



**MINUTES OF THE  
FEBRUARY 20, 2018  
LENEXA CITY COUNCIL MEETING  
COMMUNITY FORUM, 17101 W 87<sup>th</sup> STREET PARKWAY  
LENEXA, KS 66219**

**CALL TO ORDER**

The meeting was called to order at 7:00 PM.

**ROLL CALL**

The following Councilmembers were present with Mayor Mike Boehm presiding: Joe Karlin, Bill Nicks, Thomas Nolte, Dan Roh, Corey Hunt, Andy Huckaba, and Mandy Stuke.

Staff present included Eric Wade, City Administrator; Todd Pelham, Deputy City Administrator; Mike Nolan, Assistant to the City Administrator; Beccy Yocham, Community Development Director; Cindy Harmison, City Attorney; Danielle Dulin, Interim City Clerk; and other City Staff.

**APPROVE MINUTES**

*A motion to approve the minutes from the February 6, 2018 City Council meeting was made and seconded. Motion passed unanimously.*

**MODIFICATION OF AGENDA**

None.

**APPOINTMENTS**

*A motion to approve reappointments as recommended by the Mayor was made by Councilmember Huckaba, seconded by Councilmember Karlin. Motion passed unanimously.*

**PRESENTATIONS**

Julie Steiner and Blake Schreck from the Lenexa Chamber of Commerce presented the Lenexa Convention and Visitors Bureau report and the Lenexa Economic Development Council report respectively.

## CONSENT AGENDA

1. Acceptance and dedication of land for public purposes of the final plat for Timber Rock, Second and Third Plats.

*These plats dedicate rights-of-way and grant the City utility, drainage and landscape easements as shown on the second and third final plats for Timber Rock subdivision, located in the vicinity of 95th Street and Lone Elm Road.*

2. Bid award for construction of the 2018 CARS Mill and Overlay Program.

*The City applied for funding through the County Assisted Roads Systems (CARS) for five projects to be included in the 2018 pavement management program. The CARS program reimburses up to 50% of the project costs. The City will receive \$829,234.40 of CARS funding in 2018.*

3. Resolution authorizing the Mayor to execute multiple agreements between the City of Lenexa and the Board of County Commissioners of Johnson County for CARS road improvement projects.

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4. Resolution approving and authorizing the Mayor to execute an interlocal agreement between the City of Lenexa and the City of Overland Park for road improvements to 85th Street from Goddard to Switzer and Goddard from 85th to 87th Street Parkway.

*This is an interlocal agreement between Lenexa and Overland Park for road improvements to 85th Street from Goddard to Switzer and Goddard from 85th to 87th Street Parkway. The total cost of the project is \$22,037.89. Lenexa's share of the cost is \$11,018.94.*

5. Resolution approving Addendum Three to the City Administrator Employment Agreement.

*In June 2015, the City entered into a new employment agreement with the City Administrator. It automatically renews for successive one-year terms unless either party provides notice of its intent not to renew. The City approved Addendum One in December 2015 and Addendum Two in December 2016 to adjust the compensation and approve new goals for 2016 and 2017. The proposed Addendum Three approves a 3.25% increase in compensation, similar to other City employees, and approves new goals for 2018.*

6. Resolution approving the updated Eastern Kansas Multi-County Task Force Reciprocal Investigation Interlocal Agreement.

*Since 1999, Lenexa has been a member of the Eastern Kansas Multi-County Task Force which provides for reciprocal fire investigation services as needed by participating agencies. This updated agreement clarifies participation from Miami County in the task force.*

7. Resolution declaring it necessary to appropriate private property for the construction of the Renner Boulevard multi-purpose trail between 91st Street and 93rd Street.

*This resolution will allow the City to proceed with acquisition of private property associated with the construction of the Renner Boulevard multi-purpose trail between 91st Street and 93rd Street. The total cost of the project including acquisition is estimated at \$363,840.*

9. Resolution consenting to a mortgage in connection with a commercial facility financed with the City's industrial revenue bonds (Lackman Business Center - Bldg E).

*The City issued its industrial revenue bonds in an amount not to exceed \$2.0 million to help finance Building E in the Lackman Business Center. The City entered into a Bond Lease with the tenant, RBJ Lackman, LLC. The tenant is borrowing approximately \$1.8 million from a bank that has requested a mortgage on the property to secure the private loan. The bond documents allow for such a mortgage, but only with the consent of the City.*

10. Ordinance authorizing the issuance of industrial revenue bonds in a principal amount not to exceed \$12,000,000 to acquire, construct and equip a project for CB-GBTS Capital Partners, LLC and approving certain documents associated with issuance of such bonds. (the Grundfos Project)

*The City received an application requesting the issuance of Industrial Revenue Bonds for constructing and equipping a commercial office building located at 9330 Loiret Boulevard to be subleased to the Grundfos Pumps Corporation. The City Council approved the resolution of intent to issue the bonds on May 2, 2017. In addition, the City Council approved a 50% property tax abatement for a period of 10 years. The issue is expected to close in March 2018.*

11. Ordinance authorizing the issuance of industrial revenue bonds in a principal amount not to exceed \$5,100,000 to acquire, construct and equip a commercial office and warehouse project for Zhongcheng Packaging USA, Inc. and approving certain documents associated with issuance of such bonds.

*The City received an application requesting the issuance of Industrial Revenue Bonds for constructing and equipping a commercial warehouse/office facility in Kansas Commerce Center. The City Council approved the resolution of intent to issue the bonds on June 6, 2017. In addition, the City Council approved a 55% property tax abatement for a period of 5 years. The issue is expected close in March 2018.*

12. Ordinance authorizing the City to issue its industrial revenue bonds in an aggregate principal amount not to exceed \$5,500,000 for the purpose of acquiring, constructing and equipping one or more commercial buildings located on the northwest corner of Renner Blvd and Prairie Star Parkway and approving execution of documents associated therewith. (The Prairie Creek Phase III Development Project).

*The City received an application requesting the issuance of Industrial Revenue Bonds for constructing and equipping multiple commercial buildings in the third phase of the Prairie Creek commercial development located at the northwest corner of Prairie Star Parkway and Renner Boulevard. The City Council approved the resolution of intent to issue the bonds on December 5, 2017. The applicant did not request a property tax abatement since the project is located with the Mining Tax Increment Financing (TIF) district. The issue is expected close in March 2018.*

### **END OF CONSENT AGENDA**

Councilmember Nicks requested that Item 8 be removed from the consent agenda.

*A motion to approve items 1-7 and 9-12 was made by Councilmember Nolte, seconded by Councilmember Roh. Motion passed unanimously.*

8. Resolution approving and authorizing the Mayor to execute the City's standard form sponsorship agreement with the 2018 Festival Presenting Sponsors.

*The Parks and Recreation Department annually issues a Request for Sponsorships seeking Presenting and Major sponsors for the City's five regional festivals. After the submitted proposals are reviewed and evaluated, the Department presents its recommendations for Presenting Sponsors to the City Council for their approval pursuant to the City Sponsorship Policy.*

Councilmember Nicks complimented the Parks and Recreation Department on the quality of sponsorships received.

*A motion to approve Item 8 was made by Councilmember Nicks, seconded by Councilmember Karlin. Motion passes unanimously.*

## **PUBLIC HEARINGS**

13. Consideration of City Center TIF District - Redevelopment (TIF) Project Plan 3G (KSMC Project, formerly referred to as the GOK Project).
  - a. Public hearing to consider adoption of Redevelopment (TIF) Project Plan 3G within the City Center TIF District.
  - b. Ordinance adopting Redevelopment (TIF) Project Plan 3G.
  - c. Resolution approving a Disposition & Development Agreement with KSMC, LLC regarding Redevelopment (TIF) Project Plan 3G.
  - d. Resolution determining the intent of the City to issue up to \$5,000,000 in industrial revenue bonds to help acquire, construct and equip a multi-phase retail development.

*TIF Project Plan 3G contemplates construction of a two phase commercial development consisting of a Phase 1 multi-tenant building with surface parking and associated infrastructure and a Phase 2 multi-tenant building with structured parking and associated improvements. After the public hearing, the Governing Body will consider adoption of TIF Project Plan 3G. If passed, the Governing Body will consider adoption of a DDA with KSMC, LLC setting forth the terms and conditions for reimbursement of TIF eligible costs with TIF revenues. Finally, the Governing Body will consider adoption of a resolution determining City's intent to issue up to \$5,000,000 in industrial revenue bonds for construction the project.*

- ° Eric Wade, City Administrator, stated that the proposed Project Plan 3G for the City Center TIF District was located at the northeast corner of Winchester and westbound 87th Street Parkway. The site is approximately 1.6 acres, and the proposed multi-phased development is 25,000 square feet. The property tax increment will be used to reimburse eligible private improvements over a 10-year time period that starts when the first phase reaches full valuation. The developer will receive 60% of the increment after the completion of the first phase. Once the second phase is completed the developer will receive 100% until the end of the 10-year term. The city will receive the remaining increment through the term of Project Plan 3G to pay for eligible public improvements including the public parking structure at the Shawnee Mission School District Aquatics Facility. The industrial revenue bonds that are issued are no obligation of the city.

Finally, Mr. Wade noted that 2/3 vote of the Governing Body was needed adopt the ordinance approving Project Plan 3G.

Councilmember Nolte disclosed ex parte communications with Chip Corcoran regarding Project Plan 3G. Councilmember Huckaba indicated he had exchange an email with Paul Witwer and phone calls with Marshall Rimann. Councilmember Stuke indicated she had phone conversations with Marshall Rimann. Each stated that no additional information was exchanged in those communications that was not covered in the materials already provided to the Governing Body.

*A motion to close the public hearing was made by Councilmember Roh, seconded by Councilmember Nicks. Motion passed unanimously.*

*A motion to approve Item 13b was made by Councilmember Nicks, seconded by Councilmember Roh. Motion passed unanimously.*

*A motion to approve Item 13c was made by Councilmember Hunt, seconded by Councilmember Karlin. Motion passed unanimously.*

*A motion to approve Item 13d was made by Councilmember Huckaba, seconded by Councilmember Roh. Motion passed unanimously.*

### **STUDENT INTRODUCTIONS**

The following Boy Scout was in attendance: Shai Kalthoff. The following students were present for American Government class: Lindsay Rowatt & Abby Perkins.

### **BUSINESS FROM FLOOR**

None.

### **STAFF REPORTS**

#### 14. Legislative update

Mike Nolan, Assistant to the City Administrator, provided a legislative update and reviewed the bill tracker he had created for the Governing Body to follow notable legislation.

## ADJOURN

*A motion to adjourn was made by Councilmember Nolte, seconded by Councilmember Roh. Motion passed unanimously.*

Meeting adjourned at 7:50 PM.

/s/ Danielle Dulin

Danielle Dulin

Assistant to the City Administrator/

Interim City Clerk