Community College gym, that’s you guy’s project as well. **Mr. Foutch** said yes.

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Commissioner Maddox asked it’s a soccer venue, is that what it is? Mr. Foutch said yes, we actually just turfed over top of the basketball court and that is an indoor soccer facility. On the lower where there was a pool, the Boiler Makers had already covered over it for a conference center. We turfed that as well and made it into a smaller field so you have a small field and a medium sized field for indoor soccer. We are still trying to lease out all the office space on the first floor around it, all the classroom space; having a little trouble with that. Again, it’s the catalyst of getting people back downtown and seeing that it is safe, turning the lights on, trimming the trees, mowing and so. Now we have people coming to play from 3 years to 80 years old and the whole family shows up and so the parking around us—you’re active and there’s a lot of movement, so hopefully they are going to still pick up with the soccer operations and expand more kids playing there. Chairman Holland asked what was the address? Mr. Foutch said that one is 1017 N. 9th St. Commissioner Maddox said I’ll just talk to you afterwards. I was just interested in the soccer piece period.

Roll call was taken and there were five “Ayes,” Gonzales, Maddox, McKiernan, Barnes, Holland.

Chairman Holland asked on the Horace Mann, what was that structural steel piece behind it. Mr. Foutch said that is where they trained when they were putting up big tanks and piping systems so they’d learn how to hang stuff, how to weld it in place in a hanging position, all the repelling, and just the structural type work. They’d build it up, take it back down, build it up and take it down so it’s coming down.

Item No. 3 – 120181…DISCUSSION: SECTION 42 CRITERIA FOR GOLD, SILVER OR BRONZE

Synopsis: Discussion of resolution of support for Section 42 applications, requested by Commissioner McKiernan. No objective criteria was given for assigning the applications as gold, silver or bronze.

Commissioner McKiernan said two meetings ago we were discussing resolutions of support from the UG on LIHTC proposals and the whole scoring system. As I recall, the discussion went something along the lines—does the state look at our scores. The answer was no they don’t so
then the question came up, was there any way to endorse projects that are particularly high scoring, particularly strategic that meet particular needs in the community. In brainstorming I just threw out what about a gold, silver, bronze rating system. Chairman Holland said I wish you hadn’t done that. Commissioner McKiernan said I know, same here. Then last month you brought up the fact that there really are no criteria so it goes back to a subjective rate. It has the potential to return to a subjective rating system so I wanted to make sure that we came back and discussed it so that we can talk about resolutions of support and discuss whether or not there are any criteria that might generate some stronger support. Could a particularly high scoring project or if you have certain boxes checked or if it’s in a particularly strategic location—so to talk about whether or not there are any objective criteria or whether or not we need to abandon the idea of varying levels of UG support in our resolution and just go with the scores like we’ve always done before.

Chairman Holland said my preference is we abandon that and stick with the scores, because of our criteria, you have to get an A or a B on the test to pass. We don’t take any C, D. If you don’t score high enough, you don’t get there. I think our objective is we already have set the bar fairly high. Commissioner McKiernan asked in terms of our score of 50. Chairman Holland said yes, that we should stick with that and if it meets that criteria, it meets it. The only other way to do it, I would think, is if you score a 50 to 52 you’re bronze, 53 or higher—but the reality is from a subjective point of view, there might be one that scores higher that we are not as excited about. There might be one that has an emotional appeal like say a St. Margaret’s Hospital that says for a lot of reasons that aren’t on our test, it’s a catalyst for that whole community and even though this other project scored much higher, we’d rather do this. If we’re doing that, I think we’re going back to subjective criteria or we need to add scoring possibilities to potential for rejuvenation around it. Well, how do you quantify that? I think one of the reasons we went to the scoring system is I think we were sued because we had subjective criteria so we went to objective criteria and I think we just need to stick with it and throw out your otherwise excellent idea that we go gold, silver, bronze. Commissioner McKiernan said I have no problem eliminating that. It’s just simply writing a resolution to support for any project that meets whatever we’ve defined as the minimum objective criteria.

Commissioner Barnes said I had some issues with some of the weighting that they had on some issues. Going down that list might be worth reviewing and I think that it shows what was really important to us based on how many points they gave to a swimming pool. Some of
them are probably even outdated from the time we’ve actually done that list. I think they even had some that they gave credit for having a carport. I think if we were going to revisit this, we might want to revisit why the value of this right here as opposed to this right here. Why wouldn’t we give them more for this right here? What it does it kind of steers us towards…

Chairman Holland said our priorities. Commissioner Barnes said exactly. Chairman Holland said I don’t mind that. Commissioner McKiernan said didn’t we recently review the criteria of this? We expanded it a little bit if I remember. Commissioner Barnes said we were supposed to change—the definition they had of NBE was the person had to be an owner and that was not the intent. The intent was during operation of the construction, you’d have that presence. That’s probably to be reviewed at a later date.

Commissioner McKiernan said so it would be possible to remove that gold silver bronze and then set effectively a task to review the supporting list. So there are really two separate pieces. Chairman Holland said we didn’t adopt the gold, silver, bronze did we. Do we need to unadopt it? Commissioner McKiernan said it came through on the same night that we changed it from one firm deadline to a rolling deadline. Mr. Brockman said Resolution 29-12. Commissioner Barnes said so we need a motion for Resolution 29-12 to strike that from gold, silver and bronze.

Action: Commissioner McKiernan made a motion to remove. Commissioner Holland seconded the motion.

Mr. Brockman said it kind of went together with gold, silver, and bronze. It also talked about the mayor will review the resolutions of support and prepare a letter summarizing the UG development priorities. Commissioner Barnes said that’ll be added back in once we go back, but this is just to get rid of it. Mr. Brajkovic said I think the overall discussion was we think that there’s a potential disconnect between if we have 10 and I’m just throwing out general numbers, but let’s say we had 10 qualifying scores at 50 or more, all of a sudden the state, the third party that administers this program for the state, says Wyandotte County submitted 10 and they have no idea what might be a higher priority to us other than I guess it made it through their local review and so we were trying to be creative and come up with a way saying okay, let’s minimize that disconnect. There might still be a little bit of a disconnect, but how can we better present those?

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Chairman Holland said if we better weigh our criteria like Commissioner Barnes is suggesting and we give more credit for things that we value more and less credit for things we value less, it should be that our highest score should be our highest priority. So if one group gets a 55 and all the others are 53 and below, it should be clear that our highest priority is that 55 that we would submit them to the state in order of their score. Mr. Brajkovic said I think that’s something we can come back to this committee with to say here are the sections. There are some things that are considered prerequisites or requirements and then there’s the actual items they receive, some sort of score within the matrix itself. Chairman Holland said that’s right. Mr. Brajkovic said I think we tried to weigh those this last time, but we can certainly come back again and say strike this piece, but come back and say let’s take a look at all those sections and make sure we’ve eliminated things like Commissioner Barnes said like carports and anything else that might be outdated or not truly reflect what is important to this committee now.

Commissioner McKiernan said but wasn’t our discussion back then that the state doesn’t look at our scores, so the score now simply informs then the resolution, so we’re kind of back to where we started. Mr. Brajkovic said except that when the mayor reviews them and sends a letter could show the priority ranking that our scores gave them. Commissioner McKiernan said fair enough. Chairman Holland said I just don’t want a separate qualitative piece. Commissioner McKiernan said so the resolution of support would simply reflect the score that it gained in the review process. Mr. Brajkovic said I think what we could probably do as a staff to maybe help you with that decision making processes is maybe go back a few years and just say here’s kind of the projects that came through and maybe the projects that received a lot of support and just show how those scores looked in relation to other projects that maybe didn’t move forward or more or less favorably received and then see if changing the scoring matrix would accomplish what we think it might. Chairman Holland said that would be very helpful.

Roll call was taken on the motion and there were four “Ayes,” Gonzalez, Maddox, McKiernan, Barnes, Holland.

Chairman Holland asked would you be prepared by our next standing committee to do that? How much time do you need? Mr. Brockman said if you need me to have it ready by the next
standing committee. I will. Chairman Holland said that would be great. So plan on doing that review next standing committee.

ITEM NO. 4 – 120176….UPDATE: WYANDOTTE PLAZA REDEVELOPMENT

Synopsis: Staff to present an update on the Wyandotte Plaza redevelopment, as the project is moving forward as planned. The development agreement and initial bond issuance are agenda items for consideration at the July 12, 2012 commission meeting.

Chairman Holland said we have one blue sheet item. Hopefully everyone has a blue sheet in front of you. An update for the Wyandotte Redevelopment project.

Doug Bach, Deputy County Administrator, said tonight, after some conversation with the mayor and you Commissioner Holland, this item is on the agenda for this Thursday for action. It’s a follow-up on Wyandotte Plaza which really pertains to a couple of different areas. Mainly we’re coming back to commission to go over the bonds that we’re going to issue out on that project which are consistent with what the development agreement is, and we also made a few changes to the development agreement. We thought it’d be good to bring that before the standing committee tonight to just answer any questions you may have on it in case there are any and make sure we’ve got everything clear regarding how this project is moving forward. With that, I’m going to first ask Lew to talk about the couple of different areas on the bonds and go from there.

Lew Levin, Chief Financial Officer, said what you’ll have on the agenda Thursday evening are two ordinances and one resolution pertaining to this project and I want to briefly summarize those items. The first ordinance will be what’s referred to as a home rule ordinance, and it will allow the government to participate in the financing of Wyandotte Plaza. The reason we have to do a home rule ordinance is we’re pledging we are going to use future revenue streams including the NRA tax rebate and sales tax revenues. This area is not a TIF area so this is a pledging of revenues for a specific purpose.

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The second ordinance will allow us to issue special obligation annual appropriation bonds subject to the terms of the development agreement. You’ve had the development agreement before you previously. Todd’s going to briefly discuss changes to that agreement. What an annual appropriation bond is, it’s a bond that on an annual basis we pledge to cover the debt service on that bond. What we’re saying is that the bonds can be issued up to an amount of $8.5 million and that will generate proceeds for the developer of $7.1 million. We are including three years of capitalized interest and that means we’re going to have interest to cover debt service payments for the first three years, so really during the first three years there’s no risk to the government. That will allow for the development to proceed and begin to generate revenues. The revenues it’s going to generate will be incremental sales tax revenues from I’ll say the increased development and the larger scale grocery store. Then the value of the center will increase based on purchase price, the investment and the new grocery store and that is the NRA tax rebate.

These bonds will be 20 year bonds. It will have the future revenue stream pledged for those out years after that cap by period. Our intention all along is within two to three years, to take out or refund those bonds to have a higher issue that’s pledged by strictly the revenues of the project. At that time, it’s both the developer’s goal to be able to have a higher bond issue to generate more proceeds for the developer to recover a portion of his costs. I think the developer projects a total project cost of approximately $28 million so the developer is going to work aggressively for his goals of the project to succeed so he can get more reimbursement out of the project.

The third item is a resolution and really the companion piece to these financing ordinances. It’s a lot more specific. It details the specifics of the bond financing and the specific parameters that says we’ve engaged an underwriter or an investment banker to sell the bonds and we cannot—the action you will take will say the selling of those bonds are subject to certain conditions and those conditions include the maximum amount of principal, in this case 8.5%, an interest rate of 5%. However, all our preliminary work with our bond underwriters is they expect to sell those bonds for under 4%. There are limitations on the cost of issuance. That would be the fees that the underwriter receives and it’s limited to 0.75% and so those parameters are part of the resolution.

Originally when the development agreement was brought to you, it allowed for up to $9.5 million financing based on our current structure of the bond financing. The limitation is $8.5
million so we’ve been able to reduce it due to lower interest rates and the way we’ve structured the capitalized interest in lieu of the debt service reserve. We’ve worked toward limiting our long term risk and we definitely have no risk in the first three year period. Actually, our reimbursement to the developer will not occur until the developer makes his expenditures. It’s on a 50/50 basis. For the developer to access any bond proceeds, he has to meet his obligations. Essentially those are the items that are going to be brought forward to you Thursday evening.

Commissioner Barnes asked in plain language, when do we get in and when do we get out. Mr. Levin said you would get in immediately because with the bonds, we’re the issuer of the bonds and we’re putting our annual appropriation pledge to those bonds. We will not get out until we refund those bonds and the expectation is they will not be able to be refunded until they have the demonstrated revenue flow from that project. They will have had to build their new larger grocery store and has to be producing revenue. We have to have evidence that the tax rebate is an amount sufficient for this refunding to occur. Although the developer would like to get a bond issue that will access more revenues, all we are required to do is we can go to a refunding as soon as we’re able to at least recover what we’re committed to today.

Commissioner Barnes asked what’s that timeframe? Mr. Levin said I would think the earliest, although our bonds are going to allow us to refund within two years unless the developer really has a highly accelerated construction program, I’m thinking it might be two and one-half to three years before we can go to market with a second bond issue and that bond issue will remove our pledge. The pledge would be strictly based on the revenue flow.

In addition there’s a third piece of revenue flow. It’s the creation of a CID which the commission has already authorized and it’s going to go into effect October 1st. That will be another revenue stream to payback the future bond issue.

Commissioner Barnes asked what process or who validates all this financial information that you’re sharing with us tonight that they need $8.5 million. Who validates that’s the money that is really needed or is that a number that they picked out based on their finance people saying we need $9.5? Who validated that’s what you really need? Mr. Bach said when you say the validation of it, we’re looking at different pieces of the project to which we agree to on a percentage of where they were at for total investment in the deal, so it’s a $28 plus million deal.

Commissioner Barnes asked if I want to build a house and I go to my bank and I tell my bank I $125,000 to build a 900 square foot house—when I build a house, they say I want you to give me all the line items and how much you’re going to spend over here and I have to
personally sit down with them. If I put down I’m going to spend $25,000 on plumbing, they are going to say something’s not right about that. Who does the checking for us to that what you’ve submitted to us is correct and in place? **Mr. Bach** said primarily we do. Between George, and me and what we would use finance for, we’re going to look at somebody’s project proposal they lay out for us; look at the total amount of project costs from what’s the total cost to buy the center and look at the different items they are going to expense on. We usually go by a square foot and look at how much money they are putting back into it, like in a case where they are demoing off a certain area and then they are going to rebuild that. It’s different than when they are coming in and rebuilding on the western half of the center. We look at that and see where their cost are and then we run through the revenue projections. Lew’s shop comes into that and works on that a little bit more to see what they’re projecting for the future revenues to come into this area.

**Chairman Holland** asked is it not also vetted by our bond counsel who talks to us about whether or not these bonds can be issued. **Mr. Bach** said yeah, and I don’t know if that’s what the question was. Certainly we have our financial advisor and our bond counsel also. They run through the details of the bonds and such like that as to how they’re working. **Commissioner Barnes** asked do we charge them for all the hours that you guys involve yourselves in going over their information. **Mr. Bach** said they have to fund up a prefunding agreement with us where the initial one was they pay us $25,000 for any outside. Now we’ve never made it our policy to charge them for our staff work, but all external work like Mr. LaSala being here tonight and the work of bond counsel and outside, so our out-of-pocket costs, we make them pay us for.

**Commissioner Barnes** said I’m just using this for a guy that may not know this at the table. This has been a burden in my side for many years. You guys get tied up with their projects and their projects become a personalized priority for staff members. When I’ve got a weed problem down on the north end, you don’t have time for me because you’re donating all your time over here and there ain’t nothing wrong with that. That’s great, but somebody should pay for that because they are taking you away from doing something else in the neighborhood. I just don’t think that service should be free to them and we have to say I don’t have time to do it. You guys are working your butts off, so I am giving you accolades. I’m not complaining about what you’re doing. I come in and I can’t get ten minutes with you because you have to run off to another meeting and it is because you are handling these larger projects and they ain’t paying for themselves. My stuff on my end of town is just as important as a grocery store at 78th St. I just

**July 9, 2012**
want you to understand that and we need to work that out. You hire somebody outside, that’s fine; that means you’re making work for someone else, but you’re not making time for internal stuff that we have to deal with on the north end of town that may not be as important as a grocery store. I’d like to have more of your time and if you were charging these guys, they wouldn’t take up all your time. **Mr. Bach** said that since putting Mr. Brajkovic in his position earlier this year, it has made great strides that I’ve been able to remove myself from working as much time on economic development projects. That’s the goal that I’ll spend more time in the administrator doing overall operations kind of like you say. I also understand what you’re saying too. We could look at the prefunding where it could actually be for staff time as well as just our external out-of-pocket costs.

**Commissioner Barnes** said I presented a grocery store letter of interest and letter of intent for the north side of town. I appreciate what you did, but it basically says that when somebody comes to the table, these guys came to the table and said we want to do this grocery store. We opened the door for them, and not only did we open the door for them we’re into this thing 50/50 and we are into it with risk for 50% for three years. I got a guy that says I want to do business on this corner in this neighborhood and we say okay, here take this RFP. Something is wrong with that. Something is wrong with that process when a businessman says I want to come to my neighborhood, come to this community and do business in this neighborhood and he can’t get any assistance. He has to go through a RFP process. I just want it to be on record and I’d like to have a copy of it tomorrow to cover my backside for the community that I serve so they’ll know the reason that this grocery store is not happening is not because we have not been presented with an opportunity. We’ve been presented with an opportunity, but we failed to take advantage of the opportunity by sending them through a RFP process. I don’t know since I’ve been on the commission, if ever in this community where a businessperson has sent a letter of intent and said I want to do business in this community and we say I can’t talk to you about that because we have a RFP process going on and we refuse to engage that guy. That is so wrong and I’m going to make ten thousand copies of this and make certain everyone of my citizens know about this, that we had a grocery store of interest and we can’t even engage them. That’s sick. That’s a sick process.

Now here we are going down the road holding hands, skipping with them 50% percent involvement and selling bonds with them and everything and all we can give a guy from my side of town, here, take the RFP, see you later, bye. Something is wrong with that process and I don’t
know what it is, but something is wrong with that and I don’t think that it’s ever happened in the 17 years that I’ve been here where we have done something like that. I just want it to go on record.

Chairman Holland asked is there anything else we need to know about this project. Mr. Bach said we had some changes to the development agreement that I asked Mr. LaSalle to run through those so you would be aware of them.

Todd LaSala, Stinson Morrison Hecker, said there are five changes to the development agreement that you have before you. What we provided attached to your blue sheet is a redline version of that document that shows you word for word every change that was made since you approved it on May 17th. Quickly, here are what the five things are. Number one, there was a change based on a commissioner’s suggestion the night it was approved that the developer be required to pay the outstanding balance on its 2007 pledge to the KCK Chamber Foundation. That requirement is now in there. Secondly, there is a requirement that the UG get an opportunity to review the financials of the guarantor of the project to test the net worth of the guarantor and if the UG deems it insufficient, object to that and require somebody else to guarantee performance.

There are two changes about the taxability of the bonds. Number one, there is a requirement in the document that the developer was not allowed to protest its property taxes for the period of time that the initial bonds were outstanding. We’ve had to remove that requirement because it would make the bonds taxable and similarly there was a requirement that if there was a shortfall in the initial bonds, we would have the ability to get community improvement district (CID) revenues to back that shortfall. That contingent pledge of CID revenues also would have converted the bonds into being taxable bonds, so that provision has also been removed. Finally, there was a change to the conditions to access the initial bond money, namely there was a requirement for final site plan approval. Instead, we are converting that to preliminary site plan approval based on where they would be in the process at the time they need that money to go forward. Chairman Holland said all these sound fairly administrative. Mr. LaSala said largely. Commissioner Barnes asked was the donation to the KCK Chamber, was that only for them. Mr. LaSala said there was a pledge made to the KCK Chamber Foundation in 2007 that

July 9, 2012
was unpaid. Commissioner Barnes asked only the KCK. Mr. LaSala said yes, that is correct, the KCK Chamber Foundation.

Chairman Holland said we’re not voting on that, this is just a presentation. Is there anything else for this project? Mr. Bach said that’s all we have. Chairman Holland said I’m very excited about this project and I think it’s going to be good for our community so I appreciate your work on it.

Action: For information only.

IV. Goals and Objectives

Item No. 1 – 120137...GOALS AND OBJECTIVES

Synopsis: The Unified Government Commission conducted a strategic planning process resulting in specific goals and objectives adopted by the commission on May 17, 2012. Commission has directed that the goals and objectives appear monthly on respective standing committee agendas to assure follow-up and action toward implementation. Economic Development: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community. Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow, and businesses locate in the community.

Chairman Holland said economic development is our goal and objective that has been given to this sub—committee different from the last sub-committee. Do we want to begin and ask staff to be ready which is largely going to be George and Doug? Do we want to ask them to be ready to present at our next standing committee on how we move forward on our task list that’s been given to us from our planning? Do we want to begin that work at our next meeting?

Commissioner Barnes said I’d like to, and I think that we deserve a response on how they respond to people when somebody comes to them with an economic development project, how we pick and choose who we are going to promote and who we’re not going to promote. I think that question needs to be answered. Where is there a policy that says when somebody

July 9, 2012
comes requesting economic development assistance that we can say that we can’t move forward on this one and you have to go through some other process? Where is that policy written down that we can do that?

I am embarrassed as hell that I attract a guy out of Minneapolis, MN, to come to my town and show him some property that is under the UG’s name and instead of them saying come on let me show you how to put a grocery store on the ground, they say here is the damn RFP. That is crazy. They didn’t even give the guy an incentive package, didn’t say here is how you appear, here is how you buy property. They sent him out a RFP process. He’s ain’t worried about no RFP. I want to put a store in your neighborhood. I’m not concerned about that stuff. I want to build a store and he has been forced to go through a RFP process. I don’t understand that. You don’t have to respond today, but I think we need to be addressed on how in the hell do you turn down a project like that. We’ve been begging for a grocery store for 20 years and then here’s the guy that says—I got a copy of the letter that says consider this a letter of intent and a letter of interest at this particular location and I need your help and we sent him a RFP. I just want some answers in writing.

Mr. Bach said alright commissioner you are asking... Commissioner Barnes said I want them in writing. I don’t want conversation. I would like to have those answers in writing for the next meeting because if it is in writing—I want it to be in writing saying this is why I did what I did, this is why we have to do what we do, and the next person that you bring to my table, we’re going to treat them the same way. That’s what I want to know. If that’s the way we are going to do selective economic development, we need to change something around here. I’m just floored. They just opened up their bank book to this last group and I voted for it and I appreciate what they are doing for our community. Then this guy gets a RFP, no assistance, no contact, no I don’t want to talk to you. Go through this process and God bless you. Something is wrong with that.

**Action:** Held over until next month for staff to present how to proceed forward on economic goals and objectives.

III. Adjourn

Chairman Holland adjourned the meeting at 6:49 p.m.

tp

July 9, 2012
TO: Economic Development and Finance Standing Committee

FROM: Lew Levin, Chief Financial Officer

SUBJECT: Quarterly Investment Report, June 2012

DATE: August 6, 2012

Attached you will find three schedules entitled “Investment By Type, Interest Revenue Earned, and Cash By Fund Type”.

The first schedule contains details of the Unified Government cash currently invested indicating investment type, date invested, maturity date, as well as interest rate.

The second schedule is a chart comparing the total interest earned, and the average invested for years 2009, 2010, 2011, and 2012 through June 30, 2012.

The third schedule indicates the total cash held by fund type.

These reports are presented for inclusion in the information packet to the Standing Committee members and no action is required.

cc: Cash Management Committee
### INVESTMENT BY TYPE
**UNIFIED GOVERNMENT OF WYANDOTTE COUNTY / KANSAS CITY, KANSAS**
**June 30, 2012**

<table>
<thead>
<tr>
<th>Instrument</th>
<th>Amount</th>
<th>Rate</th>
<th>Invest. Date</th>
<th>Mat. Date</th>
<th>Days to Mat.</th>
</tr>
</thead>
<tbody>
<tr>
<td>UMB, NBA, Wyandotte - Opar.</td>
<td>$40,440,000</td>
<td>0.250%</td>
<td>06/29/12</td>
<td>07/02/12</td>
<td>3</td>
</tr>
<tr>
<td>UMB, NBA, Wyandotte - Health</td>
<td>824,000</td>
<td>0.250%</td>
<td>06/29/12</td>
<td>07/02/12</td>
<td>3</td>
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<tr>
<td>Bayerische Landsbank</td>
<td>5,877,425</td>
<td>0.515%</td>
<td>12/27/10</td>
<td>12/27/12</td>
<td>160</td>
</tr>
<tr>
<td>Deutsche Bank</td>
<td>10,000,000</td>
<td>0.650%</td>
<td>03/07/12</td>
<td>03/01/13</td>
<td>244</td>
</tr>
<tr>
<td><strong>TOTAL REPURCHASE AGREEMENTS</strong></td>
<td><strong>$57,141,425</strong></td>
<td><strong>0.347%</strong></td>
<td><strong>Average Rate of Interest</strong></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Liberty Bank Local Emphasis</td>
<td>96,737</td>
<td>0.500%</td>
<td>05/12/12</td>
<td>05/12/13</td>
<td>316</td>
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<tr>
<td>First State Local Emphasis</td>
<td>98,935</td>
<td>0.400%</td>
<td>05/12/12</td>
<td>05/12/13</td>
<td>316</td>
</tr>
<tr>
<td>Capital Federal</td>
<td>5,000,000</td>
<td>0.520%</td>
<td>04/27/11</td>
<td>10/29/12</td>
<td>121</td>
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<tr>
<td>Capital Federal Health</td>
<td>3,000,000</td>
<td>0.940%</td>
<td>02/07/11</td>
<td>02/07/13</td>
<td>222</td>
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<tr>
<td>First State</td>
<td>500,000</td>
<td>0.250%</td>
<td>01/20/12</td>
<td>07/31/13</td>
<td>396</td>
</tr>
<tr>
<td>Commerce</td>
<td>5,000,000</td>
<td>0.570%</td>
<td>12/09/11</td>
<td>08/08/14</td>
<td>769</td>
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<tr>
<td>Capital Federal</td>
<td>10,000,000</td>
<td>0.480%</td>
<td>12/09/11</td>
<td>08/08/14</td>
<td>769</td>
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<tr>
<td>Liberty Bank</td>
<td>1,000,000</td>
<td>1.280%</td>
<td>06/28/11</td>
<td>12/30/14</td>
<td>913</td>
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<td>Capital Federal</td>
<td>5,000,000</td>
<td>0.810%</td>
<td>01/20/12</td>
<td>11/03/15</td>
<td>1,221</td>
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<td>Liberty Bank</td>
<td>1,000,000</td>
<td>1.110%</td>
<td>01/20/12</td>
<td>11/03/15</td>
<td>1,221</td>
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<tr>
<td>Commerce</td>
<td>4,000,000</td>
<td>0.700%</td>
<td>01/20/12</td>
<td>11/03/15</td>
<td>1,221</td>
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<tr>
<td><strong>TOTAL CERTIFICATES OF DEPOSIT</strong></td>
<td><strong>$34,693,072</strong></td>
<td><strong>0.649%</strong></td>
<td><strong>Average Rate of Interest</strong></td>
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<tr>
<td>UMB/FHLMC</td>
<td>12,172,363</td>
<td>0.230%</td>
<td>06/27/11</td>
<td>07/27/12</td>
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<tr>
<td>UMB/ FHL,NC</td>
<td>5,043,759</td>
<td>0.250%</td>
<td>06/27/11</td>
<td>08/28/12</td>
<td>59</td>
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<tr>
<td>UMB/ FHLB</td>
<td>7,000,000</td>
<td>1.100%</td>
<td>02/03/12</td>
<td>07/30/13</td>
<td>396</td>
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<tr>
<td>UMB/FNMCA</td>
<td>7,041,261</td>
<td>0.680%</td>
<td>05/06/11</td>
<td>09/23/13</td>
<td>450</td>
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<td>UMB/ FHL,MC</td>
<td>7,048,878</td>
<td>1.120%</td>
<td>05/06/11</td>
<td>04/29/14</td>
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<td>UMB/ FFCGB</td>
<td>5,000,361</td>
<td>1.710%</td>
<td>04/28/11</td>
<td>03/24/15</td>
<td>967</td>
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<tr>
<td>UMB/ FHLB</td>
<td>$850,000</td>
<td>2.000%</td>
<td>04/29/11</td>
<td>04/30/15</td>
<td>1,034</td>
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<tr>
<td>UMB/ FHLB</td>
<td>$13,086,827</td>
<td>0.875%</td>
<td>06/28/12</td>
<td>05/29/12</td>
<td>1,423</td>
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<td><strong>TOTAL U.S. TREASURY</strong></td>
<td><strong>$57,742,469</strong></td>
<td><strong>0.735%</strong></td>
<td><strong>Average Rate of Interest</strong></td>
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<td><strong>Note 2010- III</strong></td>
<td>$55,000</td>
<td>0.390%</td>
<td>10/29/2010</td>
<td>08/1/2012</td>
<td>32</td>
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<tr>
<td><strong>TEMPORARY JUDGEMENT</strong></td>
<td>$326,000</td>
<td>0.170%</td>
<td>5/30/2012</td>
<td>3/1/2013</td>
<td>244</td>
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<td><strong>TAXABLE TEMPORARY NOTES UG</strong></td>
<td><strong>$383,000</strong></td>
<td><strong>0.202%</strong></td>
<td><strong>Average Rate of Interest</strong></td>
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<td></td>
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**STATISTICS**
- **Total Investments**: $149,960,566
- **Overall Average Rate of Interest**: 0.57%
- **Average Investment**: $150,125,898
- **Weighted Average Yield**: 0.57%
- **91-day T-Bill Rate (Benchmark)**: 0.06%
- **Average Weighted Maturity**: 438.59
- **Interest Posted Through June 30, 2012**: $151,038

**ALL ABOVE INVESTMENTS ARE FULLY COLLATERALIZED IN COMPLIANCE WITH THE UNIFIED GOVERNMENT'S INVESTMENT POLICIES AND K.S.A. 9-1402**

*INTEREST POSTED IS CALCULATED ON A GAAP BASIS.*
Interest Revenue Earned
2009-2012.

2009: $163.6 average invested
2010: $130.1 average invested
2011: $142.1 average invested
2012: $150.3 average invested
<table>
<thead>
<tr>
<th>Fund Type</th>
<th>Amount</th>
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</thead>
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<tr>
<td>GENERAL FUND TYPE</td>
<td>32,910,992</td>
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<tr>
<td>SPECIAL REVENUE FUND TYPE</td>
<td>14,571,112</td>
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<tr>
<td>DEBT SERVICE FUND TYPE</td>
<td>11,632,808</td>
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<tr>
<td>CAPITAL PROJECT FUND TYPE</td>
<td>52,649,410</td>
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<tr>
<td>ENTERPRISE FUND TYPE</td>
<td>18,655,764</td>
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<tr>
<td>INTERNAL SERVICE FUND TYPE</td>
<td>171,367</td>
</tr>
<tr>
<td>TRUST AND AGENCY FUND TYPE</td>
<td>10,300,935</td>
</tr>
</tbody>
</table>

**TOTAL CASH**                   **140,882,388**

The difference between the Cash by Fund Type and the Investment by Type report is the investment of reconciling items, such as outstanding warrants.
Lew,

I have attached the report for budget revisions greater than $10,000 to be presented at the Finance Standing Committee. There were two entries in the second quarter, both entries were within the Fire Department. The first entry was processed on May 9th in the amount of $11,500 to repair the driveway ramp at Fire Station number four, which is located near 81st and Leavenworth Road. The second entry was to purchase materials, parts, and new Self Containing Breathing Apparatus (SCBA). Cost related to the SCBA equipment have increased recently. The entry for SCBA equipment and repair was completed on June 19th.

Thanks,

-RL
<table>
<thead>
<tr>
<th>ENTRY</th>
<th>FUND</th>
<th>DEPARTMENT</th>
<th>CMIP/OPERATING</th>
<th>DESCRIPTION</th>
<th>AMOUNT</th>
<th>DATE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>City General</td>
<td>Fire</td>
<td>CMIP-Public Buildings Improvements</td>
<td>Fire-Repairs Ramp at Station 4</td>
<td>$11,500</td>
<td>May 9, 2012</td>
</tr>
<tr>
<td></td>
<td>City General</td>
<td>Fire</td>
<td>Operating Materials</td>
<td>SCBA Equipment</td>
<td>$10,000</td>
<td>June 19, 2012</td>
</tr>
</tbody>
</table>

**Total:** $31,500
**Staff Request for Commission Action**

**Tracking No. 120219**

- **Revised**
- **On Going**

**Type:** Standard  
**Committee:** Economic Development and Finance Committee  
**Date of Standing Committee Action:** 8/13/2012  
(If none, please explain):

**Proposed for the following Full Commission Meeting Date:**  
**Confirmed Date:** 9/20/2012

**Changes Recommended By Standing Committee (New Action Form required with signatures)**

<table>
<thead>
<tr>
<th>Date</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Ref.</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/7/2012</td>
<td>George Brajkovic</td>
<td>x5749</td>
<td><a href="mailto:gbrajkovic@wycokck.org">gbrajkovic@wycokck.org</a></td>
<td></td>
<td>Economic Development</td>
</tr>
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**Item Description:**  
NorthPoint Development has proposed a $30M multi-family project located on a 12 acre site on the West side of N 110th St, between State Ave and Parallel. The Project, Legends Apartments, will be comprised of 306 total units, with a mix of 1 and 2 bedroom units; average monthly rents range from $755 - $1350. The Developer is requesting the use of IRBs for a 10 year fixed-PILOT and a sales tax exemption certificate for Construction Materials purchased in Kansas. The PILOT is based on market rate values, and therefore will represent a 0% tax abatement. Failure to meet Prevailing Wage and/or L/M/W goals will result in Escalator % applied to the PILOT.

**Action Requested:**  
Approval of Resolution of Intent, to be considered by FC on 09/20/12.

**Publication Required**

**Budget Impact:** (if applicable)

- **Amount:** $
- **Source:**
  - Included In Budget
  - Other (explain)  Positive economic and fiscal benefit.
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS
(A non-refundable application fee of $1,000 must accompany this application when filed with the Unified Clerk’s Office)

The undersigned hereby agrees that the submission of this Application to the Unified Government, and the Unified Government's adoption of a Resolution indicating an intent to issue the Bonds to provide funds for the Project will not give rise to an obligation by the Unified Government to fund such Project in the amount requested or in any amount. The undersigned further understands and agrees that there is no assurance that Bonds will be issued by the Unified Government or that Bond proceeds will be sufficient to fund the Project as hereby requested.

July 20, 2012
Date of Application

NorthPoint Development (or Subsidiary)
Applicant (Firm Name or Name of Individual) 6300 N Revere Drive, Suite 200

Telephone Number 816-888-7380
Fax Number 816-888-7399
E-mail Address Nathaniel@NorthPointKC.com

Nathaniel Hagedorn
Name of Responsible Officer 6300 N Revere Drive, Suite 200

President Kansas City, MO 64151
Title Address

N/A
Attorney for Applicant

Telephone Number
Fax Number
E-mail Address

Address

NorthPoint Development
Underwriter or Purchaser of Bonds (If known) 6300 N Revere Drive, Suite 200

Telephone Number 816-888-7380
Fax Number 816-888-7399
E-mail Address Brett@NorthPointKC.com
Amount of Bonds Requested: $34,000,000.00

Nature of Project:

☐ Industrial
☐ Commercial
☐ Agricultural
☐ Pollution Control
☒ Other (please specify) Multifamily
I. Corporate or Business Entity Information

A. In what line or lines of business is the applicant engaged?

NorthPoint Development began as the management arm of Briarcliff Development, successfully leasing some of Kansas City's most prestigious Class A office space in the Briarcliff Village neighborhood. In 2012, CEO Nathaniel Hagedorn formed NorthPoint Development as an independent company, bringing several of his developers to leverage their years of experience in service of a new vision.

B. Is the Applicant a proprietorship, partnership, limited liability company or corporation?

Limited liability company taxed as a partnership

C. Year and state of incorporation or formation of business entity?

Missouri in January 30, 2012

If proprietorship, partnership, limited liability company or closed corporation, list the names and owners and the approximate amounts owned by each of its principal stockholders:

**Ownership Structure:**

<table>
<thead>
<tr>
<th>Name</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Nathaniel Hagedorn</td>
<td>80%</td>
</tr>
<tr>
<td>Robert Alumbaugh</td>
<td>15%</td>
</tr>
<tr>
<td>Brent Miles</td>
<td>1%</td>
</tr>
<tr>
<td>Brett Grady</td>
<td>1%</td>
</tr>
<tr>
<td>Chad Meyer</td>
<td>1%</td>
</tr>
<tr>
<td>Chris Williams</td>
<td>1%</td>
</tr>
<tr>
<td>Kelly Clark</td>
<td>0.50%</td>
</tr>
<tr>
<td>Rodney Pullen</td>
<td>0.25%</td>
</tr>
<tr>
<td>Brian Votava</td>
<td>0.25%</td>
</tr>
</tbody>
</table>

D. If applicant is subsidiary of another business entity, state name and address of parent:

NorthPoint Holdings, LLC, 6300 N Revere Drive, Suite 225, Kansas City, MO 64151

E. List the name and titles of the principal officers of the applicant firm:

Nathaniel Hagedorn, President
Chad Meyer, Chief Operating Officer
Brent Miles, Vice President of Economic Development
F. List the name of the certified public accounting firm (or firms) which has performed audits of the applicant firm (or its parent books and records for the past five years:

When company operated as Briarcliff Realty Cochran Head Vick and Co., PA audited for 2009, 2010, and 2011. NorthPoint Development and NorthPoint Holdings have yet to be audited as they were formed in 2012. Current CPA firm we use is Marks Nelson Vohland Campbell Radetic, LLC.

If the applicant corporation or its parent is a publicly held corporation and regularly files annual and quarterly reports on Form 10-K and Form 10-Q, respectively, attach as a part of this application, copies of the most recent Form 10-K and Form 10-Q, the applicant’s most recent report to shareholders, as well as any reports on Form 8-K filed within the past fiscal year.

II. The Project

A. Type of project (check one)

☒ New business
☐ Establishment of branch plant/business
☐ Acquisition of existing business
☐ Expansion of existing business

B. Briefly describe the nature of the proposed project, including detailed information as to the structure itself (size of building, amount of land to be purchased, etc.), and what products or services are to be manufactured or provided:

A 12 acre multifamily development containing approximately 305 units at the corner of 110th Street and to be constructed Delaware Parkway Extension.

C. Will the facility engage in direct retail sales? If so, are any of the retail sales catalog or on-line sales, and if so, how much:

NO

D. What is the street address or location of the proposed project?

To be created, generally 110th Street and Delaware Parkway

E. Legal description of the property (attach separate sheet if necessary):

Will complete in zoning / plating process
F. Appraised value of property to be acquired from County Appraiser:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Real Estate</td>
<td>$1,500,000.00</td>
</tr>
<tr>
<td>Improvements</td>
<td>$25,000,000.00</td>
</tr>
<tr>
<td>Equipment</td>
<td>$0.00</td>
</tr>
</tbody>
</table>

G. Will the applicant be in direct competition with other local firm(s)? If so, name the firm(s):

No

Describe the nature of the competition:

H. Does the applicant have a single or a multiple plant business or operation?

N/A

I. Does the applicant or its parent presently have facilities located in Kansas City, Kansas and/or Wyandotte County? If so, describe and provide location:

No

J. Will the Kansas City Kansas/Wyandotte County facility be the main operation of the applicant? If not, where is the main operation located?

N/A

III. Nature of Improvements

A. Approximate amount requested:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land</td>
<td>$1,500,000.00</td>
</tr>
<tr>
<td>Buildings</td>
<td>$25,000,000.00</td>
</tr>
<tr>
<td>Machinery and Equipment</td>
<td>$0.00</td>
</tr>
<tr>
<td>Financing Costs</td>
<td>$0.00</td>
</tr>
<tr>
<td>Other (specify)</td>
<td>$3,500,000.00</td>
</tr>
</tbody>
</table>

Total $30,000,000.00

B. What type of machinery and equipment is proposed to be financed?

N/A
C. Name, address and telephone number of contractor, architect, engineer:

**Contractor:** Neighbors Construction, 501 Kaw Drive, Edwardsville, KS 66113, Ph. 913-422-5555

**Architect:** NSPJ, 3515 W 75th Street, Suite 201, Prairie Village, KS 66208, Ph. 913-831-1415

**Engineer:** Continental Consulting Engineers, 9000 State Line, Leawood, KS 66206 Ph. 913-642-6642

<table>
<thead>
<tr>
<th>D.</th>
<th>How many persons will be employed at the project?</th>
<th>4-5</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>How many new jobs will be created initially?</td>
<td>N/A</td>
</tr>
<tr>
<td></td>
<td>How many new jobs will be created ultimately?</td>
<td>N/A</td>
</tr>
</tbody>
</table>

E. Briefly describe the approximate numbers of persons to be employed at the project at all levels (management, office, skilled, and unskilled, for example):

N/A

F. What dollar amount or percentage of the applicant’s total projected annual sales is expected to be generated by the project?

N/A

G. What were applicant’s total assets at all locations at the end of the last fiscal year?

<table>
<thead>
<tr>
<th>H.</th>
<th>Is the prospective location properly zoned?</th>
<th>Yes</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>If a zoning change is pending, cite application number and present status. If application has not been make, briefly describe what change will be need and plans for submitting application:</td>
<td></td>
</tr>
</tbody>
</table>
UNIFIED GOVERNMENT OF
WYANDOTTE COUNTY/KANSAS CITY, KANSAS

APPLICATION FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS

I. Is there likelihood for expansion of the proposed facility within 3 years?
   No

   Is such expansion contemplated in this application for the resolution of intent?
   No

   J. What is the estimated date for operations to begin at the project?
      July / August 2013

   IV. The Financing

   A. Will the applicant pledge any assets other than the project itself to secure the bonds? If so, what?
      $10,000,000.00 in equity, finance for remaining $20,000,000.00

   B. What other person, firm or corporation will guarantee the payment of the bonds?

SUBMIT AS AN ATTACHMENT, THE SAME FINANCIAL INFORMATION WITH RESPECT TO THE GUARANTOR AS IS REQUESTED FOR THE APPLICANT UNDER PART III ABOVE.

   C. What portion of the project will be financed from funds other than bond proceeds?
      Sales tax exemption only

      What is the source of such funds?

   D. Has the applicant consulted a prospective purchaser or underwriter to determine whether the bonds are marketable?
      N/A

      If so, state the name, address and principal contact of the prospective underwriter:
E. If the bonds are to be privately placed, please attach the letter of intent or commitment letter relating to such sale:

F. Has the applicant considered conventional financing?

G. Does the applicant or its parent intend to purchase all or any part of the proposed bond issue?

V. Tax Abatement

Is the applicant requesting any tax abatement for the project in accordance with the Unified Government's policy? Describe estimated amount of tax abatement?

No tax abatement required. Fixed pilot structure.

VI. Appraiser’s Statement

Attach as a part of this application, a letter signed by the County Appraiser stating the estimated amount of ad valorem taxes payable for the land and improvements to be financed through the proceeds of the proposed bonds.
VI. Certification of Applicant

The undersigned hereby represents and certifies that, to the best knowledge and belief of the undersigned, this application contains no information or data, contained herein or in the exhibits or attachments, that is false or incorrect and that it is truly descriptive of the property which is intended as the security for the proposed bonds.

A check in the amount of $1,000 representing the non-refundable application fee is enclosed.

The undersigned acknowledges and agrees to pay a bond origination fee calculated on the schedule set forth below (less the $1,000 application fee) to the Unified Government simultaneously with the issuance of the bonds.

APPLICANT NAME: Nathaniel Hagedorn
SIGNATURE:
TITLE: President

Bond Origination Fee: .400% of principal amount of bonds issued up to $10,000,000

.250% of principal amount of bonds issued $10,000,000 -- $25,000,000

.125% of principal amount of bonds issued $25,000,000 and over

Dated this _____ day of July, 2012.

By: Nathaniel Hagedorn
Title: President
RESIDENCES AT WEST VILLAGE
BY
NORTHPOINT DEVELOPMENT COMPANY
RESOLUTION DETERMINING THE INTENT OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, TO ISSUE ITS MULTIFAMILY HOUSING REVENUE BONDS IN THE AMOUNT OF APPROXIMATELY $34,000,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING, IMPROVING AND EQUIPPING COMMERCIAL FACILITIES FOR THE BENEFIT OF NORTHPOINT DEVELOPMENT (LEGENDS APARTMENTS)

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

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

WHEREAS, Northpoint Development, a Missouri limited liability company or its subsidiary (the “Company”), has submitted to the Unified Government an Application for the Issuance of Multifamily Housing Revenue Bonds (the “Application”) requesting that the Unified Government finance the cost of acquiring, constructing, improving and equipping certain commercial facilities as more fully described in the Application located on the North side of 110th Street between State Avenue and Parallel Parkway consisting of an approximately 306-unit apartment complex, including associated infrastructure, a clubhouse, and other amenities (collectively, the “Project”) through the issuance of its revenue bonds in one or more series in the amount of approximately $34,000,000, and to lease the Project to the Company or its successors and assigns in accordance with the Act;

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of Wyandotte County/Kansas City, Kansas and their inhabitants that the Unified Government finance the costs of the Project by the issuance of revenue bonds under the Act in a principal amount of approximately $34,000,000, said bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the Unified Government to the Company;

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

Section 1. Approval of Project. The Governing Body of the Unified Government hereby finds and determines that the acquiring, constructing, improving and equipping of the Project will promote the general welfare and economic prosperity of Wyandotte County/Kansas City, Kansas, and the issuance of the Unified Government's revenue bonds to pay such costs will be in furtherance of the public purposes set forth in the Act.

Section 2. Intent to Issue Bonds. The Governing Body of the Unified Government hereby determines and declares the intent of the Unified Government to acquire, construct, improve and equip the Project out of the proceeds of revenue bonds of the Unified Government in a principal amount of approximately $34,000,000 to be issued pursuant to the Act.
Section 3. Provision for the Bonds. Subject to the conditions of this Resolution, the Unified Government will (i) issue its revenue bonds to pay the costs of acquiring, constructing, improving and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the Unified Government; (ii) provide for the lease (with an option to purchase) of the Project to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of said bonds by the Unified Government and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Conditions to Issuance. The issuance of said bonds and the execution and delivery of any documents related to the Bonds are subject to (i) obtaining any necessary governmental approvals; (ii) agreement by the Unified Government, the Company and the purchaser of the bonds upon (a) mutually acceptable terms for the bonds and for the sale and delivery thereof and (b) mutually acceptable terms and conditions of any documents related to the issuance of the bonds and the Project; and (iii) the Company's compliance with the Unified Government's policies relating to the issuance of revenue bonds.

Section 5. Sale of the Bonds. The sale of the bonds shall be the responsibility of the Company.

Section 6. Ad Valorem Tax Abatement. In consideration of the Company’s decision to acquire, construct, improve and equip the Project, the Unified Government hereby agrees to take all appropriate action to request the Kansas Court of Tax Appeals to approve a 100% ad valorem property tax abatement (not including special assessments) for all real property financed with the proceeds of the Bonds. The Unified Government and the Company shall enter into a Performance Agreement in substantially the form approved by the Governing Body for the Project. The Project financed with the proceeds of the Bonds shall be entitled to a 10-year tax abatement, with the first year of the abatement being the year beginning on the January 1 following the year the Bonds are issued by the Unified Government. The percentage of abatement is subject to adjustment in accordance with the Performance Agreement.

The Company agrees to submit to the Unified Government by March 1st of each year, an annual certification of the Company of the percentage of its employees employed at the Project on the previous December 31st that are residents of Wyandotte County as shown on the records of the Company.

In consideration of the Unified Government’s agreement to request 100% ad valorem property tax abatement, the Company will agree to make an annual fixed payment in lieu of tax to the Unified Government during the term of the abatement for the Project equal to the amounts set forth below:
**Option A:** This is the PILOT with a 0% escalator – this would be the PILOT if the Company met both the goals of Local/Minority/Women Business Enterprises **AND** the Davis-Bacon provisions:

<table>
<thead>
<tr>
<th>Year</th>
<th>Both Prevailing Wage &amp; L/M/W</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>2</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>3</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>4</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>5</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>6</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>7</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>8</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>9</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>10</td>
<td>$229,952.75</td>
</tr>
</tbody>
</table>

**Option B:** This is the PILOT with a 1.5% escalator – this would be the PILOT if the Company only met the goals of Local/Minority/Women Business Enterprises **OR** the Davis-Bacon provisions:

<table>
<thead>
<tr>
<th>Year</th>
<th>One of Prevailing or L/M/W - 1.5%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>2</td>
<td>$233,402.04</td>
</tr>
<tr>
<td>3</td>
<td>$236,903.07</td>
</tr>
<tr>
<td>4</td>
<td>$240,456.62</td>
</tr>
<tr>
<td>5</td>
<td>$244,063.47</td>
</tr>
<tr>
<td>6</td>
<td>$247,724.42</td>
</tr>
<tr>
<td>7</td>
<td>$251,440.29</td>
</tr>
<tr>
<td>8</td>
<td>$255,211.89</td>
</tr>
<tr>
<td>9</td>
<td>$259,040.07</td>
</tr>
<tr>
<td>10</td>
<td>$262,925.67</td>
</tr>
</tbody>
</table>

**Option C:** This is the PILOT with a 3% escalator – this would be the PILOT if the Company **DID NOT** meet the goals of neither Local/Minority/Women Business Enterprises nor the Davis-Bacon provisions:

<table>
<thead>
<tr>
<th>Year</th>
<th>Neither - 3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>$229,952.75</td>
</tr>
<tr>
<td>2</td>
<td>$236,851.33</td>
</tr>
<tr>
<td>3</td>
<td>$243,956.87</td>
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<tr>
<td>4</td>
<td>$251,275.58</td>
</tr>
<tr>
<td>5</td>
<td>$258,813.85</td>
</tr>
<tr>
<td>6</td>
<td>$266,578.26</td>
</tr>
<tr>
<td>7</td>
<td>$274,575.61</td>
</tr>
<tr>
<td>8</td>
<td>$282,812.88</td>
</tr>
<tr>
<td>9</td>
<td>$291,297.26</td>
</tr>
<tr>
<td>10</td>
<td>$300,026.18</td>
</tr>
</tbody>
</table>
Section 6. Limited Obligations of the Unified Government. The bonds and the interest thereon shall be special, limited obligations of the Unified Government payable solely out of the amounts derived by the Unified Government under the Lease Agreement and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the Owners of the bonds, as provided in the Indenture. The Bonds shall not constitute a general obligation of the Unified Government, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the Unified Government, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the Indenture. The issuance of the bonds shall not, directly, indirectly or contingently, obligate the Unified Government, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

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

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

Section 8. Further Action. Counsel to the Unified Government and Gilmore & Bell, P.C., Bond Counsel for the Unified Government, together with the officers and employees of the Unified Government, are hereby authorized to work with the purchaser of the bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the Unified Government all documents necessary to effect the authorization, issuance and sale of the bonds and other actions contemplated hereunder.

Section 9. Effective Date. This Resolution shall take effect and be in full force immediately after its adoption by the Governing Body of the Unified Government.

Section 10. Termination of Resolution. Unless Company provides to the Unified Government by April 1, 2013 (a) a copy of an executed loan commitment (in form and substance satisfactory to the Unified Government) to finance the Project from a lender acceptable to the Unified Government, and (b) evidence that the Company has paid a non-refundable loan commitment fee to such lender for such loan commitment, then this Resolution shall automatically terminate without any further action.

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

(Seal)

Attest:

By: ______________________________
    Unified Government Clerk
**Staff Request for Commission Action**

**Tracking No. 120221**

- [ ] Revised
- [ ] On Going

**Type:** Standard  
**Committee:** Economic Development and Finance Committee

**Date of Standing Committee Action:**

(if none, please explain):

On 07/09/2012 ED&F Standing Committee requested staff to come back and present on 0...

**Proposed for the following Full Commission Meeting Date:**

- **Confirmed Date:** 9/6/2012

<table>
<thead>
<tr>
<th>Date: 8/8/2012</th>
<th>Contact Name: Charles Brockman</th>
<th>Contact Phone: 573-5733</th>
<th>Contact Email: <a href="mailto:cbrockman@wycokck.org">cbrockman@wycokck.org</a></th>
<th>Ref:</th>
<th>Department / Division: Economic Development</th>
</tr>
</thead>
</table>

**Item Description:**

On 05/03/2012 the Commission approved R-29-12 which amended and adopted the Unified Government's Housing Tax Credit Procedures and the Local Review Criteria of Housing Tax Credit Proposals.

Per the discussion at the 07/09/2012 ED&F Standing Committee, staff is to present the following:

1. Recommended changes under CRITERIA in Exhibit A, this includes the following:
   - Strike the language gold, silver and bronze standard
   - Mayor's review of the Resolution of Support and letter
   - Staff forwarding Mayor's recommendations
2. Present previous applications and scores from 2009 - 2012.
3. Discussion of scoring matrix within the Local Review Criteria.

**Action Requested:**

Strike the following from Exhibit A: (1) language gold, silver and bronze standard, (2) Mayor's review and (3) staff forwarding recommendations.

Update the Local Review Criteria of Housing Tax Credit Proposals

Move recommended changes into Full Commission.

- [ ] Publication Required

**Budget Impact:** (if applicable)

- **Amount:** $
- **Source:**
  - [ ] Included In Budget
  - [ ] Other (explain)

---
RESOLUTION NO. ___________  

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (“Unified Government”) is committed to the construction and maintenance of quality affordable housing for all persons regardless of race, sex, color, religion, ancestry, national origin, veteran status, sexual orientation, age, marital status, familial status or disability in Wyandotte County; and

WHEREAS, the Unified Government recognizes that the Housing Tax Credit Program, established in the Tax Reform Act of 1986, Section 42(m), is an important tool to achieve these objectives; and that the Kansas Housing Resources Corporation’s (“KHRC”) state allocation plan requires a local review process prior to its consideration of housing tax credit proposals; and

WHEREAS, on November 18, 2004 the Unified Government has by Resolution No R-113-04 adopted certain selection criteria which are appropriate to local conditions to ensure a fair and accurate review of all development proposals for housing tax credits; and

WHEREAS, the Unified Government has reviewed its existing policy and procedures for the review of development proposals for housing tax credits and has concluded that local conditions and priorities have substantially changed creating a need to amend said policies and procedures; and

WHEREAS, the Unified Government Board of Commissioners amends the Unified Government’s Section 42 Tax Credit Recommended Changes adopted on May 3, 2012, by updating the Local Review Criteria for Housing Tax Credit Proposals and striking the fifth, sixth and seventh bullet under CRITERIA in Exhibit A, which is (1) the language gold, silver, and bronze standards, (2) Mayor’s review and (3) staff forwarding Mayor’s recommendations.

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

The Unified Government hereby amends and adopts in the name of the Unified Government the Local Review Criteria of Housing Tax Credit Proposals (attached) and Exhibit “A” (attached), specifically replacing any corresponding policies or procedures previously adopted and the Local Review Criteria for Housing Tax Credit Proposals.

Further said procedures and policies, in their entirety, are to be interpreted and construed consistent with the attached exhibit.

ADOPTED BY THE BOARD OF COMMISSIONERS OF THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS, THIS _____DAY OF __________________, 2012.

__________________________________________
Unified Government Clerk
INTRODUCTION

The Commission of the Unified Government of Wyandotte County/Kansas City, Kansas believes that one of the community’s most attractive and positive characteristics is its cultural and racial diversity in which no one group constitutes a majority. It is the policy of the Unified Government to secure to all persons living or desiring to live in the City a fair opportunity to purchase, lease, rent or occupy housing or other real estate and to provide all persons full and equal access to housing regardless of race, sex, color, religion, ancestry, national origin, veteran status, sexual orientation, age, marital status, familial status or disability. Unlawful racial steering, discrimination and other forces promoting segregated housing must be eliminated. It is the intent of the Commission in the implementation of this Housing Tax Credit Policy to encourage racial and cultural integration as well as economic diversity.

CRITERIA

The Unified Government is committed to the construction and maintenance of quality affordable housing in Wyandotte County. The construction of new affordable housing units together with the renovation of existing housing units can significantly improve the livability of neighborhoods and provide decent living conditions. The Unified Government recognizes that the Housing Tax Credit Program, established in the Tax Reform Act of 1986, Section 42 (m), is an important tool to achieve these objectives. The Kansas Housing Resources Corporation’s (KHRC) state allocation plan requires a local review process prior to its consideration of housing tax credit proposals. The KHRC will not consider an application for housing tax credits “without a resolution from the local governing body stating that it is aware of and approves the housing development”. In addition, the KHRC evaluates proposals based on specific selection criteria, in accordance with Section 42 (m) requirements. To complement the State review process, the Unified Government has established selection criteria which are appropriate to local conditions and priorities.

To ensure a fair and accurate review, the following will take place:

- Prior to submitting an application, a pre-application meeting will be held with the developer and the UG staff for all proposals for housing tax credits applications

- UG applications and three binders* can be submitted anytime throughout the year for a Resolution of Support. However, it is the UG’s Commissioners intention to consider all applications no later than 45 days prior to the State acceptance of applications time line. If an application is submitted past the UG’s set time line, that application will be considered for the next State deadline date.

- Each application will be evaluated on the basis of a point ranking system; determines if the proposal merits local support

- Each applicant must meet a minimum of 50 points in order to forward the application onto the Standing Committee for review and onto Full Commission for a Resolution of Support.
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

*Binders must include the Local Review Criteria for Review of Housing Tax Credit Proposals – Unified Government of Wyandotte County/Kansas City, Kansas document. Each criteria point must direct the reviewer to the part of the document containing the appropriate information (page number, tabbed section, etc.). If no information pertains to a particular criteria point it may be left blank.

1. Pre-Requisite Requirements (No Points)
   a. Pre application meeting – Developers must meet with the Economic Development and Planning & Zoning staff prior to turning the application in for review.
   b. Ownership is Clear- The developer must provide evidence of recorded title of the real estate to be developed or a contract indicating that the property will be acquired pending the approval of the tax credit application.
   c. Feasible Market Analysis- Submission of a feasibility study that supports the ability of the development to attract market rate tenants for any market rate units; and low income tenants for the tax credit units. (This analysis is not required for developments of 12 units or less.)
   d. Financing in Place- Evidence of permanent financing and permanent loan closing documents (15 year minimum for properties of 10 units or more), as required by the KHRC.
   e. Compliance with Land Use and Zoning Requirements. The Director of the Department of Urban Planning and Land Use must certify that the proposed site is in compliance with the designated zoning and land use of the site. The Unified Government Board of Commissioners will not take action on a tax credit application until zoning is in place or approved subject to stipulations.
   f. Compliance with Long-Range Master Plan - The Planning Commission must certify that the proposed site is in compliance with the approved Long Range Master Plan for this area. Master-plan compliance is required prior to the project start date; however, it is not required to advance the review to Commission.

The Unified Government Board of Commissioners may take action noting the applicant may receive approval but contingent on the conformance with the Master-plan.

   g. Acceptable Environmental and Site Impacts- The Directors of Public Works and or the Department of Urban Planning and Land Use must certify that that the proposed development will not have any significant adverse environmental or site impacts or that appropriate mitigation will occur. Considerations include: areas subject to flooding; close proximity to pollution generators; and sites with steep slopes or unsuitable for development.
   h. Qualified Development and Management Team- The applicant must have previously developed and operated similar projects, or indicate how the ability
and experience necessary to complete and operate the proposed project will be attained.

i. Adequate Storm Shelter Requirements- In addition to complying with local building codes, the plans for the development of new units must include a storm shelter or a protected area in the event of a severe storm. The Director of Emergency Management and/or the Director of Planning and Urban Development of the Unified Government will review proposed plans to insure this protection is provided.

2. Property Location

a. Neighborhood Revitalization Area (3 Points)

A proposed project located in the Unified Government’s recognized Neighborhood Revitalization Area (NRA) will receive three points. The points will also be awarded to any property located within the NRA boundaries, but situated in a Tax Increment Financing district. (The NRA is recognized as a targeted development area within the community; however it should be noted that tax credit developments are not eligible for the tax abatement incentives received for development in an NRA unless noted within the NRA 2012-2014 Plan. Figure C-1 indicates the boundaries of the existing NRA and TIF and locations.)

![Neighborhood Revitalization Areas 2012](image-url)

Figure C-1
b. Conformance with Consolidated Plan Objectives (3 Points)

The current Unified Government Consolidated Plan mentions low income housing tax credits, as an option for constructing or rehabbing affordable rental housing.

c. Need for Affordable Housing in Area (2 Points)

The recent Housing Tax Credit Policy Review (September 2004), conducted by the Unified Government Research Division, indicated that two areas of the city have fewer affordable unit available than other areas of the city. If the development is located in either Turner/Muncie (area #4) or Piper/I-435 (area #5) two points are awarded. (Figure C-2 indicates the boundaries of these areas.)

d. Infill Site (2 Points)

Infill sites east of I-635 receive two points. An infill site located in areas 3 and 4 (Figure C-2) will receive one point. An infill site in areas 3 and 4 will receive an additional point, if the Economic Development staff determines that the property has not been used for agricultural purposes in the most recent 24 month period. Fallow ground is considered to be agriculture.

e. Area Part of a Revitalization Plan or Designated Redevelopment Area (2 Points)

The Unified Government Economic Development staff will verify with the Community Development Director and the Director of the Land Use and Planning Department to determine if the proposed site is situated in one of these areas. If so, two points are awarded. These areas may include: special planning areas, Tax Increment Financing Districts (TIF) areas, CDBG targeted neighborhood or development areas, or other designated area.

f. Qualified Census Tract (1 Point)

A proposed development located in a qualified census tract, in accordance to HUD regulations receives one point. A qualified census tract has either a poverty rate greater than 25% or over 50% of the households have incomes below 60% of the KC area median household income. (Figure C-3 displays qualified census tracts.)

g. CDBG Low-Mod Census Tract (1 Point)

A proposed development located in a "low-mod census tract", in accordance to HUD regulations receives one point. The low-mod census tracts include the "qualified census tracts" and other census tracts with over 50% of the households having a median household income below 80% of the KC area median household income. (Figure C-3 displays the low-mod and qualified census tracts.)

h. Availability of Nearby Services (Up to 6 Points)

1. Neighborhood Retail (1 Point)
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

One point is received if "neighborhood retail" services are currently available within one mile of the development. Neighborhood retail includes centers or shopping areas that offer convenience goods such as food/groceries, drugs, and personal services.

2. Park/Trails (1 Point)

One point is given if the proposed site is within one mile of an existing neighborhood or community park, recreational facility, or trail system.

3. Transit (1 Point)

One point is awarded if the proposed site is within a ½ mile of an existing transit line.

4. Medical Facilities/Offices (1 Point)

One point is received if the proposed development is located within two miles of an existing medical office, clinic, or hospital facility. The medical facility should offer primary medical care service, as opposed to specialty care.

5. Employment Centers (2 Points)

Two points are given, if the proposed site is within one mile of a significant employment center, while one point is received if the development site is located within three miles of such a center. An employment center may include: a commercial business or retail district; or an industrial or warehouse/distribution district. Example of such districts include: the Fairfax, Armourdale, and Santa Fe industrial districts; the 78th Street business corridor; downtown; Village West; and the KU Medical Center area.

6. School District Impact (No points)

The impacted school district will be notified for comment.

3. Housing Needs Characteristics (20 Points Available)

a. Rehabilitation of Existing Affordable Housing (6 Points)

Six points are awarded if the proposed development meets KHRC’s definition of substantial rehabilitation. "Total rehabilitation expenditures must be the greater of an average of at least $4,000 of qualified basis per low-income unit in each building or ten percent of the unadjusted basis." (KHRC – Overview of Housing Tax Credits 2004)

b. Prevents Conversion to Market-Rate or Preserves Affordable Units (2 Points)
The acquisition of a property that may be subject to foreclosure or default or faced with an expiring rental assistance program would receive two points. In this instance, affordable units are retained. Rehabilitation is not required to earn these points.

c. Preserves Historically Significant Structures (3 Points)

Historically significant structures include those buildings placed on the National Historic Registrar or eligible for designation as determined by the Kansas City, Kansas Landmarks Commission. Three points are given for this designation.

d. Removes Blighted Structures or Funds a Unified Government Demolition or Rehabilitation Program (4 Points)

A development plan that includes the demolition of all blighted structures at its proposed development site will receive the four points for this category. If the development plan removes blighted structures by means of rehabilitation, it also would receive the four points. Blighted structures may include vacant or abandoned structures, or buildings that have been cited for code violations. The Economic Development Staff and the Neighborhood Resource Center Director will make this determination.

If an applicant does not have blighted buildings at its proposed development site, the applicant may fund a Unified Government program dedicated for demolition or rehabilitation of housing structures to receive from one to four points. The table below indicates the required level of funding for various development costs.

<table>
<thead>
<tr>
<th>Amount of Investment</th>
<th>Funding Per Point</th>
<th>4 Point Funding Cost</th>
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<tbody>
<tr>
<td>Less than $4,000,000</td>
<td>$15,000</td>
<td>$60,000</td>
</tr>
<tr>
<td>$4,000,000 to $7,999,999</td>
<td>$20,000</td>
<td>$80,000</td>
</tr>
<tr>
<td>$8,000,000 to $11,999,999</td>
<td>$25,000</td>
<td>$100,000</td>
</tr>
<tr>
<td>More than $12,000,000</td>
<td>$30,000</td>
<td>$120,000</td>
</tr>
</tbody>
</table>

e. Minimal Impact to Existing Rental Market (2 Points)

This category awards points if the existing rental market, in an area, is less impacted by the proposed development. Two areas of the City have significantly fewer rental units and therefore are less impacted by a new rental development. If the development is located in either the Turner or Morris neighborhoods of area #4 or Piper/I-435 (area #5) two points are awarded. If the development is located in the Muncie-Stony Pt neighborhood of area #4, one point is given. If the proposed development is located in any of the other areas of the City, areas 1, 2, or 3 no additional points are given. (Again, refer to Figure C-2.)

f. Promotes New Construction (3 Points)
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
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If the proposal is for either new construction of affordable rental units or the conversion to rental units from an alternative use, then three points are awarded. An example of conversion might be constructing residential lofts in a building that had been previously used for non-residential purposes.

4. Resident/Tenant Needs Characteristics  (25 Points Available)

a. Promotes a Mixed-Income Community (10 Points)

Senior or assisted-living developments do not have a minimum requirement for market-rate units, and will receive at minimum four points. If the market-rate percentage is above 40%, then five or more points may be given, based on the table below.

All family developments must have a minimum of 25% market-rate units unless the family developments are in a qualified census tract which has either a poverty rate greater than 25% or 50% of the households have incomes below 60% of the KC area median household income are not required to have a minimum 25% market-rate units. (Figure C-3 displays qualified census tracts)

If a family development is not in a qualified census track having either a poverty rate greater than 25% or 50% of the households have incomes below 60% of the KC area median household income. (Figure C-3) it could receive between two to ten points for this category.

Points in this category are awarded as follows, for family developments.

<table>
<thead>
<tr>
<th>Market Rate Units Percentage</th>
<th>Points Received</th>
<th>Market Rate Units Percentage</th>
<th>Points Received</th>
</tr>
</thead>
<tbody>
<tr>
<td>25-29%</td>
<td>2</td>
<td>50-54%</td>
<td>7</td>
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<tr>
<td>30-34%</td>
<td>3</td>
<td>55-59%</td>
<td>8</td>
</tr>
<tr>
<td>35-39%</td>
<td>4</td>
<td>60-64%</td>
<td>9</td>
</tr>
<tr>
<td>40-44%</td>
<td>5</td>
<td>65% or More</td>
<td>10</td>
</tr>
<tr>
<td>45-49%</td>
<td>6</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

b. Development Provides Affordable Housing for Low Income (4 Points)

Developments with 20% of units reserved for households, with income below 50% of area median, receive four points. Developments with 40% of units reserved for households, with income below 60% of area median, receive three points. Any proposal for tax credits is required to meet one of these two conditions.
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
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c. Owner-Occupied Component (3 Points)

Three points are awarded if development proposal includes a viable option for
the tenant to purchase the unit at the conclusion of the 15-year compliance
period.

d. Units for Larger Families (2 Points)

Proposals that include a minimum of 25% 3 bedroom units in their proposal
receive one point in this category. Two points are awarded if 35% of the tax
credit units in the proposal are 3 bedrooms.

e. Minimal Adverse Impact Upon Public-Assisted Housing (2 Points)

The Local Review Committee members will make this determination. The
location in the community of other tax credit developments, public housing sites,
and HUD listed section 8 properties will be considered in evaluating the impact of
the proposed development. Two points are given if the proposed development is
expected to have only minimal impact upon existing properties. If the
development is located near existing developments (1-2 miles) and is expected
to be in direct competition for rental units, then no points are awarded.

f. Set-Aside Units for Persons w/Special Needs or Transitional Housing (2 Points)

This category is for proposals that include units with special features. Examples
include: supportive housing for disabled; transitional housing for homeless; and
assisted living housing. Proposals that include a minimum of 5% special-need
tax-credit units in their proposal receive one point. Two points are awarded if
10% of the tax credit units in the proposal meet this condition.

g. Provide Residential Support Services (2 Points)

Residential support services may include: transportation van services; assisted-
living; information and referral; and a resident association. One point is given for
each support service provided, up to two points.
5. Financing Characteristics (20 Points Available)

a. Future Maintenance and Reserve Escrow Plan (3 Points)

A proposal clearly indicating a future maintenance and reserve plan, as part of its operating plan, will be given three points for this category. At minimum, 5% of operating revenues should be set-aside as a future reserve to receive these points.

b. Additional Rehabilitation Expense (2 Points)

The KHRC requires an “average minimum of $4,000 per unit of qualified basis” to be eligible for tax credits on a rehabilitation developments. Two additional points will be received, if average rehabilitation expense, exceed $10,000 per unit on a qualified basis.

c. Low Percentage of Soft Costs (2 Points)

Two points will be awarded for this category, if the combined developer and consultant fees are less than 10% of the total development cost.

d. Returns of Part of Income Stream to Community (2 Points)

A proposal that returns a percentage of income to either a non-profit housing organization or a Unified Government housing rehabilitation program is eligible for these points. One point is awarded for each percent of income, derived from the tax credit units, that is allocated to one of the organizations referred to above. Two is the maximum number of points that can be received for this category.

e. Strength of Applicant (2 Points)

If the applicant has extensive development experience for similar proposals, two points will be awarded. Market-rate and tax-credit apartment development and/or management will be considered as relevant experience. If the applicant’s experience is limited (1-2 similar developments), then one point will be given.

f. Applicant Not Fully-Funded in Prior Submission (1 Point)

One point is received, if the applicant received only partial tax credits in a previous submission for this proposal.

g. Leverages other Local or Federal Funding (1 Point)

A proposal that also leverages Federal funding, such as CDBG, HOME, or HOPE funds at the federal level or local government funding, through possibly a TIF or benefit district, the proposal will receive one point for this category.

h. Applicant is a Tax-Exempt Organization (1 Point)
A tax-exempt applicant conforming to the guidelines of 501 (c) (3) or (c) (4) of the Internal Revenue Service Code, and participating as the owner, developer, or manager will receive this one point.

i. Local, Minority and Women Involvement (3 Points Available)

The use of LBE/MBE/WBE Subcontractors or Supplier during the construction portion of the development will receive points. Either each of the individual percentages must be met or the combined goal must be achieved. The two credit tiers can be found below.

<table>
<thead>
<tr>
<th>Tier 1</th>
<th>Tier 2</th>
</tr>
</thead>
<tbody>
<tr>
<td>1 Point</td>
<td>2 Points</td>
</tr>
<tr>
<td>L= 15%</td>
<td>L= 20%</td>
</tr>
<tr>
<td>M=10%</td>
<td>M=15%</td>
</tr>
<tr>
<td>W= 5%</td>
<td>W=10%</td>
</tr>
</tbody>
</table>

Combined 25%  Combined 35%

j. Prevailing Wage (3 Points Available)

Developer's not paying prevailing wage during the construction portion of the development will receive (0 Points). Developers paying prevailing wage on projects under $2 million (1 Point) will be awarded. Projects between $2-5 million will receive (2 Points) and projects over $5 million will receive (3 Points).

A performance agreement for development and a deposit for assurance that the project will be completed in accordance with the developer's application, Local Review of Criteria and all stipulations and contingencies approved by the Full Commission are required. If the application is approved to move forward to the Full Commission by the Standing Committee, the developer will be required to deliver a check (deposit for assurance) in the amount stated below that applies and make the check payable to the order of the UG Treasurer after approval of the Full Commission. When all requirements, stipulations and contingencies are satisfied by the UG at the completion of the project, the deposit will be reimbursed.

Failure to comply with the application performance agreement is an immediate forfeiture of the assurance deposit.

The following apply for deposits of assurance:

- For projects under $2 million - (1) *Local Not-for-Profits $1000.00, (2) Not-for-Profits other than local $2000.00, (3) *Local developers $2000.00 and (4) Non-local developers $3000.00
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

- For projects between $2-5 million - (1) *Local Not-for-Profits $2000.00, (2) Not-for-Profits other than local $3000.00, (3) *Local developers $3000.00 and (4) Non-local developers $4000.00
- For projects over $5 million - (1) *Local Not-for-Profits $3000.00, (2) Not-for-Profits other than local $4000.00, (3) *Local developers $4000.00 and (4) Non-local developers $5000.00

*Local Not-for-Profit means those within Wyandotte County.

*Local developers mean those within the immediate metro area.

6. Planning and Development Standards (20 Points Available)

a. Design Standards and Architecture and Construction Quality, (6 Points)

Six points maximum can be earned in this category. Points will be given for each of the standards provided below.

1. Two points for 100% brick/stone construction or one point for 50% brick/stone construction;
2. One point for exceeding the landscaping ordinance by 35%;
3. One point if all units have balconies/patios;
4. Three points if 60% of the units have garages or two points if 30% of the units have garages; or one point if no garages and 60% of the units have carports;
5. One point for neo-traditional design;
6. One point if plans for buildings include significant building articulation. Roof lines should be articulated at the unit level and include gables and dormers. The facade articulation should be at the unit level for major articulation (greater than 24 inches) and at the room level for minor articulation (5-23 inches). Unit entry points should be covered and accented as a major architectural feature of the building.

b. Development Amenities, Family-Unit Complex (6 Points)

Six points maximum can be earned in this category. Points will be given for each of the amenities provided below.

1. One point for swimming pool;
2. One point for clubhouse with a meeting room, workout room and small kitchen;
3. One point for a sports court (excluding sand volleyball);
4. One point for at least 30 feet of trails per unit or a connection to a recognized city or regional trail network (excluding parking lot and unit access);
5. One point for a play structure having at least one feature for every ten housing units, including: pair of swings, climbing wall, slide, slide pole,
swing bridge, and monkey bars (If over 150 units in development, the play area should be divided into two areas for older and younger children, with replication of amenities discouraged.);

6. One point for each two of the following provided (or two points if four of the following provided etc.);
   i. Sand volleyball pit;
   ii. Barbecue grills and shelter (minimum size 10 by 15 feet);
   iii. Wet basin with fish (1/2 acre surface minimum);
   iv. In unit washer/dryer;
   v. Hot tub/sauna (one large hot tub per 100 units);
   vi. In unit fireplace;
   vii. Large patio with seating area (ten sq. feet per unit – one seat for every four units).

c. Development Amenities, **Senior or Assisted-Living Complex** (6 Points)

Six points maximum can be earned in this category. Points will be given for each of the amenities provided in 6(b) above, plus:

1. One point for each two of the following provided (or two points if four of the following provided);
   i. Beauty shop;
   ii. Rose garden;
   iii. Community garden;
   iv. Permanent card tables (one seat for every two units);

2. Four points for 24-hour nursing or two points for 8-12 hour nursing;

3. One point for an Alzheimer’s ward;

4. One point for rehabilitation services, with either a physical therapist on staff or a room dedicated to physical therapy with suitable therapy equipment.

d. Neighborhood Organization Support (5 Points)

It is required that the developer outline contacts with neighborhood and business associations scheduled for each phase of the development. If the developer receives support of both nearby neighborhood organizations and business associations, five points will be awarded for this category. The “support” may be in the form of written statement or public testimony at a Unified Government planning or standing committee meeting. Two to three points may be awarded if the proposal receives a mixed level of support from various local organizations.

e. Attached or Detached Single-Family Development (3 Points)

A single-family development with either attached or detached units, with on-site property management, is viewed positively. Three points are received, if the proposal is entirely this type of development with on-site management. Two points are given, if 50% of the units are single-family attached or detached with on-site management. One point is awarded if 50% or more of the units are single-family attached or detached, but on-site management is not part of the development plan.
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

All applications that comply with the pre-requisite requirements and achieve a score of 50 points, based on the criteria listed above, will be forwarded to the Economic Development and Finance Standing Committee. If recommended by the Standing Committee, the application will be submitted for consideration by the Board of Commissioners.
CRITERIA

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<table>
<thead>
<tr>
<th>ST. MARY'S</th>
<th>PENDING STATE APPROVAL</th>
<th>57</th>
<th>6/14/2012</th>
<th>56</th>
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<tr>
<td>The Groves</td>
<td>NO CONSTRUCTION</td>
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<td>56</td>
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<td>Villas at Bethany</td>
<td>NO CONSTRUCTION</td>
<td>1/9/2012</td>
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<td>52</td>
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<td>WAITING TO START CONSTRUCTION</td>
<td>1/3/2011</td>
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<td>56</td>
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<tr>
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<td>n/a</td>
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<td>2010</td>
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<td>SUBMISSION VR.</td>
<td>POINTS</td>
<td>STATE CREDITS</td>
<td>DEVELOPMENT</td>
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</table>
Staff Request for Commission Action

Type: Standard
Commission: Neighborhood and Community Development Committee

Date of Standing Committee Action:
(If none, please explain):

Proposed for the following Full Commission Meeting Date: 8/16/2012
Confired Date: 8/16/2012

Changes Recommended By Standing Committee (New Action Form required with signatures)

<table>
<thead>
<tr>
<th>Date</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Ref</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/8/2012</td>
<td>Margie Witt</td>
<td>8304</td>
<td><a href="mailto:mwitt@wycokck.org">mwitt@wycokck.org</a></td>
<td>mw</td>
<td>Parks &amp; Recreation</td>
</tr>
</tbody>
</table>

Item Description:
The Parkwood pool normally would close August 12, 2012, when USD 500 schools open. This occurs for two reasons. One is the availability of lifeguards. The second is generally there are few customers using the service. The Park Department has saved enough money to partially fund continued pool operations. Staff would like to meet and confer with the standing committee to obtain policy direction.

Action Requested:

Option 1
Close pool August 19, 2012 Cost $8,000

Option 2
Close pool September 3, 2012 Cost $24,000

Option 3
Close pool after August 19, 2012, depending on participation and/or weather Cost $8,000 to $24,000

Request this item be fast tracked to the August 16, 2012 full commission meeting.

Publication Required

Budget Impact: (if applicable)

Amount: $
Source:

- Included In Budget
- Other (explain) Policy decision with budget impact noted.

File Attachment

File Attachment

File Attachment

File Attachment
Staff Request for Commission Action

Type: Standard
Committee: Economic Development and Finance Committee

Date of Standing Committee Action:
(If none, please explain):

Proposed for the following Full Commission Meeting Date: 8/30/2012

Confirmed Date: 8/30/2012

Changes Recommended By Standing Committee (New Action Form required with signatures)

<table>
<thead>
<tr>
<th>Date</th>
<th>Contact Name</th>
<th>Contact Phone</th>
<th>Contact Email</th>
<th>Ref</th>
<th>Department / Division</th>
</tr>
</thead>
<tbody>
<tr>
<td>8/9/2012</td>
<td>Doug Bach</td>
<td>573-5030</td>
<td><a href="mailto:pgarmon@wycokck.org">pgarmon@wycokck.org</a></td>
<td></td>
<td>County Administrator</td>
</tr>
</tbody>
</table>

Item Description:
In July 2012, the Economic Development and Finance Committee requested staff to respond to how new development projects are selected, worked, and presented to the community. Additionally, a specific question by Commissioner Barnes was noted regarding a potential grocery store project for the northeast area. The attached item generally describes the project/development intake and review process and responds to specific actions taken with regard to Commissioner Barnes’ question.

Action Requested:
Review of Economic Development's project/development intake and review process.
Review of staff's response to Commissioner Barnes' specific questions concerning a potential grocery store project for the northeast area.

Publication Required

Budget Impact: (if applicable)
Amount: $
Source:
- [ ] Included In Budget
- [x] Other (explain) Policy discussion at this point.

File Attachment

File Attachment

File Attachment
MEMORANDUM

TO: Economic Development and Finance Standing Committee

FROM: Dennis M. Hays, County Administrator
       Douglas G. Bach, Deputy County Administrator

DATE: August 1, 2012

RE: Economic Development Goal Strategy Follow Up and
    Response to Commissioner Barnes’ Statements Regarding
    Northeast Grocery Store Prospect

At the conclusion of the July Economic Development and Finance Committee meeting, staff was requested to respond to how we select and/or work new development projects presented to our community, specifically noting a question by Commissioner Barnes regarding a potential grocery store project for the northeast area. The following generally describes the project/development intake and review process; then, we have directly responded to specific actions in regard to the Commissioner’s question.

Development Intake: The Unified Government Economic Development Department has built a close relationship with Wyandotte Economic Development Council (WYEDC) over the past several years which has helped us develop an efficient, productive and clear communication process for prospective opportunities seeking or looking at our County. WYEDC, through the way they are set up and supported by local businesses, is in a good position to learn about new development opportunities and/or expansions through their attraction/retention operations, making their position for intake of new opportunities a natural fit for our development operations. Therefore, while staff remains flexible during the engagement of new opportunities, the following is our standard intake operation:

- WYEDC learns about development opportunities through a variety of channels primarily consisting of: direct contact with the company, a broker working on behalf of the client and/or the site, Kansas Department of Commerce, Kansas City Area Development Council, WYEDC investors, or the Unified Government team.
- WYEDC, upon learning about a new opportunity, will establish who the appropriate contact is, determine if other team members have heard about the prospect or had preliminary contact, then make direct contact.
- WYEDC will evaluate the information pertaining to the potential development/expansion and determine if there is real interest in our area and what is required in order to propose for the project.
• Should a lead come in through the Unified Government, preliminary information is
gathered and a determination is made to either hand the project to WYEDC for further
intake or have Unified Government staff continue advancing the project.
• Through regularly scheduled meetings, leads are then tracked and shared so everyone
is aware of the potential project. Communication between the UG and WYEDC occurs
throughout the week; however, the formal meetings are held bi-weekly, during such time
a list (which usually includes about 70+ projects) of potential or working projects are
discussed and action plans are developed if needed.
• Depending on how the project develops, additional team members from the UG or the
State of Kansas Department of Commerce will be brought in to work on potential
location details or incentives to be considered.
• As a project matures, UG team members will then take lead positions in negotiating
terms regarding local incentives should they be needed in order to attract a specific
development.

Be clear that all Unified Government Economic Development team members are in a position to
start the intake process on a new project if they receive a direct call or lead about a new
development or expansion. It should also be noted that this is a team approach, and the
process works due to a long-term relationship between the Unified Government and WYEDC
that has proven successful over the years. However, we have discovered that making our other
partners (Kansas City Area Development Council, Kansas Department of Commerce, WYEDC
Investors, Chamber of Commerce, etc…) clear about who they should direct new prospects to
helps to improve our overall communications and is a natural fit with the marketing of Wyandotte
County which is also a focus of WYEDC.

Response to specific question: In regard to the specific question pertaining to the proposed
grocery store project for the downtown and northeast area of our community, staff has moved
forward with a Request for Proposals (RFP) to seek proposals for such a development.
Commissioner Barnes noted in the committee meeting that he had presented a contact who
wanted to bring a grocery store to the northeast area, and staff responded by sending that
potential developer a copy of the RFP. Please note that staff did meet with Commissioner
Barnes on three separate occasions regarding his contact with Glen Ford of Praxis Marketplace;
however, the Commissioner provided very clear direction that he did not want staff to contact
Mr. Ford.

• On June 14th Commissioner Barnes met with Dennis Hays to note he had contact with a
potential grocery store developer for the northeast area. He was concerned the RFP
had already been issued, as he was having direct contact with a potential developer.
Hays confirmed the RFP for this project had not been issued, as we were still finalizing
details. Hays asked the Commissioner if he had contact information for us to use to get
in touch with the interested party and was instructed by Commissioner Barnes that he
personally had made the contact and would need to follow up with the party himself at
this time. On June 18th Doug Bach issued a temporary hold on the RFP to Jaime Clark,
Procurement Director.

• On June 21st, Dennis Hays and Doug Bach met with Commissioner Barnes to obtain the
status of the potential proposer for the northeast area grocery store as the RFP was
ready to issue and was being held while the Commissioner worked out his direct
contact. At this meeting, staff asked if we could make direct contract with the potential
proposer. Commissioner Barnes stated he did not want staff to do so at that time as
they had come to Kansas City, Kansas as a result of their visit to the Kansas City area
through another contact and, therefore, he did not feel comfortable with staff making
direct contact. We indicated we were ready to issue the RFP for the grocery store and
noted the interested party could then submit if they had an interest in our community.
The Commissioner agreed that we should move forward with the RFP process but clearly stated he would remain as the direct contact for the proposed developer he was talking to and that staff should not make direct contact.

- On June 27th, Doug Bach met directly with Commissioner Barnes to discuss multiple issues, one of which was the potential developer he had contacted for the northeast area grocery. Doug Bach asked for contact information for the proposed developer so we could send them a copy of the RFP. Commissioner Barnes noted that he did not feel as though staff should make direct contact as this developer had come to the community through another source. Staff conveyed that the RFP had been sent to many companies in the industry, and it was our intent to at least get the RFP in front of any party that may have interest. At this point, the Commissioner provided the contact information with the directive that no special contact be made by staff.
- The RFP was formally issued on June 22, 2012.
- A notice of the RFP was sent to Praxis Marketplace on June 27, 2012.

The intake and processing of potential development projects, either expansion-based or new to our community, requires a great deal of work and follow up. While every process can always use improvement, our process currently is working and staff is managing more potential developments than has ever been managed in our history as a community. The Unified Government's RFP process has been used for special projects such as Village West, Indian Springs, Casino and currently the NE grocery development. Primarily, it has been brought into use when we have multiple parties interested in an area. During the RFP process, the intake is done through our Procurement Office to ensure our policies are followed in the conveyance of UG property or specific incentives when more than one potential developer has expressed an interest in the same area.
Economic Development

Goal: Foster an environment in which small and large businesses thrive, jobs are created, redevelopment continues, tourism continues to grow and businesses locate in the community.

I. Short Term
   A. Identify redevelopment strategy for Fairfax.
   
   B. Develop a strategy to attract "white collar" and technology/google related business opportunities in Wyandotte County.
   
   C. Market new NRA policy regarding the focus on small businesses and all available tools
   
   D. Create a website presence that outlines all available incentives for small and large businesses and retail, commercial, industrial and residential developments.
   
   E. Evaluate revolving loan fund policies to promote more use.

II. Long Term
   A. Develop a commercial component for the land bank to foster business development in addition to housing development
   
   B. Re-evaluate the role of local/minority/women business and prevailing wage regarding smaller projects to determine whether such a requirement affects their ability to succeed
   
   C. Define the Unified Government’s role in a business incubator, focusing on financial incentives, business support, partnerships with educational institutions, and funding
   
   D. Create an economic development policy that has long-term/sustainable components that extend beyond abatement periods
June 5, 2012

City Clerk of Wyandotte County
701 N. 7th St.
Kansas City, Kansas  66101

To Unified Government of Wyandotte County:

Please consider this a formal request for representatives of the Baptist Ministers Union of Kansas City, Kansas to appear before the standing committee of the Unified Government. The purpose of this meeting is to express our desire to have UG funds allocated to address serious issues in the Northeast Area of the county. We are interested in programs and plans which provide employment opportunities/job training, improved housing stock and recreational facilities. Further, we would like to see this area benefit from the county’s newest revenue sources.

We look forward to meeting and partnering with you. Please advise when this meeting can be scheduled.

Sincerely,

Rev. Robert L. Milan, Jr., President
Rev. Jimmie L. Banks, Secretary

Baptist Ministers Union of Kansas City, Kansas
Phone: 913-334-4061

“O how good and how pleasant it is for brethren to dwell together in unity!” Psalm 133:1
August 9, 2012

Rev. Robert L. Milan, Jr., President
Rev. Jimmie L. Banks, Secretary
Baptist Ministers Union of KCK
2052 North 5th Street
Kansas City, KS 66101

Rev. Milan and Rev. Banks:

This is to confirm that your request to appear before a standing committee of the Unified Government to discuss the allocation of UG funds to address the serious issues in the northeast area of the county, has been set for:

COMMITTEE: Economic Development and Finance Standing Committee
DATE: Monday, August 13, 2012
TIME: 5:30 p.m.
LOCATION: Municipal Office Building
701 North 7th Street, 6th floor training room (Suite 614)
Kansas City, KS 66101

You will be given five minutes to present your views. All comments made must pertain to the subject matter.

If you have any questions, do not hesitate to contact me at 573-5260.

Sincerely,

Carol Godsil
Deputy UG Clerk