I. Call to Order / Roll Call

II. Approval of standing committee minutes for August 13, 2012.

III. Committee Agenda

Item No. 1 - COMMUNICATION: COMPARISON OF FUND BALANCES AND GOALS

Synopsis:
Information comparing the 2011 audited fund balances with policy goals, submitted by Rick Mikeskic, Accounting Director, and Lew Levin, Chief Financial Officer.

For information only.
Tracking #: 120248
Item No. 2 - ORDINANCE: 2012 STAR BONDS REFUNDING FOR VILLAGE WEST

Synopsis:
An ordinance authorizing the issuance of not to exceed $15M of Sales Tax Special Obligation Revenue Refunding STAR Bonds (Village West Redevelopment Project Area B), Subordinate Lien Series 2012 to refund the Series 2001 STAR Bonds, submitted by Lew Levin, Chief Financial Officer. This refunding will reduce the interest rate from 5% to an estimated 1.65%, resulting in a projected present value savings of $2.3M or 13%.
Tracking #: 120250

Item No. 3 - COMMUNICATION: SECTION 42 SCORING CRITERIA

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

This item was tabled from the August 13, 2012 standing committee meeting.
Tracking #: 120221

Item No. 4 - INFORMATION: METROPOLITAN AVENUE TIF PROJECT REVISIONS

Synopsis:
Information regarding the development team for the Metropolitan Avenue TIF District request for revisions to the existing development agreement for Project Area 1, submitted by George Brajkovic, Economic Development Director. The project contemplated the use of TIF, UG RLF, and CID.

For discussion and direction.
Tracking #: 120255

Item No. 5 - PRESENTATION: PILOT PROGRAM FOR SMALL/LOCAL CONTRACTORS

Synopsis:
Presentation of a proposed pilot program for local/small contractors by Jason Banks, Contract Compliance Officer. The presentation is in response to the commission's expressed interest in leveraging our ADA ramp replacement projects and other construction projects for local/small business contracting opportunities.

For information only.
Tracking #: 120232
IV. GOALS AND OBJECTIVES

Item No. 1 - 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 for single-family new construction.
3. Reestablishing the Port Authority.

Tracking #: 120137

V. Public Agenda

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

Synopsis:
Appearance of Rev. Robert Milan and Rev. Jimmie Banks, Baptist Ministers Union of KCK, to express their desire to have UG funds allocated 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

VI. Adjourn
The meeting of the Economic Development and Finance Standing Committee was held on Monday, August 13, 2012, at 6:35 p.m., in the 6th Floor Human Resources Training Room of the Municipal Office Building. The following members were present: Commissioner Holland, Chair; Commissioners Barnes and Kane and BPU Board Member David Alvey. Commissioners McKiernan and Maddox were 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 July 9, 2012. **On motion of Commissioner Kane, seconded by Commissioner Barnes, the minutes were approved.** Motion carried unanimously.

III. Committee Agenda:

**Item No. 1 – 970146...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.

**Lew Levin, Chief Financial Officer,** said what you have before you is our Quarterly Budget, our Investment Report. Same trends that I reported previously. Three numbers I’ll cite: our average amount we have invested during this quarter was approximately $150 million. Our yield remains under 1%, approximately 0.6%. Our interest earnings through June of this year are $151,000. Related to the maturity of investments, we’ll have greater earnings during the second six months, but we still expect to be under $1m this year.
The second item relates to the budget revisions that occurred during the second quarter and Reginald can expand on those if you have any questions. **Reginald Lindsey, Budget Director**, said we had two budget revisions done from the City General Fund, both of them were done within the fire department. One was for a fire ramp replacement and the other was done for a self-contained breathing apparatus. **Commissioner Barnes** said I see that, but when we give somebody a budget and…**Mr. Lindsey** said what happened sir, is they do the revisions from another line item. They choose to forego revisions and spend the money on those certain line items. These were done prior to the budget that we just approved and they will be maintained also in the Amended Budget. So, what happens is we give them a budget and if they have an emergency that comes up, they move money from a line item and assign it… **Commissioner Barnes** said okay this is a switch out. **Mr. Lindsey** said yes. **Commissioner Barnes** said a line item switch out. So the budget stayed the same. They didn’t increase? **Mr. Lindsey** said its neutral. **Commissioner Barnes** said its budget neutral. **Mr. Levin** said we may be taking money from Reserves. Our main purpose is to show you where we’ve had significant budget revisions. We have set out as a threshold, revisions in excess of $10,000. **Mr. Lindsey** said these came from within their department. They didn’t come from Reserves. **Commissioner Barnes** said okay.

**Commissioner Barnes** said so, since you did mention Reserve, did somebody come in and ask for something and say, “I know my budget was $150,000 and now I need something that’s going to cost me $12,000.” When you say Reserve, whose Reserve? **Mr. Levin** said we have a Reserve within each fund. **Commissioner Barnes** said each department? **Mr. Levin** said no, each fund. The City General Fund has a Reserve. Our objective is not to spend that. If an emergency occurs, we’ll use that Reserve. **Commissioner Barnes** said did you give us that line item this year? Is there a portion of the budget for Reserve fund? **Mr. Levin** said Reserve shows for each fund in the budget. It’s indicated. **Commissioner Barnes** said I will get with you. I missed that one.

**Mr. Levin** said no actions required on either of these items.

**Action:** For Information only.

**Item No. 2 – 120219…RESOLUTION OF INTENT: NORTHPOINT DEVELOPMENT IRB PROJECT**

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Synopsis
Resolution of Intent to issue $30M of Multifamily Housing Revenue Bonds for the benefit of NorthPoint Development Legends Apartment projects, 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.

George Brajkovic, Economic Development Director, said we are here tonight to present a project that came to us here recently. It’s a multifamily project. I know we’ve been here recently within the last year to discuss a few. This one certainly adds to the mix. The developer is NorthPoint Development and they are here tonight. They will do a more detailed presentation on their project.

The project is going to be located on the west side of No. 110th street in between State Avenue and Parallel Parkway. I think they just gave you a handout that kind of highlights exactly where they are. You could take an extension of Stadium Parkway which is where Taco Bueno, Panda Express and NTB are now. That road extends across 110th and becomes Delaware Parkway. This is a planned development on a 12 acre site of that large tract of ground.

The project, itself, at a basic level is 306 units total. The mix is one and two bedroom units. I think in the past we’ve given you a presentation on value per square foot of those projects. This project is a blended value north of a $1.00 per square foot, which puts it in a class of projects for multifamily that we have not seen yet. It’s a solid Class A type project. Again, when they give you some more details, you’ll see the amenities package that comes along with this project. It’s pretty extensive.

The developer themselves, its NorthPoint, has a quality tract record. When they talk about the projects they’ve done in Briarcliff, you’re going to be very familiar with that. As some of the past projects we’ve discussed on multifamily, there is the discussion of using revenue bonds to set about a ten year fixed PILOT on this project. In our early discussions we’ve been comfortable trying to set some parameters on that because it would actually represent a zero percent tax abatement as we determine the market value per unit. Again, what’s being considered here would be a ten year PILOT fixed, unless they don’t agree to participate in

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L/M/W or prevailing wage, in which case there are escalator penalties that are applied during the term of the PILOT. With that, I’ll turn it over to the developer unless you have specific questions of staff at this point.

Nathaniel Hagedorn said thank you for having us here this evening to talk about our project. Tonight I would like to give kind of an overview of the project itself, answer any questions you’ve got, talk about our schedule and our commitment to the project and see what questions may arise from that.

Again, we’re the developer of the project, NorthPoint Development. Mark Pomerenke is here. He’s one of our project managers that will be working on this project for us. As George mentioned, we recently completed Briarcliff City Apartments. If any of you would like to see the actual finished product we’re proposing, we’d be happy to arrange a tour for you to see the Briarcliff City Apartments. I have some images behind us here. I’m sorry I can pass them around. They’re not real visible.

The project features. All the units have granite countertops, solid cherry cabinets, stainless steel appliances, and undermount sinks. We actually use composite wood floors throughout all of our units. We’ll have a very large clubhouse that will have a massage room and very large fitness center, and an actual theatre. We put a theatre in our Briarcliff City Apartments. We’ll have a lot of amenities for the residents themselves. Very high quality features. These units are standard throughout all of the projects that we are building so there is no differentiation. We don’t have a step down unit and one or two upgraded units.

On the fourth floor the units themselves, this is a rendering of the project. The buildings will be four story buildings and they’ll actually have tower elements. They’re all secured entryway buildings. The buildings themselves are secured and there are interior corridors. The idea is that you don’t have a breezeway which is a typical approach to apartment development where you just walk from the exterior of an open breezeway and then knock on a door. These units are all secured through secured entryways. There’s two main entrances to each building. They’re kind of signifyed by the tower element. The buildings on the exterior will be a combination of stone and siding, all low maintenance, high quality, long term materials. You’ll note on the fourth floor a number of units actually have twelve foot ceilings. They really have a very nice, spacious feel to them. All of the units will have large balconies. I think that’s most of the features of the project itself.
The plan itself, you saw the location. This will be Delaware Parkway which will be extended. That will create the main entrance of our project. This area is currently owned by the Minnesota Avenue Corporation. Steve Allison is who we worked with. His family has owned this ground for many, many years. We have this ground under contract. It will be about a twelve acre development. Currently, as you probably mostly know, this area is a farm field. The other projects that we’ve done, similar multifamily projects, were Briarcliff, which obviously had a great view of the Kansas City skyline. That was kind of a hallmark feature itself. We’re doing a very similar project called the Residents at Burlington Creek which is on 64th Street near the actual Riss Lake. Also a very nice area in a mixed use project, so it’s very walkable for our residence--Bonefish Grill and Caribou Coffee. There’s a very nice creek that runs behind it. The challenge we had with this site, we loved the demographic profile in terms of the demand generators with the investment that has been by the Speedway, by Cerner, by the hotel, the casino and obviously all of the Legends employees. Just the overall growth profile of the western 435 corridor. We liked all of that, but the site itself, we felt it was very important that our residents have the ability to walk to the Legends and enjoy the T-Bones and all the great amenities that you guys have invested in and would be a compelling reason for people to live out here. What we came up with is a theme to actually come up from a design standpoint is actually to create a series of central water features which the project and units themselves look into the water feature itself. We think water features of spritzers and walking trails all the way around that, so the units all face into that water feature. We love the location but, again since we didn’t have that signature element like a downtown view or something else, we felt that was something we had to kind of create ourselves. That’s a little different than the typical plan. We feel really excited. We think the residents will come to the project. There are six buildings and then we have a large clubhouse here. We’ll have a large salt water pool, a sand volleyball area for our residents to go play in the summertime. We’re very excited about it.

I think you’ll find we’ve done an extensive survey in the western Johnson County market and obviously we’re familiar with what’s proposed in Wyandotte County. We think this is not one or two; this is many steps above any quality that has been built in that western 435 corridor. We really view our market not just as being totally to serve and retain Cerner employees and some of the employees that are already working in the area in Wyandotte County, but we feel we’ll be very competitive with the life style amenities that the Legends offers, with the restaurants, the T-Bones, Sporting Kansas City. We believe we’ll be able to capture residents

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working in western Johnson County such as like Perceptive Software, T. Witt—they’re hiring a lot of people—we think this will be a great project. Hopefully, we’ll continue to see the permanent housing growth for Wyandotte County itself. Obviously you’ve had a ton of commercial growth. We think this is a very important first step to helping residents have a very high quality option to choose to live in Wyandotte County. We don’t think the other projects that are proposed really represent the quality that we’ll be able to deliver to the market.

That’s a summary of the project itself. The schedule that we’re proposing—as I mentioned we have the land under contract. I think that compared to many other projects, there is always a concern on financing. We have a loan commitment already from U.S. Bank who is our lender. Our financing is securely in place. Ideally, provided the UG is supportive of our proposal, we’re going to accelerate the development plans and submittals. We’d love to be under construction prior to the end of the year so we can actually start to deliver product sometime during the summer of next year—August, September, depending on how fast we can actually get started this year. It takes about nine months from the day we break ground to deliver our first unit and clubhouse themselves.

That’s a summary of the schedule itself. I think, again, high quality nature, great architecture, great design. I think you’ll find it’s a very sustainable project, certainly very appealing to a quality resident. As I mentioned, I think we’ve negotiated working with staff to negotiate a fair PILOT which will generate quite a bit of revenue for the City and affected jurisdictions. We have met with Jason Banks and we have a commitment and understanding of the goals for local minority and women enterprises. We believe we’ll be able to achieve and hopefully exceed those goals. Again, I mention that I think this is an opportunity to really seed the housing market and to compete with Johnson County. I think a lot of the growth that will likely occur at Cerner and others would likely migrate south or north without a quality option like this.

One final note is we have done some calculations that this project will, in fact, not just generate PILOT bills for the BPU which you guys are concerned about. We estimate based on our existing projects we should generate about $330,000 a year in demand for electricity and around $65,000 demand a year for water. I think there is a lot of benefits overall. That’s really the extent of my presentation. I’d be happy to answer any questions you may have.

Commissioner Kane said you’re familiar with the Speedway, the Casino, I believe the soccer stadium was built with prevailing wage. Mr. Hagedorn said okay. Commissioner Kane

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said where are you at with that? Mr. Hagedorn said we have talked with staff and we understand that’s a goal that we’re studying and trying to see how we can integrate that into our budget. Commissioner Kane said okay, I want you to listen to what I just said. The Casino, Cerner, the stadium were all built with prevailing wage. The Toyota dealership was built with prevailing wage. The Honda dealership is going to be built with prevailing wage. This is a huge part of what we’re talking about. Mr. Hagedorn said sure. Commissioner Kane said are you saying you’re going to work on it, you’re not going to work on it, you’ll look at it, you’ll not look at it? Mr. Hagedorn said we will look at it to see. The other projects you mentioned are very commercial in nature. The subcontractors that are typically used in more of a residential construction, it is much harder to achieve a prevailing wage goal, but we absolutely will see. Commissioner Kane said okay.

Doug Bach, Deputy County Administrator, said first I want to make a comment on the project we have in front of us. As he went through, this is an extremely high quality project, probably-not probably, well above anything we’ve seen coming before us today. As we went through the past months, you all talk about housing goals, projects like that, how do we attract people coming into our community with these new jobs, this is that kind of project. We are fortunate to attract them in. They’re coming in on a zero percent IRB is what is proposed, which is very good. Having them come in here is great, there is however that comes to this. There are two issues that we have to resolve and I want to lay those out.

One is, they’re working with the BPU now on connection fees. That’s really an issue with BPU so we let that work out where that is. I know there is some conversation going on with Greg Kindle and Don Gray at this point. Second issue really pertains to the access roads coming into this site. Our criteria of what we were looking at as far as what we want done and I’m going to use this map to show. As you come in you can take access into the site. What we really require coming to a site, many times when you see a development, you’ll see a road built into the site and it’s the whole site being developed out that they’re coming into. Our requirement is that they, at a minimum, will build in this road, have somewhat of an entry feature that comes in to note this area coming into it. That they’ll build on passed this area. They’ll have nine duck banks built through in here for power to come in to service the rest of the site. They’ll put it in at about 12” water lines, rather than just around 6 or smaller, I guess, that would just service their site. That way it builds for the future that comes into this area. When you go to that, that’s about a $750,000 cost.

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Really to get into the site, you could be easily less than half of that to build the site. We really didn’t want to change the IRB schedule and that’s how we got into it. We discussed this issue with Planning, what our requirements would be. The project itself, we shouldn’t change that. Let’s leave it a zero percent IRB. One concept we were looking at was to do a rebate on the program and say, okay, if you go forward and Mr. Hagedorn agreed to this, that he would look at it from this perspective. If he front end and built out the road at the $750,000 cost at the criteria that we require, then for a period of up to three years, we would give him like up to $100,000 back on a rebate from the property taxes they are paying. They’re paying full property taxes, it’s a zero percent. So we do that for three years, say we cap that at $100,000, or 50% of what it costs. It couldn’t exceed 50% if they’re able to do it at a lower cost for that reason.

Commissioner Holland said the goal of that would be in order to get the infrastructure in now to benefit the future development. Mr. Bach said and I’ll actually say the infrastructure that we’ll probably want on this site, and he would have to build all of those utilities to the north side, is that we may have a four-lane road come through this site eventually, but other projects coming in would have to pay for those roads and those costs. At a minimum, we want to come into this site and start this roadway and build it like we’re planning for the future. It’s not really fair for that project to say, you build all of it. Now he agrees to front all the money and pay for all of the costs to do it, but if we take a portion—I think it pays at about $225,000 per year in property taxes. We’re saying that if we rebate back $100,000 a year at a maximum, then it covers costs to go and get this in place. Think of that as a side agreement to make this project work.

Commissioner Barnes said Mr. Hagedorn, we are just elated to have you in our community. This is an in-house discussion we’re getting ready to have, so don’t take it personally.

When you have the sideline conversation that changes the nature of a project when it comes to the financing of it and where the money comes from, now we have tax dollars involved. Mr. Bach said yep. Commissioner Barnes said and when we have tax dollars involved, we have a MBE/LBE/WBE prevailing wage field to deal with, is that not correct? Mr. Bach said that’s correct. Commissioner Barnes said okay. Commissioner Kane who is very capable of speaking for himself, and I’m certain he will, asked that question and that one was kind of up in the air as to whether or not that would happen. One, I think we need some answers to that and I’m in agreement with him. The other one is that we are also requiring—we are approaching this infrastructure issue with much passion. I’m not quite feeling that understanding why. This is the
issue that I’ve talked about and brought up in the past, we have unspoken policies in place when it’s in certain parts of our community.

Here we take on an understanding of build it and they will come. In my community, it’s almost like you put that on the developer himself, and walk away. You don’t offer anything. Here we’re worried about the future and worried about infrastructure. What this gentleman is saying is hey, I just want to build my apartment complex. Now you’re saying, if you do what I want you to do, because I’ve got this building and they will come mentality, we’ll give you some incentives in order to make that happen. That’s the inconsistencies in policies that I’m talking about. When we come to developers down here, it’s here’s my policy, see you later, bye. That’s the end of it. That’s inconsistent. Do you understand what I’m saying?

Mr. Bach said I understand. Probably I would disagree in the sense that in the eastern part of our community, we put everything we get from a project back into it. Commissioner Barnes said I’m not just talking about the east, I’m talking about northeast. I’m sure you’ve done all of that at 39th and Rainbow and I commend you for doing so. But when I talk about the projects that I’m knowledgeable of in the northeast area, that’s not the case. It’s not really to argue the point, I just want to make a point, stick a pin in it and say when I do have another conversation with you about it, we can reference to what we’re doing here as to what we’ve done in the past.

Mr. Bach said the issue I deal with here, and really that’s where we probably just got to it today, which was kind of later than we would’ve liked to knowing we were coming forward with the IRB for the agenda tonight. The road issue is one when we get into it with Planning that they say according to our Master Plan, these are criteria we’d like you to come forward and build it out to this level. It’s a new road, so it’s planning for the future and its good futuristic planning for green space areas that we come into. I’m not here to set here and say, boy I don’t like where we have our planning direction going. Planning is doing exactly what they’re told to do. They put a criteria on new development that comes in to a green space and say if you build this, you’re planning for the future. It’s the same thing when they meet with the BPU and the BPU says you’re coming through here, we want these larger duck banks and we want larger water pipes coming through here. We’re planning for the future so we don’t have to go in and redo it in a short term. That’s where it puts George in the position of saying how does he solve for this situation. That’s where we’re saying here’s our standard, where we’ve been on our policy for our IRB for new apartment and then we add the road project to it. And then said how can we
treat this to come up with an answer. Commissioner Barnes said Doug, I agree with your logic. Great, I’m giving you guys a high five on making it happen. I’m glad this guy is still at the table as a result of that. I’m just saying, I want to stick a pin in it and I’ll talk to you about the other projects where we haven’t utilized that flexibility in other areas of our community, namely in mine. Mr. Bach said you are right on and I did not think of it when we moved on the apartment project. Took on the MBE/LBE/WBE and prevailing wage component, we have that in there as part of their deal to say this is how you achieve it. When you achieve it, you gain this incentive back to us by the non-inflationary factors that come back into the project. If you don’t, then we’re going to increase our tax rates on you every year to this percentage. It’s built in there as something that’s part of their project goals. If they don’t achieve it, there’s penalties. But on the infrastructure portion, and Nathaniel I don’t mean to call this out on the floor, but Commissioner Barnes is right on the money. If we come back to that and say we’re going to offer a rebate percentage back on that percentage of it, then we should have just a flat defined goals that would be on the infrastructure portion of it. It could be the goals of the prevailing and to say for this to work, we need to have this in place. It would be like we’re doing a project. You’re doing it for us, but it’s like us doing it, so we should define those procedures. Commissioner Holland said so for that infrastructure, you have to put the prevailing wage in. Mr. Bach said and have very defined goals within that. Mr. Hagedorn said we would absolutely have no problem in committing, and we would plan that all public infrastructure would be done with all requirements of LMW as well as prevailing wages. We would meet those goals unquestionably.

Commissioner Barnes said Doug, that project that I was talking about is at 6th and Quindaro. We lost the project because we couldn’t figure out how to get two additional lots for a parking lot. They didn’t have the money to acquire it and we couldn’t find any creative way of making it happen and I know you remember that one.

Commissioner Kane said do you feel comfortable working with him on a project like this knowing what I’m going to think, what a couple of the other commissioners are going to think? I’m throwing this on you because you have yet to throw me a curve ball and I feel like you’re throwing me a curve ball tonight. Commissioner Holland said in terms of what? Commissioner Kane said normally they say we’re going to do it. Right now, the only thing he’s willing to do is the infrastructure. Commissioner Barnes said they’re going to work on it. Commissioner Kane said right. And work on it doesn’t mean you’re committing to it. I want
you to do the project, don’t take this the wrong way yet. That’s very nice, real nice. I’m not getting the warm fuzzy from you, George, that you think you can work this out.

Mr. Brajkovic said I think we can work something out. I think the discussion has always been revolving around what’s our tax abatement policy say. It seems like our gray area continues to be when projects don’t receive a percentage tax abatement and we’re still wanting to hold to certain criteria that we would award larger percentage abatements for. I don’t know if I’m answering that very clear. I guess where I’m getting at is when I look at a project like this that represents a zero percent tax abatement, and yet they’re still committing to certain criteria that we say are important to us as a community, that’s one thing. Absolutely, like Doug and Nathaniel just laid out, if there’s infrastructure being put in place and we’re rebating something, then that portion of it turns into something other than zero percent tax abatement. Commissioner Barnes said and this the party has agreed to. Commissioner Holland said I think I heard clearly we just did a couple of other redevelopment projects here downtown where the prevailing wage was not on the table, they did agree to LMW. Commissioner Kane said right, right down the street. Commissioner Holland said right down here. What I just heard the gentleman say is on commercial it’s a little different than residential. It’s harder to pull off on residential and make it finance. Make it pencil. I absolutely agree that if we’re going to do this infrastructure and there’s going to be any kind of rebate, then it needs to step up to all of our criteria for that portion of it. I am comfortable—one of the things we’re getting out of this is by doing the PILOT project, and this is one of the things we’ve asked staff to do, is we want to find a way—one, I’m sick and tired of these developers suing us to pay no taxes. One of the protections we get from this PILOT is we get protection from that immediately and we get a fair market value and tax return on this payment in lieu of taxes that we’re not guaranteed otherwise. To see a stunt like the Legends pulled where they sell it for $250 million and sue us and say it’s not worth fifty makes me crazy.

I think the PILOT gives us something we want and in return they get a menu to select from. I want them to choose prevailing wage, but we don’t require that. I’d like to see this move forward. I think everyone said we want to see this move forward. I feel comfortable with the presentation that I’ve heard already tonight.

Commissioner Kane said this is similar to the situation you and I talked about on the other project. Mr. Brajkovic said I will say just looking at the preliminary numbers we put
together for the PILOT, if they can’t achieve prevailing wage throughout the project, they are
giving up about $350,000 in incentives. That’s a pretty significant penalty comparatively.

**Action:** Commissioner Barnes made a motion, seconded by Mr. Alvey to approve.
Roll call was taken and there were four “Ayes,” Alvey, Kane, Barnes, Holland.

**ITEM NO. 3 – 120221…COMMUNICATON: SECTION 42 SCORING CRITERIA**

**Synopsis:** Communication submitted Section 42 scoring criteria, submitted by Charles
Brockman, Economic Development.

George Brajkovic said I feel terrible discussing this tonight without Commissioner McKiernan,
especially when one of the items--We’ve got three items to talk about. One is the removal of the
language regarding gold, silver and bronze standards which we’ve talked about at the last couple
of meetings. I guess, fittingly, the Olympics are over now.

**Action:** Commissioner Holland made a motion, seconded by Commissioner Kane
to table. Held over until next month.

**Item No. 4 – 120222…COMMUNICATION: PARKWOOD POOL HOURS OF
OPERATION**

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

Bob Roddy, Public Works Director, said basically Parkwood historically has been closed by
the time USD 500 starts. This year, at least prior to today, we were experiencing extremely warm
weather. We thought it was appropriate that we extend the pool for at least one week. We’ve
done that already. Now the question is do we keep it open for the next three weeks, do we close
at the end of this week, or the third option that we thought of is we are open this week but staff
then has the right to decide whether or not we close it after this week. The reason we would
close is for a couple of things. One, once school resumes, the customer participation drops off
significantly. Two, sometimes we have difficulty getting guards. Three, the weather is quite

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changeable. I think even next week it’s supposed to be cooler. We’re here to present the issue to the group and try to get direction as to how we should proceed.

Commissioner Kane said motion for option three. Commissioner Barnes said what is option three? Mr. Roddy said option three is we’re open this week, then staff will review it at the end of this week. If weather is cooling off or if the lifeguards are not showing up or if we have very low participation, then we will opt to close the pool earlier. Commissioner Barnes said I don’t have a problem with that. All of the requests that I have received have been to I think they said Labor Day. Sister Therese requested up until Labor Day and that was assuming that we had the inclement weather. If option three provides us that opportunity and flexibility, then I would go along with that.

Commissioner Holland said how much money are we talking about to keep it open a week. Mr. Roddy said our options right now vary from $14,000 to $24,000. Ms. Margie Witt, Parks and Recreation Director, said correct, it can go from $14,000 to $24,000. Commissioner Holland said per week? Ms. Witt said no, all the way up to September 3, Labor Day. Commissioner Holland said I’m doing the math in my head here, we’re looking at about $8,000 per week. Ms. Witt said yes. That would give us hours Tuesday through Friday, 5-8. Normal hours Saturday and Sunday. Commissioner Holland said I have a policy question. In terms of bringing it here, I don’t remember you ever bringing the Parkwood Pool hours forward to the Standing Committee before. Ms. Witt said yes we have, a long time ago. It predates you. Mr. Roddy said the last time we had the pool open until Labor Day… Ms. Witt said 2010 we had it open on the weekends, so we had three extra weekends. We had a total of 175 kids. Mr. Roddy said it was basically costing us $100 per customer. That’s our concern about participation once everyone goes back to school. Commissioner Barnes said I can’t see having it open during the day when kids are in school. Modifying the hours to address it in the evening time with this spring heat, this becomes air conditioning for a lot of kids that frequent that pool. I don’t know if there is a way for you to modify the schedule. Right now you are open every day, right? Mr. Roddy said we’re open in the evenings and on the weekends. We start form 5-8 Monday through Friday. Commissioner Barnes said so it will be a limited schedule. Ms. Witt said yes. Commissioner Barnes said you have trouble with No. 3 with the $14,000.00? Mr. Roddy said no we don’t. We just wanted the options. Commissioner Barnes said you just wanted the flexibility to modify the schedule? Mr. Roddy said we’re just concerned that if its 80 degrees next week we’d all be playing checkers up there.

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Action: Commissioner Kane made a motion, seconded by Commissioner Barnes, to approve Option 3 and fast forward to the full commission. Roll call was taken on the motion and there were four “Ayes,” Alvey, Kane, Barnes, Holland.

Mr. Roddy said we did request that this be fast forwarded to the full Commission on Thursday. Commissioner Holland said that was part of the motion as I understood it.

Item No. 5 – 120222…REVIEW: ECONOMIC DEVELOPMENT PROCESS AND CONCERNS FOR A NEW GROCERY STORE

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.

Mr. Doug Bach said I put the focus from Mr. Hays and I on what our process is for the intake of new projects coming into the area. Really we feel like what we have working now, what has evolved over the last couple of years with Wyandotte Economic Development Corporation, has worked out very good for us. It’s set up so that essentially when calls come in, we will try to address them if they come into City Hall or our offices. We’ll work through them when we can. We’ll put other projects over into the hands of the Wyandotte Development and that’s the primary intake area. They’re out there in the community today, so they work at a lot of retention. We get a lot of our leads coming from other businesses. There are investors that come in. It has really worked out to be a natural fit for how projects start to come in. We process them through at any given time. We’re usually working somewhere between 70 and 75 projects a day or any day of the week. We have formal bi-weekly meetings with Wyandotte Development. Our staff, Greg Kindle, Jackie Carlson—we sit down with George Brajkovic and his staff and go through the list of all potential projects they’re working.

Then, as projects mature and we evaluate whether there’s involvement from the Unified Government, then we start to talk about the levels of incentives and how they would apply to our policies. We start to mature them. That’s when if we start to develop them into some type of development agreement, then we take them over a little bit from Wyandotte Development.

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They’ll still keep a hand in it for the continuity of relationship, but then we’ll work forward from there. The apartment project was one where they started to have some conversation with Wyandotte Development. As it progressed and they moved forward with it, that one moved quickly over and George started to work it from that standpoint. I could go into more details in areas where you want to, but that’s really the simplified version of how we make it happen today. The focus was to make it more simple so when people call here, we can tell them where to go and that’s how they can start that process moving forward.

Commissioner Barnes said we don’t have an Economic Development Department? Mr. Bach said we certainly do. Our Economic Development Department does a lot of activity. Commissioner Barnes said you explained that so when somebody comes to us and asks for a piece of property to perform a business activity at that particular location, it is customary for us to send them to somebody else. Mr. Bach said we will work with them. If they call us on the primary, then we will stay with them and work through it. If the opportunity presents itself, that’s where we’ll go to Wyandotte Development, get them involved. Sometimes people are doing like site search, site selection.

Commissioner Barnes said Doug, I’m not really talking about anything in general. I’m talking about this particular individual on this particular grocery store opportunity that we have in the northeast area that did not receive any service from you, your Economic Development Department or Wyandotte Economic Development. They received nothing from anybody other than an invitation to fill out a RFP. I think that came a couple of days later. I think they got it from you guys—that’s where I think it came from.

The whole question, Mr. Chairman, for putting this on the agenda was to discuss that particular incident and what contact had been made with them other than the RFP process. Other than them receiving a piece of paper in the mail about a Request for Proposal. To date, they have not received any information on that piece of property. They have not received any information on what incentives this City has to offer. To date, they have not received any contact from anyone other than a letter being sent from our Purchasing Department, or Procurement Department, wherever. Have you made any contact with these gentlemen? Mr. Bach said I have not had any direct contact with them. Commissioner Barnes said are you aware of whether or not Wyandotte Economic Development has had contact with these people? Mr. Bach said no, I would doubt they have. Commissioner Barnes said okay. It is my understanding rather than address this company the way we would normally do and offer what

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services we have to offer them when somebody comes and ask for a piece of property, we ignored that request that I turned into you guys and no one followed up, no one asked for it, other than the fact that we continued on with—we didn’t even continue. Somebody got him an RFP request, but we chose not to engage him at all in the discussion of a grocery store located at 10th & Parallel on the northeast side of town. When I tell somebody in the public, is that a true statement? Mr. Bach said I think the term choose I would use lightly. I did respond with Mr. Hays and went back and consulted. After last months’ meeting, I talked to him about his recollection of how our meetings occurred with you on this subject. I recounted it in this memorandum. If you would like me to state that through this meeting I can do so. Commissioner Barnes said no, we don’t need to go through that. Mr. Bach said otherwise I think it’s recounted in the memorandum.

Commissioner Barnes said I just wanted to get it on the record so that I can send a copy of my concerns to the owners of that would be grocery store and let them know that I fought as hard as possible. For some reason, things did not happen the way they were supposed to happen. I see your written response here, but I just wanted it to be publicly noted that a company made contact with reference to a grocery store to be located on the north side of time. Put that information in writing, simply requested to address the issue of them having intent and interest to locate there and that they were open and available for a meeting. That did not occur and it seems there was no attempt made to make that happen. As a result of that, as of this date, they still have not been contacted about opportunities available for putting a grocery store in Kansas City, Kansas at that particular location.

Commissioner Holland said do you want the staff’s response read into the record? Commissioner Barnes said no because it’s not 100% true and that’s why I was asking the questions. It’s probably about 90% true, but that’s not the way it happened. I don’t want that read in there whatsoever. I want what’s read into the meeting is what I am saying tonight and the answers that I am getting tonight. I asked the question have they been contacted. The answer was no. I asked the question is that the normal procedure when somebody makes a request for a piece of property not to respond to them. The answer was no. I asked had anyone from Wyandotte Economic Development contacted them. The answer was no. I guess the only other question I could ask is were there any plans for anybody from your staff or Wyandotte Economic Development to contact this individual who stated his concern for a grocery store in the northeast area? Yes or no? Mr. Bach said contact has been made to him, so he is aware that we are
seeking proposals for the area. If you would like us to make direct contact with him in contrast to your previous direction, then we certainly can do so and I’ll be more than happy to do so. **Commissioner Barnes** said in contrast with my previous directions? In the initial conversations I was trying to find out if we could stop the RFP process and save the City some money. Was that not my statement? The exact statement was “Don’t put out the RFP. We’ve got somebody interested. I can save the City some money. Contact these people”. The direction came back I’m not recommending that we stop the RFP process. We need to put it out to some degree and it was recommended by both you and Mr. Hays that we not delay the RFP process. **Mr. Bach** said to move forward with the RFP process and wanted to make direct contact with the individual. **Commissioner Barnes** said okay. Thank you.

**Commissioner Barnes** said Mr. Chairman I still don’t understand when I give somebody a letter and they show a letter of interest…On the letter it states “I have interest and consider this a letter of interest and a letter of intent to do business in Kansas City, Kansas”, and we not investigate that possibility.

**Commissioner Kane** said can we make contact with the guy? **Mr. Bach** said yes we can. **Commissioner Kane** said then let’s make contact with the guy. **Mr. Bach** said I will do so. **Commissioner Barnes** said and I want the record to reflect that it shouldn’t be that difficult to do business in Kansas City, Kansas on the north side of town, regardless of whose fault it is. Whether I screwed up, or they misunderstood me or whether they screwed up and I misunderstood them, but we have something in writing. Somebody should have sneak ed, come back and asked can we contact or did I hear you right or something. For a gentleman to write a letter saying I want to put a grocery store which is something we’ve been seeking for 20 years, and we throw him an RFP and that’s it. Something is wrong with that situation; it doesn’t smell good and doesn’t smell proper. I just wanted the record to reflect that and I would certainly like a full copy of this conversation that we had about this particular issue. Thank you.

**Action:** Information Only.

**Item No. 6 – 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

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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. 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.

**Commissioner Holland** said we have three areas here. Are there any of these in terms of setting aside some time for working each of these. One of the things that we were going to discuss today, we have three things, economic development, the BPU regarding waiver of utility fees for electricity and water. The Unified Government made a commitment to waive our fees for single family home development and we had asked BPU to consider that as well.

**David Alvey, BPU Board Member**, said let me ask you, how was that request made, do you know? **Mr. Bach** said I believe Dennis had direct conversation with Don Gray. However, I don’t believe we have sent anything over in writing regarding it at this point and I know that was his intent. We would follow up with something in that regard. **Mr. Alvey** said I think what I would be looking for, anyway, as we consider this is specific numbers and just a general sense. I have spoken with Greg Kindle. If you recall, Greg gave a presentation I’m going to say several months ago that was requested on subdivisions in Kansas City, Kansas that have been half built, quarter built and have stalled because of the economic downturn. There was a fear that we would have some leapfrogging—that people would not go into an existing subdivision that is half built and go and start a new subdivision when the economy recovers. I think that would be a great use, and we have to find out where in the budget this would be located because we do depend on those fees as other fees. Perhaps, it could come out of economic development. The BPU has lots of infrastructure invested in subdivisions that are partially built. In order to recover our investment in that, we would like to encourage that investment on some existing subdivisions. Just the sense, at this point, we would like to focus that in particular subdivisions.
that have been partially filled. I’m not excluding anything else and I’m not sure where to go with that. Certainly, this is something that we’re interested in.

**Commissioner Kane** said I think the way we talked about it was it was for only those lots, or for only those additions that are currently going, and nothing else. Because exactly you would have 110th & Leavenworth Road all over the place where a guy goes in there and does all that stuff and then he falls on his face. I think maybe we should have a subcommittee of Commissioners with the Board to say hey we’re thinking about this, how do you feel about that. If I was BPU I might be a little upset about I’m going to get a little note saying we’re coming to get you just a little bit. That way somebody could say, hey this is only for the additions that are out there now and maybe some new industrial park or something like that. It wouldn’t be fair to you to say we’re going to build a brand new spot over here. We’ve only got two homes built, but there’ll be 100 of them there, so you’re only going to get jammed 98 times. That was the intent there. I really think that we need to have another subcommittee of Board members and Commissioners for just little things like that to bounce off of each other so they can take it back to their Board and we can take it back to our Commission and say here’s where we’re at.

**Mr. Alvey** said I think that’s the conversation, Commissioner Holland if you recall, the at-large commissioners, Mayor Reardon and myself and Mary Gonzales with Don Gray, Dennis Hays and so forth. What we were looking at were specific topics on an ad hoc basis and meet when we need to meet. **Commissioner Holland** said we used to meet every other month or we used to meet every month with the two at-large Commissioners, the Mayor and some of our staff and some of their board members and some of their staff. That went to quarterly and then on an as needed basis. I think we would do well to keep that on a quarterly agenda to force the meetings for exactly, Commissioner Kane, the kinds of things you are talking about. We need to have this on the table going forward. **Mr. Alvey** said I think this is a good idea. We would like to see; again the BPU needs to recover its investment infrastructure in those areas that have already been committed. I don’t think there’s really going to be a problem with that. I’m just speaking for myself. **Commissioner Barnes** said I think that’s great thinking and you guys need to know what’s expected in the future and not just have an open policy to say hey we’re taking all comers. It needs to be something similar to our NRA that we’re trying to promote development in certain areas. I don’t think one should get—it should be a level playing field, the same incentives should not be in place for here where it’s a lot easier to develop versus somewhere where it’s hard and the existing developments also. The one factor that we always

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forget is that when you’re having a struggling development, not only must you stabilize what you have, then you need to offer incentives to attract new people to make it happen. We do the attracting part, but we don’t stabilize what we have. There are people sitting there saying this place is stalled, it’s not going anywhere, I’m going to get out of here. Those existing people need incentives to stay there. If you don’t, you’re going backwards and then you’re still chasing your tail. I think that whatever we put forward has to deal with the existing plus attracting new at the same time. I would agree with that 100%.

Mr. Alvey said Commissioner Barnes and I have had this brief conversation but I do think, again I’m just speaking for myself, we have a lot invested in the older parts of town as well. When you have empty lots and nothing built there, if you can somehow incentivize someone coming in and building another house instead of like in the community, sure we can get these things off the Land Bank. What happens if another house could go in there again? They’re consuming water, electricity and that just helps everybody out. I think this is going to be one of the strategic goals for the BPU board is a revision of our economic development and really have some board leadership in what we do with that just as you’re doing.

Commissioner Holland said one thing I’d like to have on the record when we are looking at re-establishing the Port Authority—what steps, Mr. Bach, do you anticipate taking towards that end? Mr. Bach said currently Jody Boeding is going through and looking at all of the different steps that it would require for our community to 1) get this forward from a legislative perceptive because this is something that requires Kansas Legislature action for us to be able to do it. That might be the step we take next month. I would ask Jody to complete where she’s at and by next month come forward and list out the steps we need to take. Jody Boeding, Chief Legal Counsel, said Mike Taylor is working on it as well. It does require that initial approval by the Kansas Legislature. Mr. Bach said if we can put all of those steps together, it’s a fairly involved process. From that you’ll be able to look at and determine if this is a challenge that we feel like is good for us to take on in order to make this happen and it’s the best way for the type of tool that we need.

Commissioner Kane said does anybody know how hard it is to get something out of Topeka? Less than 1% of the bills got through this year. Ms. Boeding said I think Mike understands that better than I do. Mr. Bach said and maybe Mike can come at the same time as we go through that so we can see the steps it takes to go through to set one of these up. Then, Mike can probably offer some input as to probabilities. That would give you a feeling for is this
the tool we want. We’re in place with it as we have it listed as we come in. They’re going to come in with a project next year, bring it back to you to evaluate. Obviously there is no intent that they’ll be using probably the Port Authority for what they come in in 2013.

Commissioner Holland said one of the clear messages I want for Fairfax—I’ve had some limited conversations with them. They want a partnership with the UG. They want us to take some action, move some things forward, help them redevelop their site which is of mutual benefit to all of us. I want to be clear that the things that I’ve talked to them about, the only message I’ve heard is we’ve never done it that way before. If they want to become a first rate industrial park, I think they’re going to have to think about some new thinking. One of the issues that I have—our community needs trails, the northeast community needs trails, our urban areas need trails. We need places where our people can have a healthy lifestyle. Fairfax is sitting on five miles of trail on their levee. Many communities have hike and bike opportunities on their levies. Our community does not. I would like BPU to take leadership in that area because you’re part of the Levy Board. I would like BPU to initiate working with the partners down there to get those levies open to the public immediately. I’m tired of hearing the excuses why that can’t be done. When the Fairfax Industrial comes to us for a partnership, I want a partnership. Our community needs trails and opening those trails would multiply what we have available to our residents exponentially. I know they’re controlled by the Drainage Districts. The Drainage Districts are voted on in Fairfax by the same members of the Fairfax Industrial Association. I’d like to see some movement on that area. When we talk about partnership, I want to see some offering of partnership with the hike and bike trails, not only with that one, but also the Kaw Valley Drainage District. We’ve got to get some movement on this. I have not heard any encouraging signs coming out of Fairfax that says they have any intention of partnering with us in that capacity. I would like that to change immediately. Commissioner Kane said I agree with you, but we have to crawl before we can walk, walk before we can run. You are right, they have five miles and I’ve been on those. I’ve been driving cars up there. I’ve driven my truck up there. I’ve driven General Motors cars up there. Commissioner Holland said I want you to ride your bicycle up there. Commissioner Kane said that’s okay too. I think we need to do that, we just don’t want to run them off right away. The sooner the better too. Commissioner Holland said they come to us and ask for more sidewalks so their employees can have more walking opportunities on their lunch hour. What? You want us to build sidewalks when you have five miles of trail right behind you. You’re kidding?

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Mr. Bach said action for next month is that we come back with a report on the steps for the Port Authority and Mike Taylor gives some input for likelihood to be there? Commissioner Holland said yes.

**Action:** Information Only.

Commissioner Holland said in terms of action steps for the BPU piece, do we have next steps in terms of getting this moving forward? Mr. Bach said I will have the formal communication issued to them. Commissioner Holland said we could bring that back actually to the joint meeting that we already have set up with the Mayor’s office. Mr. Alvey said what should happen then is Don Gray should ask for staff to develop some policy to see what can be done and to what extent and then make recommendation. It might require a policy change. Mr. Bach said I think where we’re at as Commissioner Kane pointed out is consistent with where you’re at. I think we did waive permit fees on all. From water pollution standpoint, where the infrastructure is required, was only to waive those in areas where we have established developments. So we wouldn’t have to come in already and build a new infrastructure.

Commissioner Holland said one of the things that also moving forward that I would like the Administrator’s office to think about. If we’re going to be taking on strategic planning in these meetings, they’re not going to be 30 and 45 minute meetings anymore. If we’re going to be here from 5-8 o’clock every night, I find myself and my colleagues are less grumpy if we have something to eat. On Commission meeting nights when we’re expected to be here from 5-8 or 5-10, then we have that available. I would like to consider if we’re going to make this a habit of being here and doing the strategic planning—as Commissioner Barnes said rolling up our sleeves and making a change in what we’re doing, I think we need to consider that. Otherwise, I’m going to have to bring a sack lunch. Commissioner Barnes said I don’t think there’s no consideration. These should really be handled separately so that it is a work atmosphere. I think the strategizing didn’t really end with the strategy session that we went through. This is a continuation of that and I don’t think we should even vary from that process perfecting what we really intend to do. Commissioner Holland said we’re going to need some unstructured time to do it in this meeting. Commissioner Barnes said exactly. Commissioner Kane said this is late. Maybe if we need more 3 on 3’s or whatever, but this is late. Mr. Bach said the agenda lays out 5:00 o’clock and

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7:00 o’clock meetings. You go to this format, that’s probably where you’re going to do it. You’re going to have a 5:00 o’clock and a 7:00 o’clock. Commissioner Holland said that’s exactly right. Mr. Bach said you’re going to be setting here at 9:00 o’clock finishing up your last meeting. Commissioner Kane said maybe we have more meetings.

Mr. Bach said its how much you bite off. Maybe it’s one time you do the Neighborhood and Community Development and you focus more on it than doing both of them. You’re not really focusing on both. We’re going to have a report for you, but it doesn’t sound like you are going to spend the time in the strategy zone whereas you’re going to do that in the other one in the meeting. Commissioner Holland said I want to do that as well particularly when we are talking about fostering an economic environment. I have some issues that I want to address on number 1) Fostering an environment in which small and large businesses thrive, jobs are created. I think people running the permit process in this building is a huge detriment to the smaller projects. If somebody is bringing $30m to the table, they’re going to get everybody’s attention. If they’re bringing $3m to the table, I want to make sure they get everybody’s attention. How we run that, I have some clear ideas about how that needs to be handled. We may need to do some strategic speaking on that as well. Anyway, I would rather have one long meeting based on my schedule. We already didn’t have two commissioners here tonight. I think it’s hard to get everybody here together. I think if we can do it once and we can prioritize it and run it longer while we have people here and we have people at the table, I think we’re better off. I don’t want to have another standing committee meeting during the month. I’d like to do it and be done. That’s my preference. Commissioner Barnes said I’m either or. I’d rather get it over with rather than tying up another day.

IV. Public Agenda:

Item No. 1 – 120223...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.

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Action:  No one appeared.

V. Adjourn

Chairman Holland adjourned the meeting at 7:50 p.m.
Type: Standard
Committee: Economic Development and Finance Committee

Date of Standing Committee Action: 9/10/2012
(If none, please explain):

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

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

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Item Description:
The Unified Government Commission adopted a fund balance policy in May of this year.
The overlying goal of this policy is to ensure that there will be adequate liquid resources to serve as a financial cushion against the potential shock of unanticipated circumstances and events.
The attached table compares 2011 audited fund balances with policy goals.
(For information only.)

Action Requested:
For information only, will not go to Full Commission.

Publication Required

Budget Impact: (if applicable)

Amount: $
Source:
- [ ] Included In Budget
- [x] Other (explain) Information pertaining to fund balance policy.
## Unified Government
### Fund Balance Actual-Policy Comparison
#### 2010-2011

**Color Key**
- Red = Under goal
- Black = Goal range
- Blue = Exceeds goal

**Budgetary Basis**

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<td>972,014</td>
<td>73.4%</td>
<td>655,651</td>
<td>1,135,205</td>
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<td>Environmental Trust Fund</td>
<td>10-15%</td>
<td>126,889</td>
<td>859,338</td>
<td>14.8%</td>
<td>41,417</td>
<td>1,469,982</td>
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<td>Health Department</td>
<td>10-15%</td>
<td>1,208,209</td>
<td>3,058,177</td>
<td>39.5%</td>
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<td>3,152,485</td>
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<td>8-12%</td>
<td>149,765</td>
<td>51,360</td>
<td>291.6%</td>
<td>181,705</td>
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<td>Library</td>
<td>10-15%</td>
<td>381,678</td>
<td>1,824,244</td>
<td>20.9%</td>
<td>294,594</td>
<td>1,737,375</td>
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<td>10-15%</td>
<td>107,424</td>
<td>453,867</td>
<td>23.7%</td>
<td>148,052</td>
<td>565,867</td>
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<td>Register of Deeds Technology</td>
<td>5-10%</td>
<td>67,476</td>
<td>180,322</td>
<td>37.4%</td>
<td>121,286</td>
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<td>Special Program for the Elderly</td>
<td>10-15%</td>
<td>25,095</td>
<td>1,156,342</td>
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<td>99,862</td>
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<td>Special 911 Tax</td>
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<td>1,038,255</td>
<td>47.2%</td>
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<td>Special Alcohol</td>
<td>5-10%</td>
<td>330,756</td>
<td>469,190</td>
<td>70.5%</td>
<td>297,174</td>
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<td>149,208</td>
<td>481,954</td>
<td>22.9%</td>
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<td>225,064</td>
<td>6,891,555</td>
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<td>Tourism and Convention</td>
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<td>2,998,967</td>
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<td>County</td>
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<td>341,879</td>
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<td><strong>General Fund</strong></td>
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<td>11,649,360</td>
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**Staff Request for Commission Action**

**Tracking No. 120250**

- [ ] Revised
- [ ] On Going

### Type:
Standard

### Committee:
Economic Development and Finance Committee

**Date of Standing Committee Action:** 9/10/2012

(If none, please explain):

---

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

- **Date:** 9/4/2012
- **Contact Name:** Lew Levin
- **Contact Phone:** 5186
- **Contact Email:** mschrck@wycokck.org
- **Ref:** Finance

<table>
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<th>Date</th>
<th>Contact Name</th>
<th>Contact Phone</th>
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<td>9/4/2012</td>
<td>Lew Levin</td>
<td>5186</td>
<td><a href="mailto:mschrck@wycokck.org">mschrck@wycokck.org</a></td>
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**Item Description:**
An ordinance authorizing the Unified Government of Wyandotte County/Kansas City, Kansas to issue its Sales Tax Special Obligation Revenue Refunding Bonds (Redevelopment Project Area B), subordinate lien series 2012 in an aggregate principal amount not to exceed $15,000,000 for the purpose of providing funds to refund the series 2001 bonds; authorizing and approving the execution of certain documents in connection with the issuance of said bonds; and authorizing certain other actions in connection with the issuance of said bonds.

This refunding will reduce the interest rate from 5% to an estimated 1.65%, resulting in a projected present value savings of $2,300,000 or 13%.

---

**Action Requested:**
- Adopt Ordinance

---

**Publication Required**

---

**Budget Impact:** (if applicable)

- **Amount:** $
- **Source:**
  - [ ] Included In Budget
  - [x] Other (explain)  Significant interest savings, which will expedite pay-off STAR bonds

---

[File Attachment](#)  [File Attachment](#)  [File Attachment](#)
ORDINANCE NO. 0-___-12

AN ORDINANCE AUTHORIZING THE UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS TO ISSUE ITS SALES TAX SPECIAL OBLIGATION REVENUE REFUNDING BONDS (REDEVELOPMENT PROJECT AREA B), SUBORDINATE LIEN SERIES 2012 IN AN AGGREGATE PRINCIPAL AMOUNT NOT TO EXCEED $15,000,000 FOR THE PURPOSE OF PROVIDING FUNDS TO REFUND THE SERIES 2001 BONDS; AUTHORIZING AND APPROVING THE EXECUTION OF CERTAIN DOCUMENTS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS; AND AUTHORIZING CERTAIN OTHER ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

WHEREAS, the Unified Government of Wyandotte County/Kansas City, Kansas (the "Issuer") is a municipal corporation and political subdivision duly organized and validly existing under the laws of the State of Kansas as a consolidated city-county having all the powers, functions and duties of a county and a city of the first class; and

WHEREAS, the Issuer is authorized under K.S.A. 12-17,160 et seq., as amended (the "Act") to issue special obligation revenue bonds for the purpose of financing costs to implement a "redevelopment plan" in a "major tourism area" (as such terms are defined in the Act); and

WHEREAS, the Issuer created a Redevelopment District (the "Redevelopment District") pursuant to K.S.A. 12-1770 et. seq., as amended (the "Prior Act") and Ordinance No. O-11-98 adopted by the Issuer on March 19, 1998; and

WHEREAS, the Issuer prepared the Prairie-Delaware Redevelopment Project Area B Tax Increment Financing Plan dated September 10, 1999 (the "Original Redevelopment Plan," and with all amendments and supplements thereto, the "Redevelopment Plan") in consultation with the Issuer's Planning Commission; and

WHEREAS, the Issuer passed Ordinance No. O-73-99 on October 21, 1999, adopting the Original Redevelopment Plan for Redevelopment Project Area B of the Redevelopment District; and

WHEREAS, the Issuer prepared the First Amended Prairie-Delaware Redevelopment Project Area B Tax Increment Financing Plan dated September 28, 2000 (the "First Amended Redevelopment Plan"); and

WHEREAS, the Issuer passed Ordinance No. O-3-01 on January 25, 2001, adopting the First Amended Redevelopment Plan for Redevelopment Project Area B of the Redevelopment District, and

WHEREAS, pursuant to the Prior Act, the First Amended Redevelopment Plan and Ordinance O-4-01 adopted by the Issuer on January 25, 2001, the Issuer issued its Special Obligation Revenue Bonds (Redevelopment Project Area B) Series 2001 (the "Series 2001 Bonds") in the aggregate principal amount...
of $28,665,000, pursuant to a Bond Trust Indenture dated as of February 1, 2001 and a Supplemental Bond Trust Indenture No. 1 dated as of February 1, 2001, between the Issuer and Security Bank of Kansas City, as trustee, for the purpose of providing funds to (a) finance land acquisition and development costs with respect to Redevelopment Project Area B, (b) fund deposits to a debt service reserve fund and a capitalized interest fund, and (c) pay certain costs related to the issuance of the Series 2001 Bonds; and

WHEREAS, the Issuer prepared the Second Amended Prairie-Delaware Redevelopment Project Area B Tax Increment Financing Plan dated May 31, 2001 (the "Second Amended Redevelopment Plan"); and

WHEREAS, the Issuer passed Ordinance No. O-65-01 on August 2, 2001, adopting the Second Amended Redevelopment Plan for Redevelopment Project Area B of the Redevelopment District; and

WHEREAS, the Issuer prepared the Third Amended Prairie-Delaware Redevelopment Project Area B Tax Increment Financing Plan dated June 2, 2004 (the "Third Amended Redevelopment Plan"); and

WHEREAS, the Issuer passed Ordinance No. O-41-04 on June 17, 2004, adopting the Third Amended Redevelopment Plan for Redevelopment Project Area B of the Redevelopment District; and

WHEREAS, the Issuer prepared the Fourth Amended Prairie-Delaware Redevelopment Project Area B Tax Increment Financing Plan dated December 17, 2009 (the "Fourth Amended Redevelopment Plan"); and

WHEREAS, the Issuer passed Ordinance No. O-5-10 on January 7, 2010, adopting the Fourth Amended Redevelopment Plan for Redevelopment Project Area B of the Redevelopment District; and

WHEREAS, pursuant to the Act, the Issuer is authorized to issue its Sales Tax Special Obligation Revenue Refunding Bonds (Redevelopment Project Area B), Subordinate Lien Series 2012 in a maximum aggregate principal amount of $15,000,000 (the "Series 2012 Bonds") under the hereinafter described Bond Indenture, for the purpose of implementing the Redevelopment Plan by providing funds to (a) refund the outstanding Series 2001 Bonds, and (b) pay certain costs related to the issuance of the Series 2012 Bonds; and

WHEREAS, the governing body of the Issuer hereby finds and determines that the issuance of the Series 2012 Bonds to provide funds for the purposes described herein in the manner provided in the Act and pursuant to the provisions of the Bond Indenture, will serve one or more of the public purposes set forth in the Act and will promote, stimulate and develop the general and economic welfare of the Issuer; and

WHEREAS, the governing body of the Issuer further finds and determines that it is necessary and desirable in connection with the issuance of the Series 2012 Bonds that the Issuer enter into certain agreements, and that the Issuer take certain other actions and approve the execution of certain other documents as herein provided.

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

Section 1. Authorization of the Series 2012 Bonds. The Issuer is hereby authorized to issue and sell the Series 2012 Bonds in an aggregate principal amount not to exceed $15,000,000, the
proceeds of which will be used to (a) refund the Series 2001 Bonds and (b) pay certain costs related to the issuance of the Series 2012 Bonds. The Series 2012 Bonds shall be issued and secured pursuant to the herein authorized Bond Indenture and shall bear such dates, shall be in such denominations, shall be in such forms, shall mature on the dates and in the principal amounts and maturity amounts, shall bear interest at rates not to exceed the maximum rate permitted by law and shall be subject to redemption on the dates and in the principal amounts as provided in the Bond Indenture and Bond Purchase Contract (as hereinafter defined), and shall have such other terms and provisions, shall be issued, executed, authenticated and delivered in such manner and shall be subject to such provisions, covenants and agreements, as are set forth in the Bond Indenture; provided that the issuance of the Series 2012 Bonds shall achieve net present value savings of not less than 6.0% of the outstanding principal amount of the Series 2001 Bonds. The Series 2012 Bonds shall be sold and delivered to the order of the Underwriter (as hereinafter defined) in accordance with the terms and conditions of the Bond Purchase Contract, at such prices as are set forth therein.

The Series 2012 Bonds, together with interest and premium, if any, thereon are not general obligations of the Issuer but are limited obligations payable solely from the trust estate pledged to the payment thereof under the Bond Indenture and shall be a valid claim of the respective holders thereof only against the trust estate and other moneys held by the Trustee and the revenues so pledged as aforesaid. In no event shall the Series 2012 Bonds be payable out of any funds or properties other than those pledged or acquired under the Bond Indenture, and the Series 2012 Bonds shall not be deemed to constitute a debt or liability of the State of Kansas, the Issuer or of any political subdivision thereof and the issuance of the Series 2012 Bonds shall not, directly, indirectly or contingently obligate the Issuer, the State of Kansas or any political subdivision thereof to levy any form of taxation therefor or to budget or make any appropriation for their payment. Nothing in the Series 2012 Bonds, the Bond Indenture, the proceedings of the Issuer authorizing the Series 2012 Bonds or the Act shall be construed to be a debt or loan of credit of the Issuer, the State of Kansas or any political subdivision thereof within the meaning of any constitutional or statutory debt limitation or restriction.

Section 2. Authorization and Approval of Documents. The following documents are hereby approved in substantially the forms presented to the Issuer at this meeting, and the Issuer is hereby authorized to execute and deliver each of such documents (the "Issuer Documents") with such changes therein as shall be approved by the officer or officers of the Issuer executing such documents, such officers' signatures thereon being conclusive evidence of their approval and the Issuer's approval thereof:

(a) Supplemental Bond Trust Indenture No. 7 dated as of the date stated therein, which is a supplemental indenture under that certain Bond Trust Indenture dated as of July 1, 2005 (collectively, and as amended from time to time, the "Bond Indenture") between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as trustee (the "Trustee"), authorizing the issuance of the Series 2012 Bonds.

(b) Bond Purchase Contract dated as of the date stated therein (the "Bond Purchase Contract"), between the Issuer and Citigroup Global Markets, Inc. (the "Underwriter"), relating to the purchase of the Series 2012 Bonds.

(c) Tax Compliance Agreement dated as of the date stated therein between the Issuer and the Trustee, relating to the Series 2012 Bonds.

(d) Continuing Disclosure Agreement dated as of the date stated therein between the Issuer and Security Bank of Kansas City, Kansas City, Kansas, as dissemination agent, relating to the Series 2012 Bonds.
(e) Sixth Amended and Restated Redevelopment District--Tax Distribution Agreement dated as of the date set forth therein (the "Sixth Restated Tax Distribution Agreement") among the Issuer, the Trustee and the other parties named therein, which provides for certain distributions of tax revenues for the benefit of the Series 2012 Bonds and makes certain modifications to the procedures for collection and distribution of tax revenues set forth in the Fifth Amended and Restated Tax Distribution Agreement dated as of May 1, 2012 among the Issuer, the Trustee and the other parties named therein.

Section 3. Approval of Use of Official Statement. The Issuer hereby approves the use of the Preliminary Official Statement, from which a final Official Statement shall be drafted (collectively, the "Series 2012 Official Statement"), in connection with the sale of the Series 2012 Bonds, in substantially the form presented to the Issuer, with such changes therein as shall be necessary to provide for the execution of such document by the Issuer, such officer's signature thereon being conclusive evidence of his approval and the Issuer's approval thereof; in connection with the sale of the Series 2012 Bonds, in substantially the form presented to the Issuer, with such changes therein as shall be approved by the officer of the Issuer executing the Series 2012 Official Statement, such officer's signature thereon being conclusive evidence of his approval and the Issuer's approval thereof.

The Series 2012 Official Statement and the use and distribution thereof by the Underwriter is hereby approved. For the purpose of enabling the Underwriter to comply with the requirements of Rule 15c2-12(b)(1) of the Securities and Exchange Commission (the "Rule"), the Mayor/CEO of the Issuer is hereby authorized and directed to deem the Series 2012 Official Statement to be "final" as of its respective dates, except for the omission of such information as is permitted by the Rule, and, if requested, to provide the Underwriter a letter or certification to such effect and to take such other actions or execute such other documents as the Mayor/CEO of the Issuer in his reasonable judgment deems necessary to enable the Underwriter to comply with the requirements of such Rule.

Section 4. Execution of Bonds and Documents. The Mayor/CEO of the Issuer is hereby authorized and directed to execute the Series 2012 Bonds and to deliver the Series 2012 Bonds to the Trustee for authentication for and on behalf of and as the act and deed of the Issuer in the manner provided in the Bond Indenture. The Mayor/CEO of the Issuer is hereby authorized and directed to execute the Issuer Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, with such changes as the Mayor/CEO deems necessary or appropriate, for and on behalf of and as the act and deed of the Issuer. The Clerk of the Issuer is hereby authorized and directed to attest to and affix the seal of the Issuer to the Series 2012 Bonds, the Issuer Documents and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 5. Further Authority. The Issuer shall, and the officers, employees and agents of the Issuer are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments, including without limitation documents relating to the qualifications of the Bonds under the "blue sky" laws of the various states of the United States of America, documents necessary to obtain approvals of the Kansas Secretary of Commerce and the Kansas Secretary of Revenue as required by law, and any agreements with respect to the investment of funds held under the Bond Indenture, as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the Issuer with respect to the Series 2012 Bonds and the Issuer Documents.

Section 6. Effective Date. This Ordinance shall take effect and be in full force after its adoption by the Issuer and publication once in the official newspaper of the Issuer.
PASSED by the Board of Commissioners of the Unified Government of Wyandotte County/Kansas City, Kansas this 20th day of September, 2012.

(Seal)

ATTEST:

__________________________________________
Unified Government Clerk

Approved as to Form:

__________________________________________
Chief Counsel

Mayor/CEO of the Unified Government of Wyandotte County/Kansas City, Kansas
Staff Request for Commission Action

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: 9/20/2012
9/20/2012

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

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<td>8/8/2012</td>
<td>Charles Brockman</td>
<td>573-5733</td>
<td><a href="mailto:cbrockman@wycokck.org">cbrockman@wycokck.org</a></td>
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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
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

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
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

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 (25 Points Available)

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.)

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)
LOCAL REVIEW CRITERIA FOR REVIEW OF HOUSING TAX CREDIT PROPOSALS
UNIFIED GOVERNMENT OF WYANDOTTE COUNTY/KANSAS CITY, KANSAS

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>
</tr>
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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)
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>
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<td>35-39%</td>
<td>4</td>
<td>60-64%</td>
<td>9</td>
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<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.
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.
Exhibit A

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.

*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.
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**Section 42 Applicants Since 2009**
Staff Request for Commission Action

Type: Standard
Committee: Economic Development and Finance Committee

Date of Standing Committee Action: 9/10/2012
(If none, please explain):

Proposed for the following Full Commission Meeting Date: 10/18/2012
Confirmed Date: 10/18/2012

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

Date: 9/5/2012
Contact Name: George Brajkovic
Contact Phone: x 5749
Contact Email: gbrajkovic@wycokck.org
Ref: Department / Division: Economic Development

Item Description:
The Metropolitan Avenue Redevelopment District was established by O-51-11 on 11/17/2011, subsequently O-24-12 adopted a Redevelopment Project Plan for Project Area 1 on 04/05/2012. That Plan included a Development Agreement that contemplates the use of Property and Sales Tax TIF, a 1% CID, and a loan from the UG's RLF so that Argentine Commercial Inc could acquire a site and construct a 15,000 sqft grocery store. The Developer has requested revisions to the existing Development Agreement, which are outlined in the attached document, to include: removing Sales Tax TIF, creating a local agreement for Sales Tax increment, consider issuing general obligation bonds, and withdraw the request for RLF. The Development Agreement has been assigned to Argentine Betterment Corporation.

Action Requested:
Information only.

Publication Required

Budget Impact: (if applicable)

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

File Attachment
September 5, 2012

The Development team for the Metropolitan Avenue TIF District has requested revisions to the Redevelopment Agreement for Project Area 1. The Project contemplated the use of TIF, UG RLF, and CID.

**TIF**
The original Agreement isolated TIF revenue increments from both Property and Sales tax from the to-be-constructed Save-A-Lot grocery store and from the Dollar General. Those reimbursement dollars would become available on a pay-as-you-go basis. The Agreement allows for a capture of 100% of the increment from all the Revenue sources. Revisions:

- Remove Sales Tax increment from TIF and create a local agreement for sales tax redirection. This would allow for a broader list of allowable expenses versus that of TIF Statute.
- Consider issuing general obligation bonds for both the TIF Real Estate increment as well as the incremental sales tax.

**RLF – Assignment of Development Agreement**
The original Agreement requested a loan from the UG’s RLF in the amount of $450k. Due to tax implications based on charitable contributions, the Agreement has to be with a non-profit. However, RLF regulations don’t permit loans to non-profit entities, therefore the RLF request is withdrawn. Revisions:

- The Development Agreement is assigned from Argentine Commercial, Inc. to Argentine Betterment Corporation, a 501(c)(3) non-profit.

**CID**
The original Agreement sought approval and ultimate creation of a CID, not including the Dollar General. There are no revisions requested to this item.
**Staff Request for Commission Action**

**Tracking No. 120232**

- Revised
- On Going

**Type:** Standard

**Committee:** Economic Development / Finance

**Date of Standing Committee Action:** 9/10/2012

(if none, please explain):

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

- Confirmed Date: 8/30/2012

- 8/30/2012

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

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<tr>
<th>Date</th>
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<th>Contact Phone:</th>
<th>Contact Email:</th>
<th>Ref:</th>
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<tbody>
<tr>
<td>8/14/2012</td>
<td>Jason Banks</td>
<td>x 5439</td>
<td><a href="mailto:jbanks@wycokck.org">jbanks@wycokck.org</a></td>
<td></td>
<td>Contract Compliance</td>
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**Item Description:**

This is a presentation of a proposed pilot program for local/small contractors. The presentation is in response to the Commission's expressed interest in leveraging our ADA ramp replacement projects and other construction projects for local/small business contracting opportunities. We will cover the basic components of the program including the pilot program's goals, the pre-qualification process for contractors, and the anticipated implementation date.

**Action Requested:**

No action required. Presentation for informational purposes only.

- Publication Required

**Budget Impact: (if applicable)**

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

- File Attachment
- File Attachment
- File Attachment
- File Attachment
### Summary of Responses

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<th>Company Name</th>
<th>MBE</th>
<th>WBE</th>
<th>Zipcode</th>
<th>Bonding/ Capacity</th>
<th>Insurance/ Capacity</th>
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<tr>
<td>HMC Enterprise Corp</td>
<td>X</td>
<td>X</td>
<td>66102</td>
<td>Lockton/ $250,000</td>
<td>Auto Owners Insurance/ 2M- 1M</td>
<td>received</td>
</tr>
<tr>
<td>J. J. Martiny Concrete Co., INC</td>
<td></td>
<td></td>
<td>66106</td>
<td>International Fidelity/ $200,000</td>
<td>Bukaty Companies/ $500,000</td>
<td>received</td>
</tr>
<tr>
<td>TOLEFREE CEMENT FINISHING</td>
<td>X</td>
<td></td>
<td>66112</td>
<td>State Farm/ Whatever Needed</td>
<td>State Farm/ (left blank)</td>
<td>received</td>
</tr>
<tr>
<td>UP N UP CONCRETE</td>
<td>X</td>
<td></td>
<td>66102</td>
<td>None/ None</td>
<td>Travellers/ 1M limited liability</td>
<td>received</td>
</tr>
<tr>
<td>Walker Construction</td>
<td>X</td>
<td></td>
<td>66104</td>
<td>None/ None</td>
<td>Travellers/ 1M</td>
<td>received</td>
</tr>
</tbody>
</table>

#### Company Name | MBE | WBE | Zipcode | Bonding/ Capacity | Insurance/ Capacity | Results
---|-----|-----|---------|-------------------|---------------------|----------------------|
<p>| ALL STAR CONCRETE CONSTRUCTION       |     |     | 66106   |                   |         | mail returned/ non-working number |
| Barge-Turley Construction Company, Inc |     |     | 66106   |                   |         | # out of order/ not listed in KCK anymore |
| City Cement Company                   | X   |     | 66103   |                   |         | Chris left message/ form not returned |
| CROSS BOBCAT &amp; CONCRETE, INC          |     |     | 66103   |                   |         | Chris left message/ form not returned |</p>
<table>
<thead>
<tr>
<th>Company Name</th>
<th>Zip Code</th>
<th>Notes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Everett Suits Concrete</td>
<td>66103</td>
<td>Mail returned/ non-working number</td>
</tr>
<tr>
<td>F &amp; J Concrete, LLC.</td>
<td>66101</td>
<td>Doesn't speak English</td>
</tr>
<tr>
<td>Family Man's Concrete</td>
<td>66102</td>
<td>Chris left message/form not returned</td>
</tr>
<tr>
<td>Geiger Ready-Mix</td>
<td>66106</td>
<td></td>
</tr>
<tr>
<td>H. E. Bohrer Excavating Co. Inc.</td>
<td>66104</td>
<td></td>
</tr>
<tr>
<td>Hedlund Concrete Construction, LLC.</td>
<td>66109</td>
<td>Chris left message/form not returned</td>
</tr>
<tr>
<td>Hernandez Construction</td>
<td>66102</td>
<td># out of order</td>
</tr>
<tr>
<td>KC Maintenance Service</td>
<td>66105</td>
<td># out of order</td>
</tr>
<tr>
<td>LMCC, Inc</td>
<td>66102</td>
<td>Chris left message/form not returned</td>
</tr>
<tr>
<td>Lumley Concrete Construction</td>
<td>66106</td>
<td></td>
</tr>
<tr>
<td>Matt Muder Concrete</td>
<td>66109</td>
<td># out of order</td>
</tr>
<tr>
<td>MC - 1</td>
<td>66106</td>
<td># out of order</td>
</tr>
<tr>
<td>Neville Hayes</td>
<td>66112</td>
<td>Unable to do the work</td>
</tr>
<tr>
<td>Phils Concrete Construction PCC</td>
<td>66102</td>
<td>Chris left message/form not returned</td>
</tr>
<tr>
<td>Company</td>
<td>Number</td>
<td>Notes</td>
</tr>
<tr>
<td>----------------------------------------------</td>
<td>--------</td>
<td>------------------------------------------------</td>
</tr>
<tr>
<td>PM Solutions L.L.C.</td>
<td>66109</td>
<td>Chris spoke with owner/ form not returned</td>
</tr>
<tr>
<td>PRECISION CUTTING &amp; CORING, LLC.</td>
<td>66115</td>
<td>unable to do the work</td>
</tr>
<tr>
<td>PROFESSIONAL CONCRETE CONSTRUCTION</td>
<td>66102</td>
<td>Chris spoke with Joe/ form not returned</td>
</tr>
<tr>
<td>QUINN CONCRETE CONSTRUCTION</td>
<td>66102</td>
<td># out of order</td>
</tr>
<tr>
<td>RAMIREZ CONTRACTOR SERVICE</td>
<td>66106</td>
<td>Chris left message/ form not returned</td>
</tr>
<tr>
<td>Revive Construction</td>
<td>66104</td>
<td></td>
</tr>
<tr>
<td>SARAGUSA CONCRETE CONSTRUCTION, INC.</td>
<td>66109</td>
<td>Chris left message/ form not returned</td>
</tr>
<tr>
<td>Vanum Construction Co Inc</td>
<td>66105</td>
<td># out of order</td>
</tr>
</tbody>
</table>

- **Section 3 Certified or Eligible**
- **Located in a HUB Zone**
- **Located in a Hub Zone and Section 3 Certified or Eligible**
<table>
<thead>
<tr>
<th>Zip Code</th>
<th>Number of Companies</th>
</tr>
</thead>
<tbody>
<tr>
<td>66101</td>
<td>1</td>
</tr>
<tr>
<td>66102</td>
<td>8</td>
</tr>
<tr>
<td>66103</td>
<td>2</td>
</tr>
<tr>
<td>66104</td>
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<tr>
<td>66105</td>
<td>1</td>
</tr>
<tr>
<td>66106</td>
<td>4</td>
</tr>
<tr>
<td>66109</td>
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</tr>
<tr>
<td>66111</td>
<td>0</td>
</tr>
<tr>
<td>66112</td>
<td>2</td>
</tr>
<tr>
<td>66115</td>
<td>1</td>
</tr>
</tbody>
</table>

35 Pre-Qualification Forms Sent Out

9 Pre-Qualification Forms Received
Small / Local Contractor Pilot Program
Program Goals:

• Leverage ADA ramp program to create economic activity, through contracting and jobs, in recognized underutilized demographics (low income individuals, minorities, and women)

• Utilize the ADA contracts to create small business capacity growth through sustained, competitive contracting opportunities.

• Expand application of the Supplier Diversity Ordinance
The approach is to target a percentage or dollar volume of the 2013 ADA ramps to bid, exclusively, to a pre-qualified list of small / local contractors.

Contracts will be packaged large enough to justify the additional program administration but small enough to fall under the informal construction bid threshold ($50K).

Existing policy language and procedures support bidding to small businesses.
  – Supplier Diversity Ordinance: Unbundling large procurements into small contracts.
  – Purchasing Policy: Construction projects <$50K must solicit a minimum of 3 quotes – 1 LBE, 1 MBE/WBE, 1 additional business

The pre-qualification process serves 2 purposes:
  – Provides staff with capacity and performance related information on contractors
  – Serve as a marketing and outreach tool for the UG’s small business efforts

Companies identified during this process will also be called on to bid other informal construction bids.
Complied list of Wyandotte County self-identified concrete contractors from Business License list and Supplier Database

Identified companies who were located in HUB Zones or were Section 3 eligible

Sent pre-qualification form to all companies that meet the aforementioned criteria

Will create two to three tiers of contractors based on information returned in order to encourage bidding pools of similarly scaled companies
Sample Pre-Qualification Questions

• Are you able to “carry” an invoice for 30 days?
• M/WBE status and ethnicity of owner.
• What equipment do you own?
• What is your bonding and insurance capacity?
• List 3 of your most recent projects (dollar amount, scope, owner).
Terms and Definitions

• **Local Business Enterprises (LBE):** A businesses headquartered or that maintains a major branch that performs the significant functions of the business in Wyandotte County, Kansas, or businesses of which at least 51% of the stock, equity, or beneficial interest is owned, held, or controlled and whose day-to-day management is under the control of an individual residing in Wyandotte County, Kansas. There is no formal certification process for LBE designation. It is determined and assigned based on the criteria referenced above and payment of all applicable Wyandotte County tax and/or licensing fees.

• **HUB (Historically Underutilized Business) Zone:** Defined by qualified census tracts, the business located in the HUB Zone area must meet SBA definition of small business; principle office must be located within the HUB Zone boundaries; AND 35% of its employees must reside in a HUB Zone. A Qualified Census Tract is any census tract (or equivalent geographic area defined by the Bureau of the Census) in which at least 50% of households have an income less than 60% of the Area Median Gross Income.

• **SBA Small Business:** Less than $14.0 million dollars of business in the past three years for specialty contractors, $33.5 million in the past three years for heavy construction industries.

• **Section 3:** A business which is 51% owned by Section 3 residents (public housing residents or low or very-low income persons, making between 50% and 80% below the median income for the area, who live in a metropolitan area where a HUD-assisted project for housing or community development is located); OR whose permanent full-time employees, at least 30% of whom are Section 3 residents, or within 3 years of the date of first employment with the company were Section 3 residents; OR a business that provides evidence of a commitment to subcontract is excess of 25% of the dollar award of all subcontracts to be awarded to a Section 3 business concern.
Desired Outcomes

- Engage new contractors
- Encourage capacity growth through contracting, training, and business mentorship
- Positively impact the local labor force
- Expand application of the Supplier Diversity Ordinance
- Respond to the Education/Workforce Development goals reference in the 2013 Budget
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.
August 22, 2012

Unified Government Clerk
Unified Government of Wyandotte County/Kansas City, KS
701 North 7th Street – Suite 323
Kansas City, Kansas 66101-3064

Attention: Unified Government of Wyandotte County/Kansas City, KS

Please consider this letter a formal request for representatives of the Baptist Ministers Union of Kansas City, Kansas to appear before the Economic Development and Finance Standing Committee in September 2012.

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 are looking forward to meeting and partnering with you. Please advise when this meeting can be scheduled. If you have further questions, please contact President Milan at (913) 334-4061.

Sincerely,

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

"O how good and how pleasant it is for brethren to dwell together in unity" Psalm 133:1
September 6, 2012

Rev. Robert L. Milan, Jr., President
Rev. Jimmie L. Banks, Secretary
Baptist Ministers Union of KCK
1937 N. 32nd St.
Kansas City, KS 66104

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, September 10, 2012  
**TIME:** 6:00 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,

[Signature]

Carol Godsil  
Deputy UG Clerk