Agenda

REGULAR MEETING GOVERNING BODY CITY OF LENEXA, KANSAS 17101 W. 87th STREET PARKWAY	AUGUST 4, 2026 7:00 PM COMMUNITY FORUM

CALL TO ORDER	Pledge of Allegiance
ROLL CALL	
APPROVE MINUTES	June 21, 2026 City Council meeting draft minutes (located in the Appendix)
MODIFICATION OF AGENDA	
PROCLAMATIONS	Water Quality Awareness Month
CONSENT AGENDA	**Item Numbers 1 through 7** The matters listed on the Consent Agenda are routine and approved collectively with no separate discussion on each individual item. Any item on the Consent Agenda may be removed from the Consent Agenda for separate consideration by a member of the Governing Body, the City Manager, or by a member of the public in attendance at the meeting. In the event the item is removed from the Consent Agenda, it will be placed on the regular agenda.

1. Acceptance of a permanent drainage easement for the maintenance of the water-quality wetland at St. James Academy

   The Roman Catholic Archdiocese of Kansas City in Kansas has completed a water-quality wetland facility at St. James Academy and is dedicating a permanent drainage easement to the City.

2. Approval of a utility relocation agreement with Johnson County Wastewater for two Seven Hills Lake Stormwater Improvements Projects

   Johnson County Wastewater will reimburse the City for sanitary sewer relocation and concrete sewer encasement where sewer lines are in conflict with the proposed neighborhood pipe restoration project. The sewer *replacement work is included in the project bid and the estimated reimbursement is $157,773.*

3. Approval of an agreement with Olsson, Inc. for design services for the Mill Creek Stormwater Improvements - Northeast Project

   The stormwater system in the Mill Creek Watershed is in need of rehabilitation and repair. This project was selected by Johnson County for partial funding under the Stormwater Management Program, receiving $926,151. The design services contract is for $184,946. The construction project is estimated at $1,852,302.

4. Approval of an agreement with SMH Consultants for design services for the Turkey Creek Stormwater Improvements Project

   The stormwater system in the Turkey Creek Watershed is in need of rehabilitation and repair. This project was selected by Johnson County for partial funding under the Stormwater Infrastructure Rehabilitation Program, receiving $424,022. The design services contract is for $87,760. The construction project is estimated at $848,044.

5. Approval of an agreement with Alfred Benesch & Company for design services for the Quivira Bridge over I-35 Maintenance Project

   The Quivira Road viaduct is a highly visible gateway in Lenexa. Although the bridge remains in good structural condition, its aesthetics are starting to show signs of aging. This project will replace the lighting and fencing on the bridge, as well as refurbish the handrails. The design services contract is $366,200.

6. Approval of a new lease agreement with T-Mobile Central LLC for space on the City-owned communications tower at 7700 Cottonwood Street

   T-Mobile Central LLC would like to enter into a new non-exclusive lease for space they currently lease on a City-owned communications tower located at the Municipal Services Center beginning August 4, 2026. Projected revenue over the life of the new lease is approximately $3,635,965.40.

7. Resolution approving the serving of complimentary alcoholic liquor or cereal malt beverage at events promoting the arts

   Governing Body approval is required for non-profit organizations to serve complimentary alcoholic liquor or cereal malt beverages at events promoting the arts. The proposed resolution will approve the serving of complimentary alcoholic liquor or cereal malt beverages at Lenexa Artists' Receptions on two new dates in 2026.

END OF CONSENT AGENDA

PUBLIC HEARINGS

8. Consideration of tax abatement and issuance of industrial revenue bonds for the Lenexa Logistics Centre North Phase II - Building 8

    a. Public hearing to consider exemption from ad valorem taxes for property financed with industrial revenue bonds

    b. Resolution determining the intent of the City to issue approximately $42.5 million in industrial revenue bonds and approving a 10-year tax abatement with payment in lieu of taxes agreement

    The City received an application requesting the City issue approximately $42.5 million in industrial revenue bonds to finance the acquisition, construction, and equipping of a 471,869-square-foot office/warehouse facility located at College Boulevard & Britton Street in the Lenexa Logistics Centre North business park. The applicant has also requested a 10-year, fixed tax abatement for the project. Pursuant to state law, the City must hold a public hearing to consider the cost benefit analysis and the granting of a tax abatement for the project.

NEW BUSINESS None

COUNCILMEMBER REPORTS

STAFF REPORTS

9. Quarterly Financial Report

10. Fiscal Year 2026-2030 Capital Improvement Program Update

END OF RECORDED SESSION

BUSINESS FROM FLOOR

The Chair, at their discretion, may limit the amount of time each person has to address the Governing Body during Public Hearings or public comment regarding items listed on the agenda, or Business from the Floor, and may grant additional time at their sole discretion.

ADJOURN

APPENDIX

11. June 21, 2026 City Council meeting draft minutes

12. Water Quality Awareness Month Proclamation

13. Item 9 -- Quarterly Financial Report Presentation

Dist. Governing Body; Management Team; Agenda & Minutes Distribution List

IF YOU NEED ANY ACCOMMODATIONS FOR THE MEETING, PLEASE CONTACT THE CITY ADA COORDINATOR, 913/477-7550. KANSAS RELAY SERVICE 800/766-3777. PLEASE GIVE 48 HOURS NOTICE

ASSISTIVE LISTENING DEVICES ARE AVAILABLE FOR USE IN THE COMMUNITY FORUM BY REQUEST.

CITY COUNCIL
MEMORANDUM

ITEM 1

SUBJECT: Acceptance of a permanent drainage easement for the maintenance of the water-quality wetland at St. James Academy

CONTACT: Tim Green, Deputy Community Development Director

DATE: August 4, 2026

ACTION NEEDED:
Accept a permanent drainage easement for the maintenance of the water-quality wetland at St. James Academy.

PROJECT BACKGROUND/DESCRIPTION:
The City and the Roman Catholic Archdiocese of Kansas City in Kansas ("Archdiocese") entered into development agreements in 2003 and again in 2012 to guide construction of St. James Academy and the related site improvements. The 2012 Amended Development Agreement required the Archdiocese to build a water-quality wetland facility in accordance with plans approved by the City. At the time the agreement was made, City policy anticipated that once the wetland was completed, the Archdiocese would dedicate a permanent conservation easement over the wetland and then transfer ownership of the wetland area to the City through a Real Estate Exchange Agreement.

Since then, the City has updated its stormwater management practices. Under current policy, the City no longer requires conservation easements or property transfers for privately constructed stormwater facilities such as this wetland. Because of the updated policy, the City and the Archdiocese now agree that dedicating a permanent drainage easement is sufficient to meet City requirements, and the previously contemplated Real Estate Exchange Agreement is no longer necessary.

With this updated approach, both parties intend to formally document the dedication of a permanent drainage easement and clarify their respective responsibilities for completing and maintaining the wetland going forward.

The City will be responsible for maintenance within the drainage easement, which encompasses a wetland and two forebays. Maintenance will include vegetation management and sediment removal. St. James Academy will be responsible for maintenance of the adjacent property, which includes landscape buffers adjacent to the nearby neighborhood, the stadium retaining wall, and Clare Road. Maintenance activities will include routine mowing and tree care.

Documents associated with this acceptance are available for review in the City Clerk's office.

STAFF RECOMMENDATION:
Accept the easement.

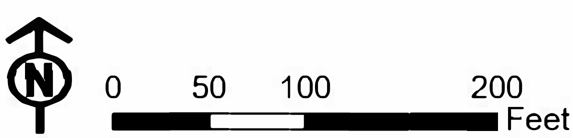
VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	Guiding Principles
Integrated Infrastructure & Transportation	Superior Quality Services

ATTACHMENTS

1. Map

Permanent Drainage Easement
St. James Academy Wetland



CITY COUNCIL
MEMORANDUM

ITEM 2

SUBJECT: Approval of a utility relocation agreement with Johnson County Wastewater for two Seven Hills Lake Stormwater Improvements Projects

CONTACT: Tim Green, Deputy Community Development Director

DATE: August 4, 2026

ACTION NEEDED:

Approve a utility relocation agreement with Johnson County Wastewater (JCW) for two Seven Hills Lake Stormwater Improvements Projects ("Projects").

PROJECT BACKGROUND/DESCRIPTION:

JCW requires a reimbursement agreement when City projects impact their facilities. If a project requires relocation or encasement of their mains, the work is performed by the City's contractor and the City is reimbursed by JCW at the completion of the project. This agreement outlines the procedure for and estimated cost of reimbursement for work on JCW lines for the Projects.

This agreement uses the County's standard form and is available for review in the City Clerk's office.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

These Projects are included in the 2026-2030 Capital Improvement Program (CIP Project Nos. 90014 and 90015). The Projects are going to be bid together and awarded to one contractor. This agreement covers both Projects as follows:

CIP Project	Cost
Seven Hills Stormwater Improvements Phase 1 (CIP Project No. 90014)	$109,681
Seven Hills Stormwater Improvements Phase 2 (CIP Project No. 90015)	$48,092
Total	$157,773

STAFF RECOMMENDATION:

Approve the agreement.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	**Guiding Principles**
Integrated Infrastructure & Transportation	Strategic Community Investment

ATTACHMENTS

1. Map

Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Seven Hills Lake Stormwater Improvements

Phases 1 and 2

0 200 400 800 Feet

Lenexa KANSAS

CITY COUNCIL
MEMORANDUM

ITEM 3

SUBJECT: Approval of an agreement with Olsson, Inc. for design services for the Mill Creek Stormwater Improvements - Northeast Project

CONTACT: Tim Green, Deputy Community Development Director

DATE: August 4, 2026

ACTION NEEDED:

Approve an agreement with Olsson, Inc. for design services for the Mill Creek Stormwater Improvements - Northeast Project ("Project").

PROJECT BACKGROUND/DESCRIPTION:

As part of the City's ongoing efforts to rehabilitate and/or replace corrugated metal pipes, staff identified numerous pipes in poor condition in seven locations north of 95th Street from Renner Boulevard east to Long Street. Staff prepared estimates and submitted the Project to the Johnson County Stormwater Management Program (SMP) for funding consideration. The estimated Project costs are $1,852,302.00, with the Project being awarded $926,151 in construction funding through the Johnson County Stormwater Management Program. The County does not pay for the design.

Annually, the City requests a Statement of Interest (SOI) from consulting firms related to roadway design, stormwater design, traffic engineering services, construction observation services, and parks facility design. Staff shortlists and reviews SOIs for each Capital Improvement Program (CIP) project. A staff committee reviewed the SOIs and selected Olsson, Inc. to perform design services based on review of their proposal and past experience.

This agreement uses the City's standard form and is available for review in the City Clerk's office.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

This design services contract will be funded with Stormwater cash for the Project in the 2026-2030 CIP (Project No. 90019). The design services contract with Olsson, Inc. is $184,946.

STAFF RECOMMENDATION:

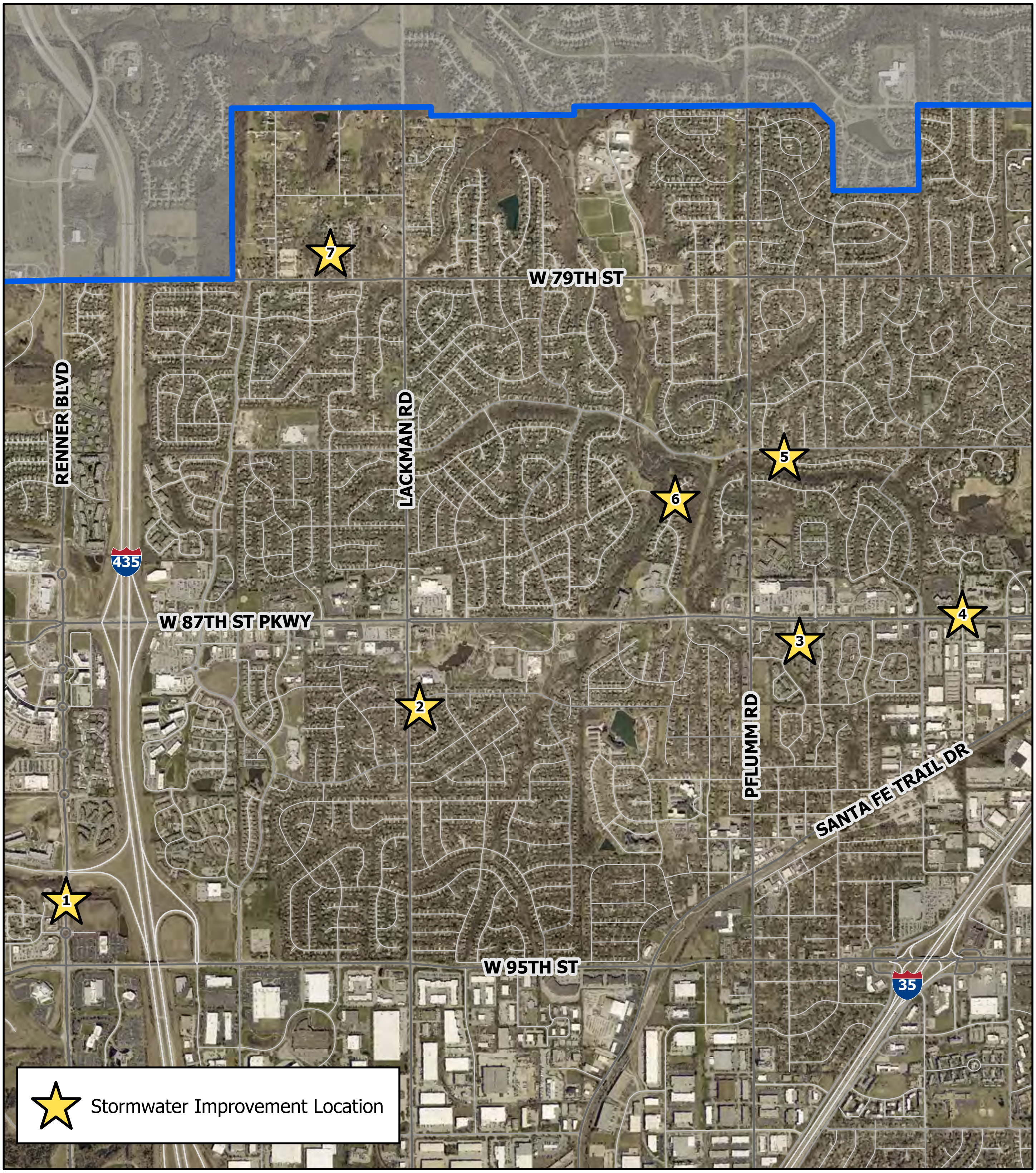
Approve the agreement.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	**Guiding Principles**
Integrated Infrastructure & Transportation	Strategic Community Investment

ATTACHMENTS

1. Map - Locations Overview
2. Map - Locations 1-2
3. Map - Locations 3-6
4. Map - Location 7

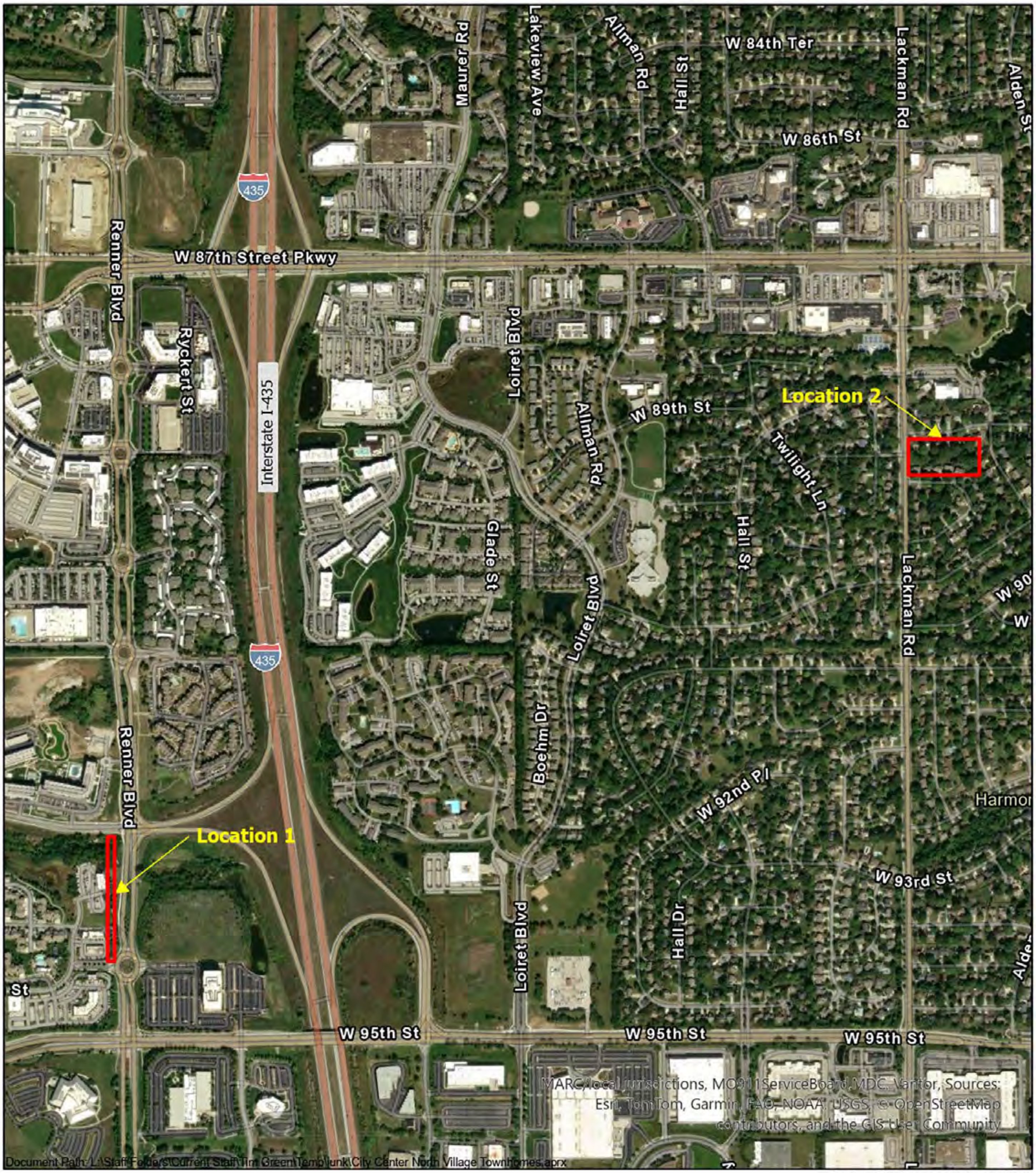


Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Mill Creek Stormwater Improvements - Northeast
All Locations

0 0.25 0.5 1 Miles

Lenexa KANSAS

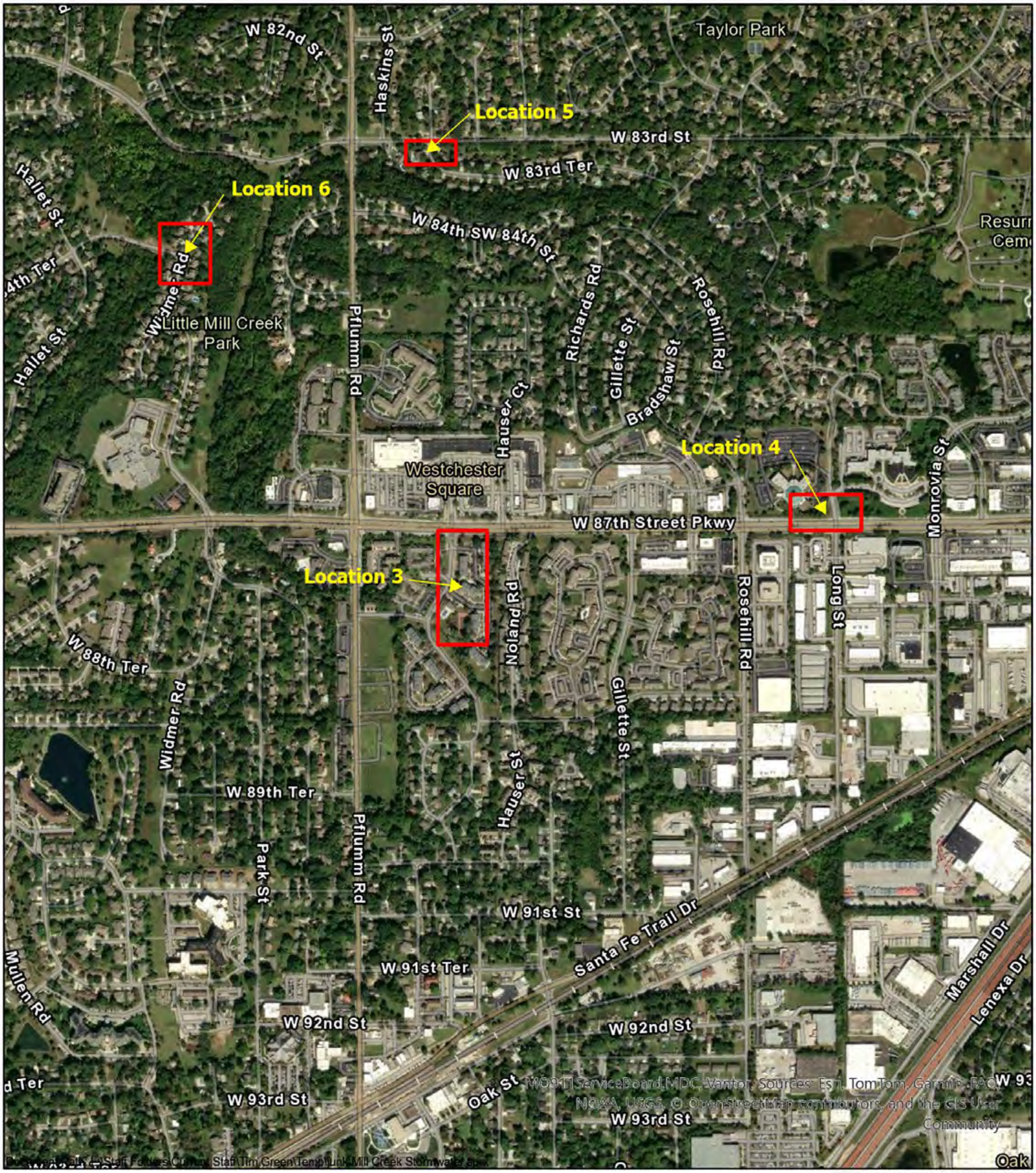


Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Mill Creek Stormwater Improvements - Northeast

Locations 1 and 2

0 475 950 1,900 Feet



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

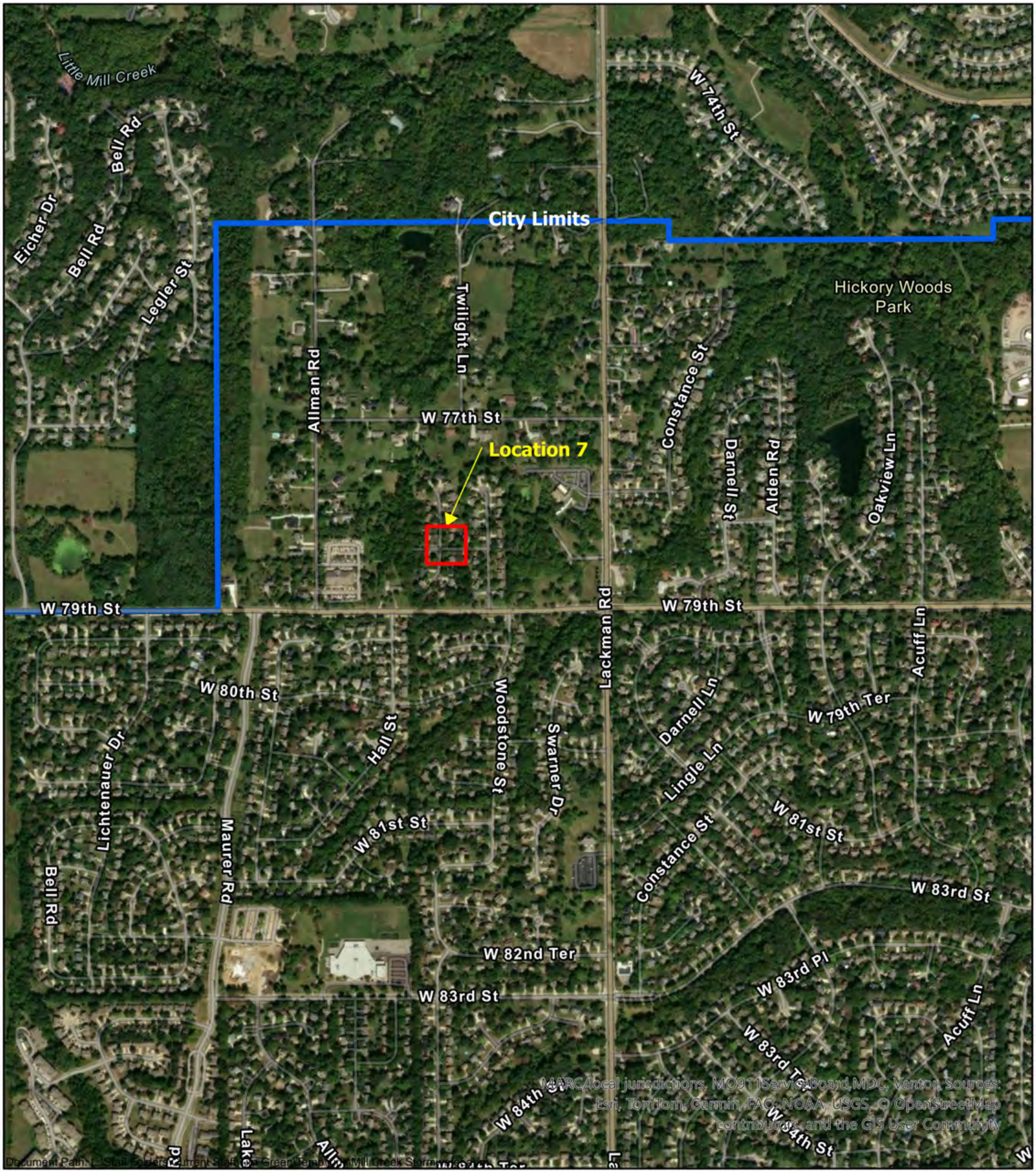
Mill Creek Stormwater Improvements - Northeast

Locations 3-6

N

0 475 950 1,900 Feet

Lenexa KANSAS



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Mill Creek Stormwater Improvements - Northeast

Location 7

N

0 475 950 1,900 Feet

Lenexa KANSAS

CITY COUNCIL
MEMORANDUM

ITEM 4

SUBJECT: Approval of an agreement with SMH Consultants for design services for the Turkey Creek Stormwater Improvements Project

CONTACT: Tim Green, Deputy Community Development Director

DATE: August 4, 2026

ACTION NEEDED:

Approve an agreement with SMH Consultants for design services for the Turkey Creek Watershed Stormwater Improvements Project ("Project").

PROJECT BACKGROUND/DESCRIPTION:

Routine inspections by City staff identified several corrugated metal pipes in the Turkey Creek Watershed that are in poor condition. Staff submitted the project to Johnson County, and the Project was awarded 2027 Stormwater Infrastructure Rehabilitation Program funding. The Project will be designed in 2026 and bid in early 2027.

Annually, the City requests a Statement of Interest (SOI) from consulting firms related to roadway design, stormwater design, traffic engineering services, construction observation services, and parks facility design. Staff shortlists and reviews SOIs for each Capital Improvement Program (CIP) project. A staff committee reviewed the SOIs and selected SMH, Inc. to perform design services based on review of the proposal and past experience.

This agreement uses the City's standard form and is available for review in the City Clerk's office.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

This design services contract will be funded with Stormwater cash from the Turkey Creek Stormwater Improvements Project in the 2026-2030 Capital Improvement Program (Project No. 90022). The design services contract with SMH Consultants is $87,760.

STAFF RECOMMENDATION:

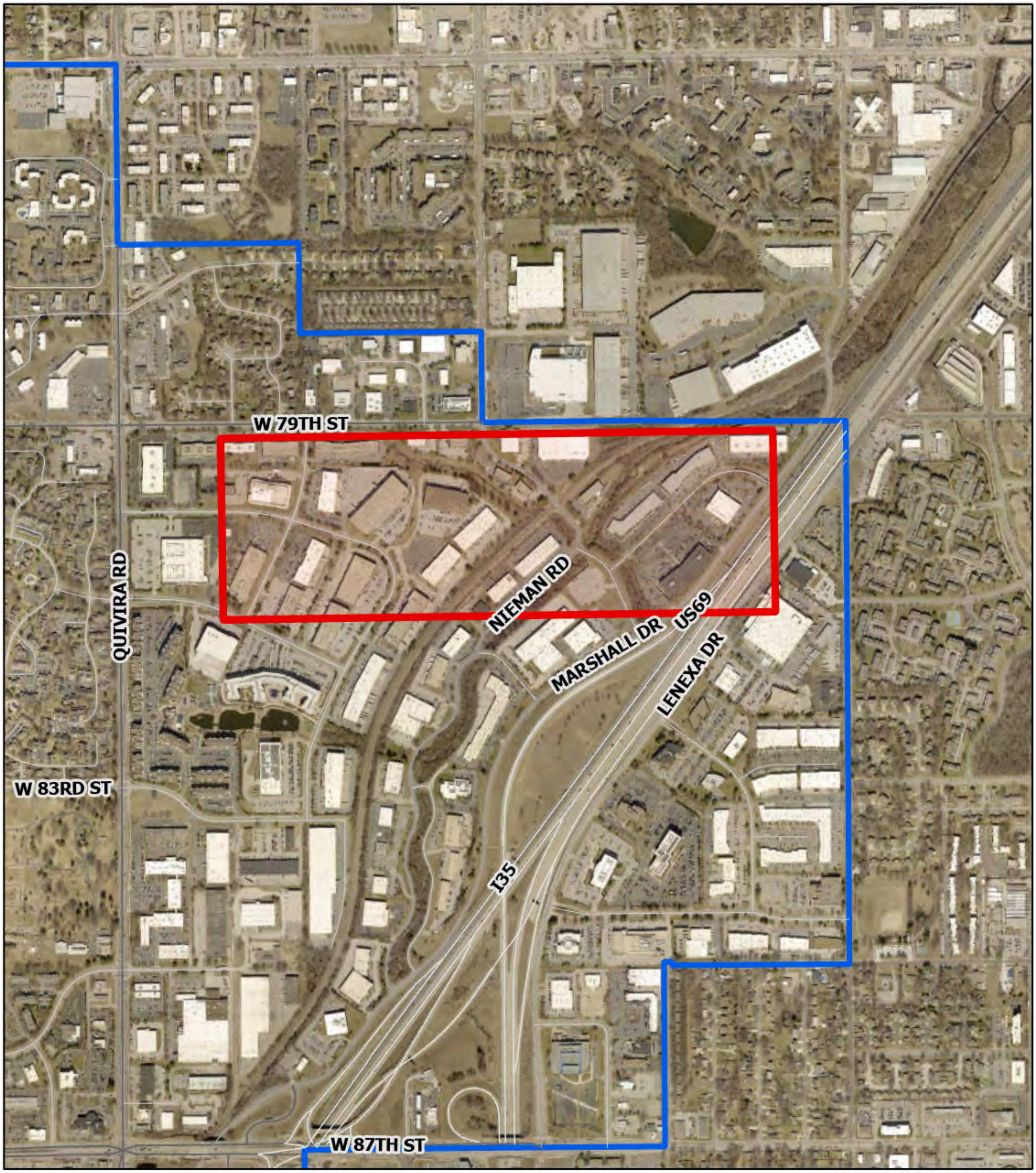
Approve the agreement.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	**Guiding Principles**
Integrated Infrastructure & Transportation	Strategic Community Investment

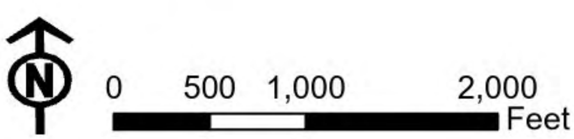
ATTACHMENTS

1. Map



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Turkey Creek Stormwater Improvements Project



Lenexa KANSAS

CITY COUNCIL
MEMORANDUM

ITEM 5

SUBJECT: Approval of an agreement with Alfred Benesch & Company for design services for the Quivira Bridge over I-35 Maintenance Project

CONTACT: Tim Green, Deputy Community Development Director

DATE: August 4, 2026

ACTION NEEDED:
Approve an agreement with Alfred Benesch & Company ("Benesch") for design services for the Quivira Road over I-35 Maintenance Project ("Project").

PROJECT BACKGROUND/DESCRIPTION:
The City shares with KDOT the maintenance responsibility for the Quivira Road bridge over I-35. The City is responsible for all bridge components from the deck upward and KDOT is responsible for the remainder of the bridge. Recent inspections show the bridge is structurally fine, but have identified a number of items that are in need of replacement or upgrade, including: street lighting, traffic signals, deck repair, fencing, and railings. A preliminary engineering study by Benesch determined the best course forward for these repairs and the Project was included in the 2026-2030 Capital Improvement Program (CIP).

With a preliminary engineering study complete, and the scope of the Project determined, this agreement will provide for final design and construction plans from Benesch for bidding in 2027.

This agreement uses the City's standard form and is available for review in the City Clerk's office.

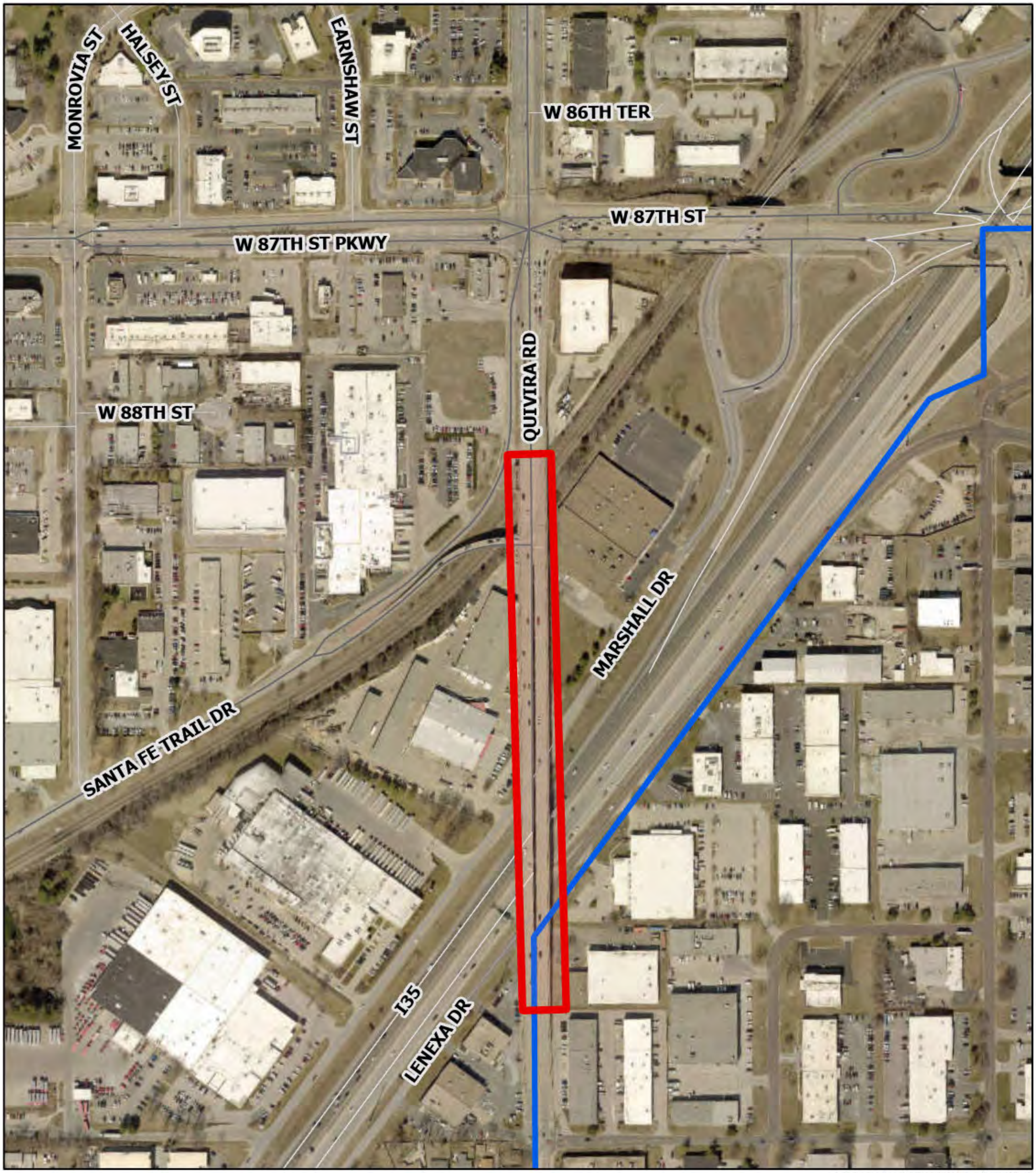
FINANCIAL IMPLICATIONS/FUNDING SOURCES:
This design services contract will be funded from the Capital Improvement Fund for the Project in the 2026-2030 CIP (Project No. 60018). The design services contract with Benesch is $366,200.

STAFF RECOMMENDATION:
Approve the agreement.

VISION / GUIDING PRINCIPLES ALIGNMENT:

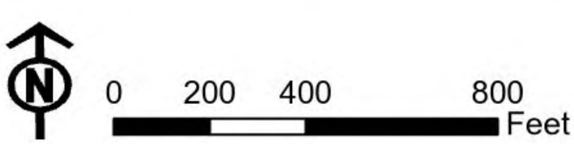
Vision 2040	Guiding Principles
Integrated Infrastructure & Transportation	Strategic Community Investment

ATTACHMENTS
1. Map



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Quivira Bridge over I-35 Maintenance Project



Lenexa KANSAS

CITY COUNCIL
MEMORANDUM

ITEM 6

SUBJECT: Approval of a new lease agreement with T-Mobile Central LLC for space on the City-owned communications tower at 7700 Cottonwood Street

CONTACT: Spencer Throssell, Assistant City Attorney

DATE: August 4, 2026

ACTION NEEDED:

Approve a new lease agreement with T-Mobile Central LLC ("T-Mobile") for space on the City-owned communication tower at 7700 Cottonwood Street.

PROJECT BACKGROUND/DESCRIPTION:

From April 1, 1997 to April 1, 2026, T-Mobile, including its predecessors, held a lease for space on the City-owned communications tower at the Lenexa Municipal Services Center, located at 7700 Cottonwood Street, Lenexa, Kansas 66216. That lease expired on April 1, 2026. Since that time, T-Mobile has continued to operate under the lease on a month-to-month basis. T-Mobile would now like to enter into a new non-exclusive lease for space on this tower beginning August 4, 2026. The lease would include an initial five-year term and up to four additional five-year renewals, for a maximum term of 25 years. Either party could choose not to renew the lease at the end of any five-year term by providing proper notice.

The City, as owner of the communications tower, will retain its landlord rights over the use of and access to the tower, which includes prior approval of all modifications to T-Mobile's communications equipment. The T-Mobile lease will not affect the other tenants or the City's own equipment currently on the tower.

This agreement uses the City's standard form and is available for review in the City Clerk's office.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:

T-Mobile currently pays $6.100.76 a month. Under the new lease, T-Mobile would begin its lease on August 4, 2026 at $6,405.79 per month with a 5% annual escalator for the duration of the lease, which is consistent with the City's other communication tower leases. Projected revenue over the life of the new lease is approximately $3,635,965.40.

STAFF RECOMMENDATION:

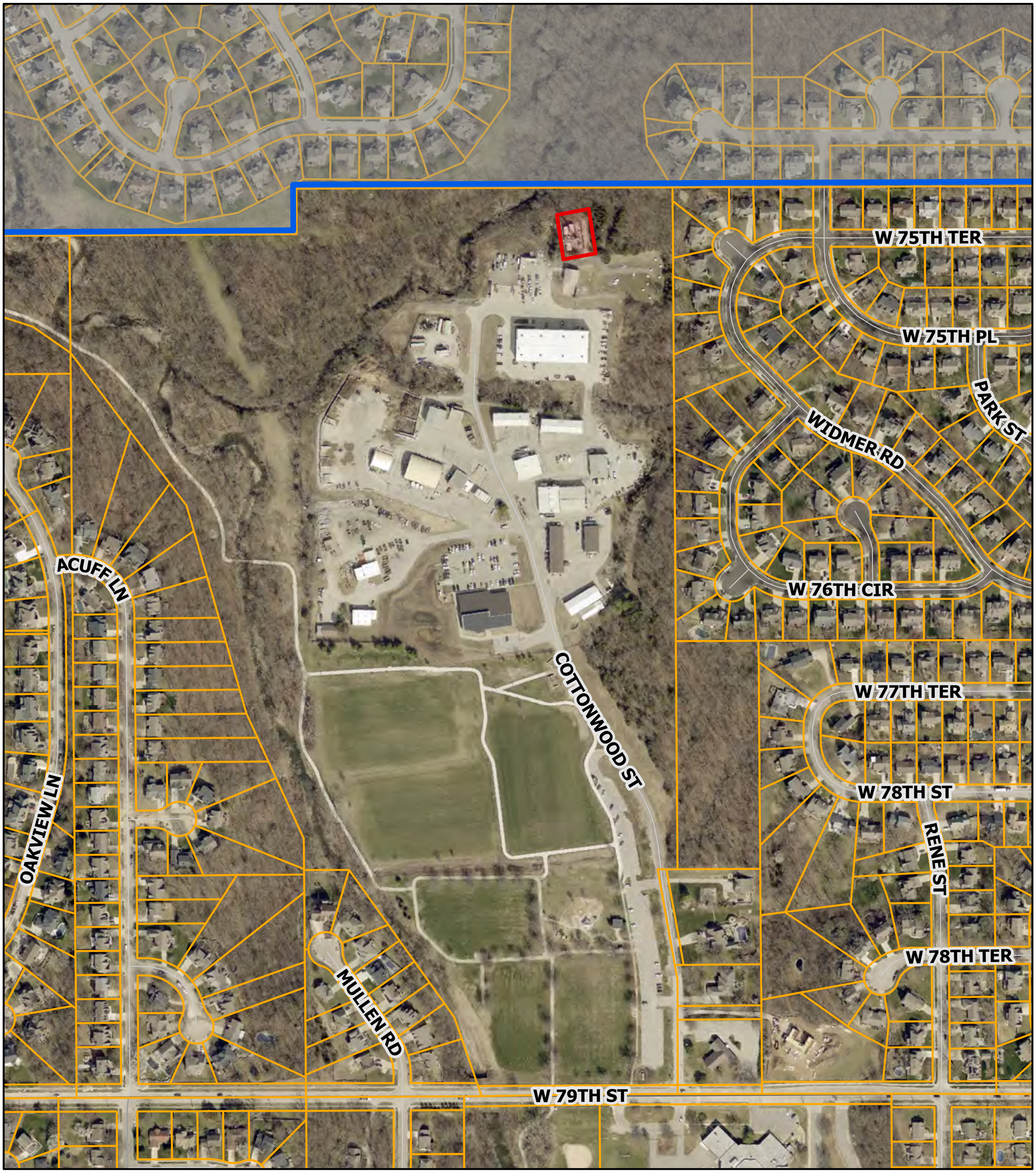
Approve the agreement.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	Guiding Principles
Integrated Infrastructure & Transportation Thriving Economy	Superior Quality Services

ATTACHMENTS

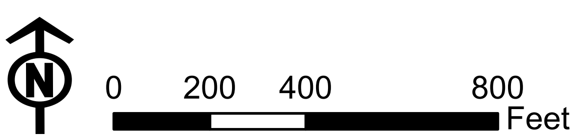
1. Map



Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Communications Tower Lease

7700 Cottonwood Street



Lenexa
KANSAS

CITY COUNCIL
MEMORANDUM

ITEM 7

SUBJECT: Resolution approving the serving of complimentary alcoholic liquor or cereal malt beverage at events promoting the arts

CONTACT: Logan Wagler, Parks & Recreation Director

DATE: August 4, 2026

ACTION NEEDED:
Adopt a resolution approving the serving of complimentary alcoholic liquor or cereal malt beverages (CMB) at events promoting the arts.

PROJECT BACKGROUND/DESCRIPTION:
Pursuant to state law, complimentary alcoholic liquor or CMB may be served at a nonprofit organization's event promoting the arts so long as the event has been approved by the local governing body and the State of Kansas, Division of Alcoholic Beverage Control, has been notified of such event at least 10 days in advance. In November 2025, the City Council approved the anticipated 2026 Lenexa Artists' Reception dates, but two new dates have been added.

This resolution will approve the serving of complimentary alcoholic liquor or CMB at Lenexa Artists' Receptions held on the following dates:

- October 2, 2026
- October 3, 2026

Lenexa artists' receptions are sponsored by the Lenexa Arts Council and showcase City art shows. The receptions provide an opportunity for members of the public to view the art and meet participating artists. All alcoholic liquor and CMB to be served at the receptions will be provided by the artist or purchased with donated funds.

STAFF RECOMMENDATION:
Adopt the resolution.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	**Guiding Principles**
Inviting Places	Extraordinary Community Pride

ATTACHMENTS
1. Resolution

RESOLUTION NO. _______

A RESOLUTION APPROVING THE SERVING OF COMPLIMENTARY ALCOHOLIC LIQUOR OR CEREAL MALT BEVERAGE AT EVENTS PROMOTING THE ARTS.

WHEREAS**,** the Lenexa Artists' Receptions ("Receptions"), events promoting the arts sponsored by the Lenexa Arts Council, a nonprofit organization, will take place at Lenexa City Hall; and

WHEREAS, the Lenexa Artists' Receptions will showcase the City of Lenexa Art Shows and provide an opportunity for members of the public to view the art and meet participating artists; and

WHEREAS, pursuant to K.S.A. 41-104, complimentary alcoholic liquor or cereal malt beverage may be served at an event sponsored by a nonprofit organization promoting the arts so long as the event has been approved by the local governing body and the State of Kansas, Division of Alcoholic Beverage Control has been notified of such event at least 10 days in advance; and

WHEREAS, the City desires to approve the Receptions and authorize the serving of complimentary alcoholic liquor or cereal malt beverages at the Receptions.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LENEXA, KANSAS:

SECTION ONE: The Governing Body hereby authorizes the serving of complimentary alcoholic liquor or cereal malt beverage at the Lenexa Artists' Receptions, events promoting the arts sponsored by the Lenexa Arts Council, a nonprofit organization within the City of Lenexa, Kansas; provided, however, proper notification has been given to the State of Kansas, Division of Alcoholic Beverage Control no less than 10 days in advance of each individual Reception in accordance with K.S.A. 41-104(i). The Lenexa Artists' Receptions will take place at Lenexa City Hall, 17101 W. 87th St. Pkwy, Lenexa, KS 66219 and will be held on the following dates:

- October 2 and 3, 2026

SECTION TWO: This resolution shall become effective upon adoption by the Governing Body.

ADOPTED by the City Council August 4, 2026.

SIGNED by the Mayor August 4, 2026.

CITY OF LENEXA, KANSAS

____
Julie Sayers, Mayor

ATTEST:

____
Jennifer Martin, City Clerk

APPROVED AS TO FORM:

____
Spencer L. Throssell, Assistant City Attorney

CITY COUNCIL
MEMORANDUM

ITEM 8

SUBJECT: Consideration of tax abatement and issuance of industrial revenue bonds for the Lenexa Logistics Centre North Phase II - Building 8

CONTACT: Sean McLaughlin, City Attorney

DATE: August 4, 2026

ACTION NEEDED:
a. Conduct a public hearing; and

b. Adopt a resolution determining the intent of the City to issue approximately $42.5 million in industrial revenue bonds (IRBs) and approving a 10-year tax abatement with a payment in lieu of taxes (PILOT) agreement.

PROJECT BACKGROUND/DESCRIPTION:
In 2019, the City Council adopted a Master Resolution for the Lenexa Logistics Centre North Phase II business park and authorized the issuance of approximately $120 million in IRBs ("Master Resolution"). The Master Resolution also approved a 10-year tax abatement for the business park. The abatement will have a fixed PILOT agreement for each phase of the business park, resulting in an effective abatement of approximately 71%. A group of developers affiliated with Block Real Estate Services (collectively, the "Developer") submitted an application requesting the issuance of approximately $42.5 million in IRBs and the approval of a 10-year property tax abatement for construction of a 471,869-square-foot office/warehouse/manufacturing project located at the northeast corner of College Boulevard & Britton Street ("Project"). The Project anticipates construction to begin in 2026 with completion in 2027.

As provided in the Master Resolution, the fixed PILOT is based upon an annual total tax of $1.20/square foot and a 471,869-square-foot building at substantial completion. The PILOT increases 2% each year of the abatement. The PILOT payments will be paid in accordance with the terms and conditions of the PILOT agreement. Staff has prepared a cost benefit analysis which shows a positive net benefit for all taxing jurisdictions. The property is currently paying approximately $197 annually in total property taxes as well as $47,384 annually in special assessments for stormwater and wastewater improvements. The requested tax abatement by year, including abatement percentage and PILOT amount, is as follows:

Year of Abatement	Abatement Amount	PILOT Payment
1	88%	$67,949
2	85%	$86,635
3	85%	$88,368
4	83%	$102,153
5	83%	$104,196
6	60%	$250,071
7	60%	$255,072
8	58%	$273,183
9	58%	$278,646
10	55%	$304,521

The issuance of the bonds for this Project will be subject to an origination fee and the Applicant has agreed to waive the maximum cap on such origination fee. If the tax abatement is approved, the City will enter into a PILOT agreement with the Applicant. After the tax abatement ends, the Project will go back on the tax rolls. Notice of the public hearing was published as required by state statute. In addition, notice was distributed to the Board of County Commissioners and USD #233 (Olathe School Board).

The City Council will hold a public hearing on August 4, 2026, after which the Council will consider the requested tax abatement and resolution of intent to issue the IRBs. The PILOT also includes the City's standard terms and conditions including payment of required fees and annual certification and civic involvement during the developer PILOT term.

FINANCIAL IMPLICATIONS/FUNDING SOURCES:
IRBs are not backed by the full faith and credit of the City. The Applicant is responsible for repayment of the bonds and all fees related to the bond issue including the uncapped origination fee. The net impact of the proposed abatement is $1,810,794 in PILOT payments over the 10-year abatement period.

STAFF RECOMMENDATION:
Adopt the resolution.

VISION / GUIDING PRINCIPLES ALIGNMENT:

Vision 2040	**Guiding Principles**
Thriving Economy	Responsible Economic Development

ATTACHMENTS

1. Map
2. Resolution

Data Source: City of Lenexa and Johnson County Kansas
For further information, please call 913-477-7500

Lenexa Logistics North Phase II

Building 8

0 200 400 800
Feet

Lenexa KANSAS

RESOLUTION NO. 2026-_____

RESOLUTION DETERMINING THE INTENT OF THE CITY OF LENEXA, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE APPROXIMATE AGGREGATE AMOUNT OF $42,500,000 TO FINANCE THE COSTS OF ACQUIRING, CONSTRUCTING AND EQUIPPING A COMMERCIAL OFFICE AND WAREHOUSE PROJECT FOR THE BENEFIT OF BLNP, LLC ITS SUCCESSORS AND ASSIGNS (LENEXA LOGISTICS CENTRE NORTH PHASE II – BUILDING 8).

WHEREAS, the City of Lenexa, Kansas (the "City"), desires to promote, stimulate and develop the general welfare and economic prosperity of the City and its inhabitants and to further promote, stimulate and develop the general welfare and economic prosperity of the State of Kansas; and

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

WHEREAS, on November 5, 2019, the City approved Resolution No. 2019-122, which was subsequently amended on December 3, 2019 by Resolution No. 2019-136, (collectively, the "Master Resolution of Intent") expressing its intent to issue approximately $120,000,000 principal amount of industrial revenue bonds under the Act for the purpose of acquiring, constructing and equipping one or more buildings and facilities on approximately 148.5 acres at the northwest corner of the intersection of Renner Boulevard and College Boulevard in the Lenexa Logistics Centre North Phase II to be used for commercial purposes (the "Master Project") and leased to the Company, its successors and assigns, subject to the conditions set forth in the Master Resolution of Intent; and

WHEREAS, BLNP, LLC, a Kansas limited liability company, (the "Company"), in good standing and authorized to do business in Kansas, submitted an application to the City requesting that the City finance the cost of acquiring, constructing and equipping an approximately 471,869 sq. ft. commercial warehouse and distribution facility located in the northeast corner of College Boulevard and Britton Street ("Project"), within the Master Project through the issuance of its industrial revenue bonds in the approximate principal amount of $42,500,000, and to lease the Project to the Company in accordance with the Act; and

WHEREAS, it is hereby found and determined to be advisable and in the interest and for the welfare of the City and its inhabitants that the City finance the costs of the Project by the issuance of industrial revenue bonds under the Act in the approximate principal amount of $42,500,000, said bonds to be payable solely out of rentals, revenues and receipts derived from the lease of the Project by the City to the Company or with City consent, to Company's successors or assigns; and

WHEREAS, the Company also requests that the City consider granting an exemption from ad valorem taxes for the Project in accordance with K.S.A. 79-201a and has indicated its intent to make payments in lieu of tax; provided, however, such exemption is further conditioned upon compliance with State law and the Payment in Lieu of Tax Agreement to be entered into among the City and the Company.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF LENEXA, KANSAS, AS FOLLOWS:

Section 1. Approval of Project. The Governing Body of the City hereby finds and determines that the acquiring, constructing and equipping of the Project will promote the general welfare and economic prosperity of the City of Lenexa, Kansas, and thereby further promote, stimulate and develop the general economic welfare and prosperity of the State of Kansas, and the issuance of the City's industrial revenue bonds to pay the costs of the Project will be in furtherance of the public purposes set forth in the Act.

Section 2. Intent to Issue Bonds. The Governing Body of the City hereby determines and declares the intent of the City to acquire, construct and equip the Project out of the proceeds of industrial revenue bonds of the City in the approximate principal amount of $42,500,000 (the "Bonds") to be issued pursuant to the Act.

Section 3. Provision for the Bonds. Subject to the conditions of this Resolution, the City expresses its intent to (i) issue its Bonds to pay the costs of acquiring, constructing and equipping the Project, with such maturities, interest rates, redemption terms and other provisions as may be determined by ordinance of the City; (ii) provide for the base lease from the Company to the City and a lease (with an option to purchase) of the Project from the City to the Company; and (iii) to effect the foregoing, adopt such resolutions and ordinances and authorize the execution and delivery of such instruments and the taking of such action as may be necessary or advisable for the authorization and issuance of said Bonds by the City and take or cause to be taken such other action as may be required to implement the aforesaid.

Section 4. Conditions to Issuance. The issuance of Bonds and the execution and delivery of any documents related to the Bonds are subject to: (i) passage and publication of an ordinance authorizing the Bonds and obtaining any other necessary governmental approvals; (ii) agreement by the City, the Company and the purchaser of the Bonds upon (a) mutually acceptable terms for the Bonds and for the sale and delivery thereof, and (b) mutually acceptable terms and conditions of any documents related to the issuance of the Bonds and the Project; (iii) the Company's compliance with the City's policies relating to the issuance of industrial revenue bonds and ad valorem tax abatement, including payment of the City's origination fee and all costs of issuance; and (iv) delivery of an opinion of Bond Counsel with respect to the validity of the Bonds in a form acceptable to the City and the purchaser of the Bonds and delivery of an opinion from counsel to the Company for the benefit of the City in a form acceptable to the City.

Section 5. Sale of the Bonds. The sale of the Bonds shall be the responsibility of the Company and shall be privately placed with the Company, an affiliate of the Company or Company's lender; provided, however, all arrangements for the sale of the Bonds shall be acceptable to the City. The Company is hereby authorized to proceed with the acquiring, constructing and equipping of the Project, including the necessary planning and engineering for the Project and entering into contracts and purchase orders in connection therewith and to advance such funds as may be necessary to accomplish such purposes, and to the extent permitted by law, the Company may be reimbursed for such expenditures out of the proceeds of the Bonds, when and if issued, to the extent permitted by law. Notwithstanding such authorization, the Company proceeds at its own risk and if for any reason, the Bonds are not issued, the City shall have no liability to the Company for any reason, including the repayment to the Kansas Department of Revenue of any retailers' sales tax exemption utilized by the Company for which the Company shall indemnify and hold the City harmless.

This Resolution shall terminate on December 31, 2028 unless (i) the Bonds have been issued by the City or (ii) the Company has obtained from the City a building permit for the Project and is diligently pursuing construction to completion. The City, upon the written request of the Company, may extend this time period.

Section 6. Benefit Analysis and Public Hearing. In accordance with K.S.A. 12-1749d, the City caused an analysis of the costs and benefits of an exemption from ad valorem taxes for the Project be prepared pursuant to K.S.A. 79-201a *Second* and the results are favorable to all taxing jurisdictions. The City sent the governing body of the County and the unified school district in which the Project is located a notice of the public hearing to consider the proposed tax exemption for property financed with the proceeds of the Bonds and published such notice in the official City newspaper at least 7 days prior to the date set for public hearing.

Section 7. Ad Valorem Tax Abatement; Payment in Lieu of Taxes. The City hereby determines that pursuant to the provisions of K.S.A. 79-201a *Second*, the Project purchased or constructed with the proceeds of the Bonds is eligible for an exemption from ad valorem property taxes for ten (10) years commencing the year following the year in which the Bonds are issued, provided proper application is made therefor. The City further determines that the Project shall be exempt from such taxes for ten (10) years, commencing in the year after the Bonds are issued, subject to an annual payment in lieu of taxes and other terms and conditions of a PILOT Agreement (as defined below). In making such determination the Governing Body of the City has conducted the public hearing and reviewed the analysis of costs and benefits of such exemption required by K.S.A. 12-1749d. Such determination of tax exemption is conditioned on the issuance of the Board of Tax Appeals ("BOTA") of an order exempting the Project from ad valorem taxation in accordance with Kansas law, including K.S.A. 79-201a *et seq.* or K.S.A. 74-50-115. The Company is responsible for preparing such BOTA exemption application, paying all fees related thereto and providing the same to the City for its review and submission.

Section 8. PILOT Agreement. The Mayor is further authorized and directed to execute and deliver the Payment in Lieu of Tax Agreement between the City and the Company (the "PILOT Agreement") on behalf of, and as the act and deed of the City, in substantially the same form as **Exhibit A**, attached hereto with such corrections or amendments thereto as the Mayor, upon recommendation of the City Attorney, may approve as evidenced by his execution thereof.

Section 9. Limited Obligations of the City. The Bonds and the interest thereon shall be special, limited obligations of the City payable solely out of the amounts derived by the City under a Base Lease and Lease Agreement with respect to the Bonds and as provided herein and are secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of such Bonds, as provided in the Indenture. The Bonds shall not constitute a general obligation of the City, the State or of any other political subdivision thereof within the meaning of any State constitutional provision or statutory limitation and shall not constitute a pledge of the full faith and credit of the City, the State or of any other political subdivision thereof and shall not be payable in any manner by taxation, but shall be payable solely from the funds provided for as provided in the Indenture. The issuance of the Bonds shall not, directly, indirectly or contingently, obligate the City, the State or any other political subdivision thereof to levy any form of taxation therefor or to make any appropriation for their payment.

Section 10. Required Disclosure. Any disclosure document prepared in connection with the private placement of the Bonds shall contain substantially the following disclaimer:

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

Section 11. Benefit of Resolution. This Resolution will inure to the benefit of the City and the Company. The City may, at the written request of the Company, assign all or a portion of the Company's interest in this Resolution to another entity, and such assignee will be entitled to the benefits of the portion of this Resolution assigned and the proceedings related hereto. The City may consent to the assignment this Resolution and the PILOT to a special purpose entity ("SPE") established to own the Project at or before the issuance of the Bonds, which consent shall be reasonable, provided that, upon the transfer of the Project to the SPE from the Company, the SPE complies with the provisions of Section 14(b) of the PILOT.

Section 12. Further Action. Counsel to the City and Kutak Rock, LLP, Bond Counsel for the City, together with the officers and employees of the City, are hereby authorized to work with the purchaser of the Bonds, the Company, their respective counsel and others, to prepare for submission to and final action by the City all documents necessary to effect the authorization, issuance and sale of the Bonds and other actions contemplated hereunder.

Section 13. Effective Date. This Resolution shall take effect and be in full force immediately after its passage.

ADOPTED by the Lenexa City Council on August 4, 2026.

SIGNED by the Mayor on August 4, 2026.

CITY OF LENEXA, KANSAS

[SEAL]

Julie Sayers, Mayor

ATTEST:

Jennifer Martin, City Clerk

APPROVED AS TO FORM:

Sean McLaughlin, City Attorney

EXHIBIT A
PAYMENT IN LIEU OF TAX AGREEMENT

CITY COUNCIL
MEMORANDUM

ITEM 9

SUBJECT: Quarterly Financial Report

CONTACT: Nate Blum, Chief Financial Officer

DATE: August 4, 2026

PROJECT BACKGROUND/DESCRIPTION:
Staff will present the quarterly financial report.

ATTACHMENTS
1. Presentation located in the Appendix

CITY COUNCIL
MEMORANDUM

ITEM 10

SUBJECT: Fiscal Year 2026-2030 Capital Improvement Program Update

CONTACT: Tim Green, Deputy Community Development Director

DATE: August 4, 2026

PROJECT BACKGROUND/DESCRIPTION:
Staff will present an update on the fiscal year 2026-2030 Capital Improvement Program projects.

ATTACHMENTS
None

APPENDIX

MINUTES OF THE
JULY 21, 2026
LENEXA CITY COUNCIL MEETING
COMMUNITY FORUM, 17101 W 87th STREET PARKWAY
LENEXA, KS 66219

CALL TO ORDER

Mayor Sayers called the meeting to order at 7 PM.

ROLL CALL

Councilmembers Handley, Charlton, Nicks, Bell, Denny, and Herron were present with Mayor Sayers presiding. Councilmembers Eiterich and Williamson were absent.

Staff present included Beccy Yocham, City Manager; Todd Pelham, Deputy City Manager; Mike Nolan, Assistant City Manager; Scott McCullough, Community Development Director; Sean McLaughlin, City Attorney; Jennifer Martin, City Clerk; and other City staff.

APPROVE MINUTES

Mayor Sayers announced a correction to the July 7, 2026 draft minutes. She said Councilmember Bell voted against items 7b and 7c, the ordinance and development agreement related to the Westchester CID.

Councilmember Bell made a motion to approve the June 16, 2026 and the corrected July 7, 2026 City Council meeting draft minutes and Councilmember Denny seconded the motion. Motion passed unanimously.

MODIFICATION OF AGENDA

The location for Item 5 was corrected. The correct location is east of Clare Road at 89th Street.

Item 7 was removed from the Consent Agenda for presentation.

CONSENT AGENDA

1. Acceptance of the Brighton Stormwater Improvements Project for maintenance
   This project rehabilitated the stormwater and street lighting systems in the Brighton, Hickory Woods, and Rosewood neighborhoods. The total cost of construction was $1,585,797.

2. Approval of an agreement with ClearCompany for a job applicant tracking system, I-9 administration, and pre-employment background screening services
   The City's current agreement with ClearCompany expires September 29, 2026, and staff recommends entering into a new 27-month agreement effective September 30, 2026. The total estimated fees for the new agreement are $170,454.40.

3. Approval of a final plan for a mixed-use development known as The Rise located in City Center Lenexa East Village at the southeast corner of 87th Street Parkway & Renner Boulevard in the CC, Planned City Center District

   The applicant proposes to construct a nine-story mixed-use building in City Center Lenexa East Village. The final plan contains 6,943 square feet of office, 5,276 square feet of restaurant and bar area, and 121 multifamily residential units.

4. Resolution authorizing the sale, possession, and consumption of alcohol at the 2026 Lenexa Chili Challenge

   The 2026 Lenexa Chili Challenge will be held October 9-10, 2026. To permit the sale, possession, and consumption of alcoholic liquor at the event, the City must approve a resolution which recognizes the Lenexa Chili Challenge as a special event as defined by state law, designate the boundaries of the event where alcohol may be consumed, and identify the public streets to be closed. The resolution will approve the Rotary Club of Lenexa as a designated vendor to sell alcohol at the Chili Challenge.

5. Resolution consenting to the enlargement of the Consolidated Main Sewer District of Johnson County, Kansas to include property located west of 89th Street & Clare Road (Highlands at Clear Creek)

   This consent will allow Consolidated Main Sewer District (CMSD) of Johnson County to enlarge its sanitary sewer system to serve the Highlands at Clear Creek neighborhood.

6. Resolution terminating the base lease and lease agreement with Reflections Borrower, LLC associated with the City's industrial revenue bonds (Vantage Point Mixed-Use Phase 1 Project)

   In 2023, the City issued $34 million in industrial revenue bonds (IRBs) for Phase 1 of the Vantage Point mixed-use project, which includes multifamily, parking, and associated infrastructure improvements located at the northwest corner of 93rd Street & Renner Boulevard. The project is complete, and the proposed resolution authorizes the Mayor and City staff to execute all documents necessary to terminate the IRBs.

8. Consideration of a rezoning for Woodland Lakes Lot 2 and acceptance of a utility easement on a final plat known as Marmon Estates for a two-lot residential development on property located northeast of 95th Street & Cherry Lane

   a. Ordinance rezoning property from the RE, Residential Estate District to the R-1, Residential Single-Family District

   b. Acceptance of a utility easement as shown on Marmon Estates final plat

      The applicant proposes to rezone the property known as Woodland Lakes Lot 2 from the RE, Residential Estate District to the R-1, Residential Single-Family District for a two-lot, 29.43-acre residential development. A utility easement is being dedicated to the City as shown on the Marmon Estates final plat.

END OF CONSENT AGENDA

Item 7 was removed from the Consent Agenda and placed on the Regular Agenda.

Councilmember Bell made a motion to approve items 1 through 6 and 8 on the consent agenda and Councilmember Nicks seconded the motion. Motion passed unanimously.

REGULAR AGENDA

7. Ordinance authorizing the acquisition of lands or interests therein by condemnation for the construction of the 83rd Street Improvements - Gleason to Clare Project
For the construction of public improvements, an ordinance authorizing and providing for the acquisition of lands or interests therein by condemnation is needed. This ordinance authorizes City staff and its acquisition counsel to file a condemnation petition with the district court to acquire the easements and rights-of-way necessary. The total project budget is $13,671,790.

Tim Green, City Engineer, provided an update on right-of-way acquisition for the project and explained the condemnation process. He said the project requires right-of-way or easement acquisition from 37 parcels; to date, the City has acquired eight parcels, with 29 remaining. He said agreements are close on 15 of the parcels and are expected to be finalized within the next several weeks. He noted that four parcels involve clouded titles or no contact, and approximately 10 parcels are expected to require condemnation.

Mr. Green said the City is requesting authorization to proceed with condemnation to maintain the project's schedule. Construction is planned to begin in May 2027, but he said utilities must first be relocated. Utility companies have 180 days after right-of-way is acquired to complete relocations. He said that the City must secure right-of-way by early November, making an August start to condemnation proceedings necessary because the process typically takes about 90 days.

Mr. Green reviewed the City's acquisition process, which includes completing preliminary design, obtaining independent property appraisals, reviewing the appraisals, presenting written offers to property owners, and negotiating compensation and project-related impacts. If negotiations are successful, he said the property is acquired. If an agreement cannot be reached, he said the City proceeds with condemnation, during which three court-appointed appraisers determine fair compensation. The City then deposits the appraised amount with the court, allowing the project to move forward, while property owners retain the right to appeal the compensation award.

Mr. Green said condemnation is typically necessary when parties cannot agree on property value, ownership, or probate issues prevent clear title, multiple ownership interests or liens complicate acquisition, or project schedules require timely acquisition.

Mayor Sayers asked if property gets stuck in probate if the owner is deceased and Beccy Yocham, City Manager, explained that the condemnation process will clear the title when a property owner is deceased.

Mr. Green stressed that the City continues negotiating with property owners throughout the condemnation process and can dismiss individual parcels from condemnation at any time if an agreement is reached. He said the City's goal is to resolve as many acquisitions as possible through negotiation before condemnation is finalized.

Councilmember Nicks made a motion to approve Item 7 and Councilmember Bell seconded the motion. Motion passed unanimously.

PUBLIC HEARINGS

9. Consideration of economic development incentives associated with the Solera Retail Development

   a. Public hearing to consider establishing the Solera Retail Development Community Improvement District (CID)

   b. Ordinance establishing the Solera Retail Center CID

   c. Approval of a CID Development Agreement with Intrepid Lenexa, LLC

   d. Resolution determining the intent of the City to issue up to $77 million in industrial revenue bonds to help acquire, construct, and equip the Solera Retail Center Project
   The City received a petition to establish a Community Improvement District (CID) from the developers to levy a 1% sales tax over the Solera Retail Center located at the southeast corner of Prairie Star Parkway & K-7 Highway. The Developer is also seeking the issuance of $77 million in industrial revenue bonds for the Solera Retail Center.

   Sean McLaughlin, City Attorney, presented the proposed incentives for the Solera mixed-use development at the corner of Prairie Star Parkway & K-7 Highway. He said the 75-acre project includes approximately 20 acres of retail and 55 acres of multifamily, townhome, and duplex residential development. He noted the rezoning and development plans were approved in June 2025.

   Mr. McLaughlin said the project includes significant public and private infrastructure improvements, including the extension of Woodsonia Drive south to the planned 99th Street, as well as utilities and site development. He said the project will be constructed in phases and that the City is expected to consider a special benefit district (SBD) later this year to finance the arterial and collector street improvements.

   Mr. McLaughlin reviewed the proposed Community Improvement District (CID) for the retail portion of the development. He said the district would impose a 1% CID sales tax for up to 22 years, with a maximum reimbursement of $10.4 million toward an estimated $34.5 million retail investment. Planned improvements include approximately 70,000 square feet of retail space, public streets, parking, and site development. He said the CID is intended to encourage retail development along the K-7 corridor, strengthen the city's economic base, and help fund public infrastructure improvements.

Councilmember Charlton asked about the SBD and the CID being for Woodsonia Drive, and Mr. McLaughlin explained the proposed SBD district would include both the retail and residential portions of the project. He said property owners within the district would remain responsible for assessments for public improvements, while revenue generated by the retail CID would help offset those costs. He also confirmed that the development is expected to generate new sales tax revenue for the City in addition to the 1% CID sales tax.

Councilmember Bell asked staff to put the projected sales figures into perspective, noting the estimate of approximately $1 billion in taxable sales over the 22-year term. He estimated that, at the City's existing 1.375% sales tax rate, the development could generate roughly $650,000 in City sales tax revenue, in addition to the 1% CID sales tax. Mr. McLaughlin confirmed that the project would generate a net increase in sales tax revenue for the City and expand the City's sales tax base, noting it was reasonable to assume the undeveloped property currently generates no sales tax.

Mr. McLaughlin presented the proposed industrial revenue bonds (IRBs), which would apply to both the retail and residential portions of the development. He said the bonds do not include a property tax abatement and would be used solely to provide a sales tax exemption on construction materials for the project. He said staff recommended approval of the CID, the development agreement, and the IRBs.

Curt Petersen, Polsinelli, talked about the significant public infrastructure required for the development, including the north-south collector street, the east-west arterial roadway, and associated utilities. He said the public infrastructure is expected to exceed $10 million, not including the project's private infrastructure costs. He said that the CID sales tax and the sales tax exemption available through IRBs are essential to making the project financially feasible while creating new retail, restaurant, and potential hotel opportunities, as well as generating additional City sales tax revenue.

Councilmember Bell asked about projected retail sales and Mr. Petersen explained that the estimated sales used to support the CID are based on financial modeling that applies projected sales per square foot for various retail and restaurant uses. He said the projections assume annual sales growth of approximately 1.5% to 2% over the 22-year term of the district and are based on anticipated tenants and market conditions, although specific users have not yet been identified. He noted the applicant expects to begin actively marketing the commercial sites following approval of the requested incentives.

Mayor Sayers opened the public hearing at 7:19 PM.

Sharon Lab, 8844 Houston Street, talked about the City's increasing use of CIDs and other incentives and how they increase the cost of shopping at businesses within those districts. She said rising property taxes and bond obligations also contribute to higher costs for residents. She urged the City Council to carefully evaluate the use of public incentives to support private development, due to the cumulative financial impact on taxpayers and consumers.

Dan Wilkus, 24776 W. 90th Street, spoke in opposition to the proposed CID and questioned the need for both a 1% CID sales tax and IRBs for a project located at a prime commercial intersection. He said that developments in desirable locations should not require multiple public incentives. He spoke of his concern that CID sales taxes shift development costs to customers, remain in place for decades, and increase the cost of everyday purchases. He said he supported new development and business investment in Lenexa, asking the City Council to approve the project without the proposed CID.

David Hanks, 22635 W. 89th Street, spoke about the recently approved Westchester Shopping Center CID and its eligible improvements in comparison to Solera. He said he supports economic development and efforts to prevent blight, but he felt it was misleading for a CID to be to associated with undeveloped property. He suggested that projects involving new development on vacant land would be more accurately described as "Community Development Districts" because they represent new development rather than improvements to existing developments.

Gaylene Van Horn, 8131 Rosehill Road, said the proposed district would become the City's 23rd CID and she would like for residents to be provided with a guide identifying all CID locations so they can make informed purchasing decisions. She questioned the need for a CID for a new development and asked for clarification on whether the Solera project would receive any additional property tax abatements or sales tax exemptions beyond those proposed.

Ned Smith, 9709 Carbondale Street, spoke in support of the proposed CID saying residents in the Cedar Creek area have limited access to grocery stores and often have to shop in neighboring communities. He said the proposed development would provide additional retail options and benefit residents by expanding local shopping opportunities. He said the CID revenues are intended to help fund public infrastructure, including roads and utilities, while the developer is making a substantial private investment in the project. He added that consumers can choose whether to shop within a CID and expressed his support for the proposed incentives.

Councilmember Bell made a motion to close the public hearing and Councilmember Charlton seconded the motion. Motion passed unanimously.

The public hearing closed at 7:28 PM.

Councilmember Handley asked whether the applicant anticipated seeking any additional property tax abatements beyond those associated with the proposed

SBD. Mr. McLaughlin responded that no property tax abatements are being requested for the project. He explained that the proposed IRBs would be used only to provide a sales tax exemption on construction materials and would not include any property tax abatement.

Councilmember Handley asked Mr. Petersen to estimate how the project's completed value and resulting property tax revenues would compare with the property's current value. Mr. Petersen said that the completed mixed-use development would generate substantially higher property tax revenues than the largely undeveloped property currently produces. He said the project includes approximately 70,000 square feet of commercial development and multiple phases of residential construction, which together would result in significant annual property tax generation. He confirmed that no property tax abatements are being sought as part of the proposed incentive package.

Councilmember Charlton asked if the City would have to identify its own funding to construct the public roads needed to support future development, without the proposed incentive tools. Mr. McLaughlin said major arterial and collector roads are expensive to construct, and that economic development often requires either direct public investment in infrastructure or the use of development incentives, such as those proposed, to make development feasible. He said that without such incentives, the City could ultimately bear the responsibility for constructing the necessary infrastructure to encourage development in the area.

Councilmember Charlton asked whether extending Woodsonia Drive north of Prairie Star Parkway had been more difficult because it involved multiple property owners. Mr. McLaughlin agreed, explaining that project required coordinating with numerous property owners over an extended period, making the process significantly more complex than the Solera development, where a single developer controls the entire district.

Councilmember Handley asked if the proposed $77 million cap on the IRBs represented the value of purchases eligible for the sales tax exemption or the amount of sales taxes that would be exempted. Mr. McLaughlin said that the cap represents the maximum value of project purchases that could be financed through the IRBs and qualify for the sales tax exemption, not the amount of sales taxes exempted. He added that the actual amount of purchases and corresponding sales tax exemption would not be known until construction of the project is complete.

Mayor Sayers said that, while the City has approved numerous CIDs, the Solera project differs because the developer will fund approximately $10 million in public roadway infrastructure that otherwise could become a future capital improvement project funded by the City. She said the proposed incentive shifts infrastructure costs away from the City's Capital Improvement Program and property taxpayers, while the additional 1% sales tax applies only within the retail district. She added that the area is well-positioned for development, residents have expressed interest in seeing it developed, and she supports the proposed project and incentives.

Councilmember Bell made a motion to approve Item 9b and Councilmember Denny seconded the motion. Motion passed unanimously.

Councilmember Bell made a motion to approve Item 9c and Councilmember Nicks seconded the motion. Motion passed unanimously.

Councilmember Bell made a motion to approve Item 9d and Councilmember Nicks seconded the motion. Motion passed unanimously.

BOARD RECOMMENDATIONS

10. Consideration of a rezoning and preliminary plan known as Prairie Star Parkway Center for a commercial development on property located south of Prairie Star Parkway between Gleason Road and Dunraven Street

a. Consider rezoning property from the AG, Agricultural District to the CP-2, Planned Community Commercial District

b. Consider a preliminary plan/plat for Prairie Star Parkway Center

The applicant proposes to rezone the property from the AG, Agricultural District to the CP-2, Planned Community Commercial District for a 17-acre retail and restaurant development. The applicant requests approval of a companion preliminary plan/plat for the construction of nine pad sites of varying size for retail, restaurant, gas station, and office uses. The development includes construction of a new east-west internal drive, an intersecting drive from Prairie Star Parkway, a central pedestrian circulation area, and related infrastructure improvements.

Mayor Sayers called for the disclosure of councilmembers' *ex parte* communications on this item, which are discussions had outside the meeting that are not part of the published record. Each councilmember individually declared their *ex parte* communications including meetings with the developer and applicant, as well as emails received.

Stephanie Sullivan, Planning Manager, presented the request to rezone approximately four agricultural parcels south of Prairie Star Parkway between Gleason Road and Dunraven Street from Agricultural (AG) to Community Commercial (CP-2) and approve a preliminary plan and plat for a nine-lot commercial development. She presented an aerial image reflecting the site and its surrounding properties and pointed out access to the site from Prairie Star Parkway, Gleason Road, and Dunraven Street.

Ms. Sullivan said that both City staff and the Planning Commission recommended denial of the application because it conflicts with the City's Comprehensive Plan, which designates the property for office and employment center uses rather than community commercial development. Referring to the Golden criteria and staff's assessments in the packet, she explained that denial would preserve the site's long-term employment potential, reduce higher-intensity traffic associated with auto-oriented commercial uses, and support the City's strategy of concentrating community commercial development near major highway interchanges rather than along the Prairie Star Parkway corridor.

Ms. Sullivan reviewed the differences between the proposed CP-2 zoning and the office and employment center designation, saying the requested zoning would permit retail, restaurants, drive-throughs, a gas station, and other auto-oriented uses that generate activity. She contrasted those uses with the Comprehensive Plan's vision for office, medical, and employment uses that emphasize walkability, predictable business-hour traffic, and neighborhood gathering spaces. She also highlighted nearby properties already designated for neighborhood and community commercial development, saying there are sufficient commercial opportunities closer to the K-7 and K-10 interchanges.

Councilmember Nicks asked about the locations of neighborhood nodes that have been identified west of the subject property. Ms. Sullivan said that the nearest western node is located near Shady Bend Road and noted the Comprehensive Plan identifies approximately a dozen such nodes throughout the city.

Ms. Sullivan showed an aerial photo of Southlake Business Park as an existing example of a neighborhood node, pointing out the pedestrian trails around the lake and the connections to the employment centers in that area. She said this is what the Comprehensive Plan and staff are trying to accomplish with nodes.

Councilmember Charlton asked what types of uses are permitted within neighborhood commercial areas. Ms. Sullivan explained that neighborhood commercial zoning, such as CP-1, accommodates limited retail and service uses, including restaurants and banks without drive-through facilities, making it less auto-oriented than the proposed CP-2 development.

Ms. Sullivan described the preliminary plan, which includes nine commercial pad sites, internal public streets, sidewalks, detention facilities, and a central outdoor gathering area. She noted that staff generally supported the requested setback deviations because they are typical for multi-pad commercial developments but expressed concern about the number of vehicle and pedestrian conflict points created by multiple drive-throughs. She noted that the renderings reflect the building architecture to be masonry with flat roofs and glazing. She also reported staff received one public email regarding traffic concerns and that no one spoke in support of or opposition to the application during the public hearing at the Planning Commission meeting.

Ms. Sullivan said staff had attempted to reach a compromise with the applicant by supporting approximately three acres of CP-1 zoning for a limited commercial use, such as a gas station with a special use permit, while preserving the remainder of the site for office and employment uses consistent with the Comprehensive Plan. She said the applicant declined that approach and instead continued pursuing the original request for CP-2 zoning across the entire site.

Ms. Sullivan reiterated staff's recommendation that the Governing Body deny the rezoning and preliminary plan and plat.

Councilmember Bell asked staff to illustrate the previously discussed compromise proposal by showing what approximately three acres of the 17-acre site would encompass. Ms. Sullivan explained staff envisioned limiting CP-1 neighborhood commercial zoning to the northeastern corner of the property, closest to the K-7 interchange and away from the adjacent school and residential areas. She said that location was considered the most appropriate for limited auto-oriented commercial uses, while the remainder of the site would retain office-related zoning consistent with the Comprehensive Plan.

Councilmember Bell asked whether the proposed commercial development would produce fewer or lower-quality employment opportunities than the office and employment uses envisioned in the Comprehensive Plan and Ms. Sullivan said that the Comprehensive Plan is intended to preserve a mix of land uses over the long term to diversify the City's tax base and economic opportunities. While the proposed restaurants, bank, and pharmacy would create jobs, she said office and employment uses typically provide more established, higher-paying positions with longer-term employment.

Councilmember Bell asked why the property had been designated for office and employment uses instead of commercial development, noting the lack of restaurants and neighborhood services in the area. Ms. Sullivan explained the Comprehensive Plan intentionally concentrates higher-intensity commercial uses near the K-7 and K-10 interchanges, while neighborhood commercial areas are strategically located to serve surrounding residential areas. She said the Southlake Business Park was cited as an example of a successful neighborhood node because it combines employment uses with trails, public gathering spaces, and pedestrian amenities, demonstrating that neighborhood nodes are intended to serve employees and visitors, as well as residents. She added that several nearby properties already have commercial zoning or future land use designations that could accommodate additional restaurants and retail development, including undeveloped commercial sites near Casey's and other planned developments. She said that, while additional commercial uses are anticipated in the vicinity, the subject property was not the appropriate location for the proposed community commercial development.

Mayor Sayers pointed out that the Comprehensive Plan envisions Prairie Star Parkway as a different type of corridor than 87th Street Parkway. She said that 87th Street Parkway is characterized by continuous commercial pad sites, drive-throughs, and auto-oriented development, while Prairie Star Parkway was intentionally designed as a winding boulevard with roundabouts and strategically placed neighborhood nodes. Ms. Sullivan agreed, explaining the

Comprehensive Plan concentrates commercial activity within designated nodes rather than allowing continuous commercial frontage. She said the intent is to preserve Prairie Star Parkway as a scenic boulevard with a mix of land uses and lower-intensity development, creating a different visual character and driving experience than the commercial corridor along 87th Street Parkway.

Councilmember Bell said a resident's earlier comments highlighted a gap in neighborhood-serving amenities, such as a grocery store and other everyday services, in the Prairie Star Parkway area. He acknowledged that the concept of a neighborhood node can vary depending on the surrounding development and said he was seeking a better understanding of the rationale behind the Comprehensive Plan's designation of the property for office and employment uses rather than neighborhood commercial development.

Scott McCullough, Community Development Director, explained that commercial development typically follows residential growth, noting the area is still building the population needed to support additional retail and service businesses. He pointed to recent development, including the Casey's store, the medical office building north of Prairie Star Parkway, and recently approved commercial areas near the K-7 and K-10 interchanges, as evidence that the area is developing as envisioned. He emphasized that the Comprehensive Plan is intended to guide long-term growth and should be followed unless there is a compelling reason to deviate from it. In staff's view, he said the plan already provides sufficient opportunities for future neighborhood and community commercial development to meet anticipated demand, but additional time is needed for the planned development pattern to mature. He said that at this time there was not a compelling justification to depart from the Comprehensive Plan by approving the proposed rezoning.

Councilmember Charlton asked if the neighborhood commercial areas identified in the Comprehensive Plan had changed significantly over time, noting past discussions about development west of St. James Academy and questioning whether the amount of land designated for neighborhood commercial uses had been reduced. Ms. Sullivan explained that while land use designations have evolved incrementally over time, the changes have not been significant. She noted the current Comprehensive Plan, adopted two years ago and reviewed annually, remains aligned with the City's long-term goals, and staff does not anticipate amendments at this time. She added that some properties designated for neighborhood and community commercial uses are already zoned accordingly, while others are not, and emphasized that the City has consistently sought to preserve land planned for neighborhood commercial development, including resisting requests to convert those sites to residential uses in order to ensure future opportunities for neighborhood-serving businesses and services.

Mayor Sayers added that the Comprehensive Plan includes an Areas of Change map identifying locations where significant redevelopment or land use changes are anticipated. She noted the subject property was not identified as an area of change, unlike locations near the K-7 and K-10 interchanges, 91st

Street & Clare Road, and other designated growth areas. She said this further reflects the City's long-term vision of maintaining the existing office and employment land use designation for the site rather than encouraging a different development pattern.

Aaron Mesmer, Block Real Estate Services, introduced the applicant team and explained the project was being presented on behalf of a local property owner who has owned the approximately 17-acre site since 1999. He emphasized the owner is a longtime community member rather than a land speculator and said the development team sought to create a project that would benefit both the property and the surrounding area.

Mr. Mesmer described the proposed nine-parcel commercial development, explaining the site layout was influenced by the need to align internal streets with the existing AdventHealth driveway while providing access from Prairie Star Parkway, Gleason Road, and Dunraven Street. He acknowledged the City's vision for Prairie Star Parkway as a landscaped boulevard with a mix of land uses and said the proposal was designed to complement nearby development, including the hospital and Casey's convenience store, while serving surrounding neighborhoods.

Mr. Mesmer said the proposal was intended to balance the neighborhood nodes and office and employment center concepts. Although the development includes restaurants, a bank, a gas station, and a pharmacy, he noted that approximately 60% of the proposed building square footage would be dedicated to office uses, with retail accounting for about 25% and restaurants about 15%. He stressed that the pharmacy was a logical use given the site's proximity to AdventHealth and nearby residential neighborhoods.

Mr. Mesmer also highlighted design features intended to address staff's concerns, including a 50-foot landscaped setback along Prairie Star Parkway that preserves a substantial green corridor and an enhanced sidewalk system. He said that while the applicant chose not to revise the requested CP-2 zoning after staff proposed a compromise, the development team incorporated several pedestrian-oriented design elements intended to create a neighborhood gathering place consistent with the goals of a neighborhood node.

Patrick Reuter, Klover Architects, described how the site plan evolved in response to the Comprehensive Plan and feedback from City staff, with an emphasis on creating a walkable neighborhood node and "third place" gathering spaces. He said the development is organized around north-south and east-west pedestrian corridors that connect Prairie Star Parkway, AdventHealth, and the proposed commercial uses. The plan includes a 50- to 60-foot-wide landscaped greenway with a scenic trail linking all pad sites, public sidewalks and surrounding neighborhoods.

Mr. Reuter explained that the primary pedestrian gathering area is intentionally located between Pads 7 and 8, away from the site's main traffic intersection and adjacent to the detention pond to provide a quieter, more natural setting.

The plaza would feature landscaped seating areas, a trellis, decorative lighting, and other amenities designed to encourage community gathering. He said additional elements, such as pocket parks, rain gardens, butterfly gardens, fountains, landscaped seating areas, and raised planting beds, are envisioned throughout the greenway as individual pad sites develop. He said the overall design seeks to create an interconnected, pedestrian-oriented environment that provides residents, employees, hospital visitors, and customers with access to outdoor gathering spaces and commercial services while advancing the neighborhood node objectives outlined in the Comprehensive Plan.

Mr. Mesmer acknowledged that the proposal differs from the recommendations of City staff and the Planning Commission but argued the project is consistent with the broader intent of the Comprehensive Plan. He said the plan should be viewed within the context of the larger employment and research district envisioned around the K-7 and K-10 corridors rather than as a standalone 15-acre development. Using examples such as Corporate Woods and the former Sprint campus, he said that successful office and employment centers are supported by nearby restaurants, retail services, fuel stations, pharmacies, and other commercial amenities that serve employees and visitors. He maintained the proposed development would function as that supporting neighborhood node while preserving significant office space, with approximately 60% of the proposed building area devoted to office uses.

Mr. Mesmer also emphasized that the site design incorporates pedestrian-oriented features not typically found in conventional commercial developments, including substantially landscaped green buffers, walking connections, and a public gathering space intended to complement future office and employment uses. He argued these features help satisfy the Comprehensive Plan's vision for a neighborhood node while providing services that would encourage future office development in the area rather than compete with it.

Mr. Mesmer said they held a public meeting where attendees expressed support for the proposal and no one voiced opposition. He clarified that the one written comment referenced by staff raised concerns about traffic but did not oppose the development itself. He also disagreed with staff's rationale for denial, saying the proposal would provide a public benefit by supplying neighborhood services that are currently lacking. He noted the applicant completed the required traffic impact study, which concluded nearby intersections would continue operating at acceptable levels of service and showed no degradation in traffic operations.

Mr. Mesmer said the applicant is willing to continue working with City staff, the Planning Commission, and the City Council if additional revisions are desired. He emphasized that the property owner is a longtime local resident seeking a development that serves the surrounding community and said the applicant is open to incorporating further feedback into a revised proposal.

Councilmember Handley asked whether the property owner had previously submitted a development application for the site, and Mr. Mesmer said this is the first to his knowledge.

Councilmember Handley questioned the adequacy of the proposed internal circulation, saying he was concerned about the number of vehicle conflict points, the concentration of access drives, and the overall functionality of the internal roadway network. He referenced Mr. Mesmer’s report that the traffic study deemed the surrounding infrastructure to be sufficient and asked if the study had considered the internal circulation in any detail.

Mr. Green clarified that while the applicant's traffic study found acceptable operations at the site's access points, it did not resolve the existing traffic congestion at the K-7 Highway & Prairie Star Parkway intersection.

Mr. Mesmer acknowledged Councilmember Handley's concerns, stating that while the primary street layout was constrained by existing access requirements, the applicant was willing to work with staff to revise the internal roadway and sidewalk network to reduce conflicts and improve pedestrian safety.

Councilmember Handley questioned why the proposal included four drive-through commercial pads rather than more traditional sit-down restaurants. Mr. Mesmer explained that current market demand favors drive-through restaurants, pharmacies, and banks, noting that many national tenants require drive-through facilities. He added that the applicant would consider replacing one of the proposed drive-through restaurant sites with a sit-down restaurant if that better reflected the City Council's vision for the project.

Councilmember Handley said that he could support some commercial development on the site but remained concerned that the internal layout appeared overly complex and auto oriented.

Councilmember Charlton said the comparison of the site to Corporate Woods caused him to reconsider the proposal within the broader context of the future employment center envisioned south of Prairie Star Parkway. He said he supported development but questioned whether the proposed commercial layout could influence or detract from the long-term vision for the larger office and employment area.

Mayor Sayers talked about comparing the proposed development to long-established office campuses such as Corporate Woods, noting that modern office developments are designed with on-site amenities, including coffee shops, cafeterias, and commissaries, reducing the need for employees to leave campus. She said she could support a limited number of sit-down restaurants but questioned whether the proposed retail uses were justified by the anticipated office population.

Mr. Mesmer said that Corporate Woods was used as an example because it reflects the long-term vision identified in the Comprehensive Plan. He said it illustrates how successful office campuses rely on supporting restaurants, retail, and service uses, and that the proposed development would complement future employment uses rather than compete with them. In response to traffic concerns, he said major traffic movements are expected to occur along Dunraven Road, Gleason Road, and Canyon Creek Boulevard.

Mr. McCullough clarified that the Corporate Woods comparison referenced land designated as Business Park in the Comprehensive Plan, rather than the Office and Employment designation that applies to the subject property and emphasized the distinction for the record.

Councilmember Charlton said he continued to support neighborhood-serving commercial uses but questioned whether the proposal represented the appropriate timing and location for that level of development.

Mr. Mesmer said the developer wants to be a good community partner and is willing to revise the proposal based on feedback from the Governing Body. He invited specific suggestions, noting the plan could be modified to include uses such as a sit-down restaurant instead of an additional drive-through restaurant if that better aligns with the City Council's vision. He maintained that the proposed commercial uses are appropriately located near the Prairie Star Parkway interchange, despite staff's characterization that the site is not directly on the interchange. He said the location serves as the primary gateway for future office, research, and employment uses envisioned, making it a logical location for restaurants and coffee shops that would serve employees, visitors, and business meetings. He asked the Governing Body to provide specific direction so the development team could work with City staff and the Planning Commission to refine the proposal in a manner that better reflects the City's long-term vision.

Councilmember Bell asked why staff's compromise was declined and Mr. Mesmer explained that the proposed CP-1 zoning district would not accommodate several desired commercial uses, would reduce the cohesiveness of the overall development, and did not reflect current market conditions for office construction. Instead, he said they incorporated additional green space, pedestrian amenities, and gathering areas while maintaining the requested CP-2 zoning.

Councilmember Bell questioned whether the proposed gathering space functioned as a true neighborhood destination because of its location deeper within the site and expressed concern that the development emphasized drive-through uses over places where people would gather and spend time. Mr. Mesmer responded that the gathering space was intentionally located away from Prairie Star Parkway to create a quieter, more intimate setting adjacent to the detention pond and neighborhood connections.

Councilmember Bell said he would prefer to see sit-down restaurants rather than a concentration of drive-throughs that create a circulation pattern that feels congested. He said that if the development is intended to function as a neighborhood node and community gathering place, it should encourage people to stay and meet rather than drive in and out.

Mr. McCullough added that neighborhood nodes are intended to be context-sensitive and are designed around the underlying land use, rather than always functioning as retail destinations, explaining that an employment center neighborhood node differs from one located within a commercial district.

Councilmember Bell also asked about attendance at the applicant's neighborhood meeting, and Mr. Mesmer reported that approximately 25 to 30 residents attended, with no opposition expressed during the meeting or through subsequent communications.

Councilmember Denny said he supported developing the vacant property but believed the proposal was not the right development for the site at this time. He said that the proposed site plan appeared overly auto oriented and inconsistent with the City's long-range planning objectives.

Councilmember Handley asked staff to explain the procedural options available if the City Council chose not to approve the application. Ms. Sullivan explained that if the Governing Body denied the request, the applicant could immediately submit a substantially different proposal. Mr. McLaughlin said they would have to wait one year to resubmit the same plan. He added that a remand to the Planning Commission would only be appropriate if the City Council provided specific direction regarding the issues to be addressed, noting that the Planning Commission could not redesign the proposal itself. Councilmember Handley said he believed the Planning Commission had completed its review appropriately.

Ms. Yocham said if the City Council wants to remand it needs to have specific direction for the Planning Commission.

Councilmember Nicks said he appreciated the applicant's efforts to incorporate neighborhood node elements into the proposal and acknowledged the desire for additional restaurants and services in western Lenexa. However, he noted that the Comprehensive Plan intentionally directs more intensive commercial development toward the K-7 and K-10 interchange areas. He said he agreed with the staff recommendation that the proposal was a good concept but not in the appropriate location under the Comprehensive Plan.

Councilmember Herron said he appreciated the applicant's willingness to work with the City and believed the concept had merit, but that the proposal did not sufficiently align with the Comprehensive Plan. He encouraged the applicant to substantially rethink the project rather than making only minor revisions and suggested that meaningful changes could improve its likelihood of future approval. He said he would be in support of development under the strategic direction of the Comprehensive Plan.

Mr. Mesmer requested that the application be remanded rather than denied, outlining several revisions the applicant would consider, including concentrating commercial uses closer to the northeastern portion of the site, increasing sit-down restaurant opportunities, and improving pedestrian circulation.

Mayor Sayers said that the principal concern was the overall intensity of development along Prairie Star Parkway and stated she preferred denial so the applicant could return with a substantially different zoning request rather than incremental modifications.

Mr. McCullough clarified that the Governing Body's decision concerned the requested zoning district rather than the submitted site plan, noting that site plans frequently change after rezoning approval. He explained that the requested CP-2 zoning would permit a broader range of automobile-oriented commercial and drive-through uses and that the City does not utilize conditional zoning to permanently tie a rezoning approval to a specific development plan. He said the Governing Body's discussion indicates support for lower-intensity commercial service uses rather than the broader uses allowed under CP-2, suggesting that a different zoning classification, such as CP-1, might better align with the City Council's direction while maintaining the area's primary office designation. He advised that those concerns were best addressed by denying the rezoning request rather than remanding it. He explained that a denial would allow the applicant to immediately submit a substantially different application with a different zoning district, whereas the City Code only prohibits resubmitting the same application within one year. He clarified that a new proposal requesting a different zoning classification, such as CP-1, could proceed through the review process without waiting one year.

Mr. Mesmer asked whether the proposed gas station and pharmacy would be permitted under CP-1 zoning rather than CP-2. Ms. Sullivan displayed a comparison of the permitted uses and explained that a gas station could be considered in a CP-1 district through a special use permit, while drive-through restaurants would not be permitted. She said the proposed pharmacy would qualify as a retail use and that its drive-through would likely be considered an accessory feature rather than the primary use. She added that the same interpretation would likely apply to a bank drive-through, distinguishing accessory drive-throughs from high-volume drive-through restaurants such as Chick-fil-A or Culver's. She said that a revised proposal under CP-1, including uses such as a bank, pharmacy, and limited accessory drive-throughs, appeared feasible and could be refined with the applicant if that reflected the Governing Body's direction.

Councilmember Denny made a motion to deny Item 10a and Councilmember Handley seconded the motion. Motion passed unanimously.

Councilmember Denny made a motion to deny Item 10b and Councilmember

Bell seconded the motion. Motion passed unanimously.

Mayor Sayers called a five minute recess.

NEW BUSINESS

11. Resolution approving adjustments to the pay ranges contained in the fiscal year 2026 Pay Plan and authorizing the City Manager to implement the updated pay plan
The City's pay plan is a key component in recruiting and retaining a quality workforce. Staff worked with CBIZ Benefits and Insurance Services, Inc. to review the plan's internal equity and market competitiveness. Staff recommends changes to the pay grades and salary ranges. The estimated cost of annual pay increases and the market pay adjustments is approximately $2.8 million.

Kristin Crow, Human Resources Director, said this is a resolution to adopt adjusted employee pay structures and authorize the city manager to implement employee pay adjustments following a comprehensive salary study conducted by CBIZ. She explained that the City performs annual salary reviews and completes a comprehensive market study every four to five years to ensure compensation remains competitive.

Joe Rice, CBIZ, outlined the study methodology, which included benchmarking 85 positions against comparable public- and private-sector employers, evaluating salary structures, and analyzing market competitiveness. He reported that overall City pay is broadly aligned with the market, although police and fire positions trail the market more than other public service positions. He recommended adopting revised pay structures, increasing employees below their pay range minimums, approving a 3% annual salary adjustment for eligible employees, providing targeted market adjustments, continuing lump-sum payments for employees at the top of their pay ranges, and maintaining annual benchmark reviews. The total implementation cost is approximately $2.8 million and is consistent with the City's approved budget.

Councilmember Handley asked whether employee benefits were considered alongside salaries during the market analysis. Mr. Rice responded that the study focused solely on salary and did not include total compensation or benefits, noting that public-sector benefits are generally competitive and that benefit benchmarking could be completed separately if desired.

Councilmember Handley asked if the recommended 3% annual adjustment would apply to all employees regardless of performance. Ms. Yocham explained that the increase applies to eligible employees unless they are in a developmental probationary period or on a performance improvement plan, and the percentage is approved annually by the Governing Body.

Mayor Sayers asked whether the 3% recommendation aligns with current market trends. Mr. Rice replied that, when combined with the recommended 2% structural adjustment to salary ranges, the proposal is consistent with current wage growth expectations despite uncertainty surrounding inflation.

Councilmember Bell asked about the size of the salary data sample used in the study. Mr. Rice explained that the custom survey included approximately 11 peer organizations but was supplemented with published salary surveys containing thousands of salary records. He noted that CBIZ relies on at least five comparable responses before using custom survey data for a position and supplements limited data with larger published databases to ensure reliable comparisons.

Councilmember Bell requested clarification on the recommendation to provide lump-sum payments instead of salary increases for employees who have reached the maximum of their pay range. Mr. Rice explained that employees at the top of their pay range receive a one-time lump-sum payment equivalent to what their annual increase would have been, allowing the City to recognize performance without permanently increasing salaries beyond the established range. He added that annual adjustments to the salary structure allow employees at the maximum to continue progressing as ranges are updated to reflect market conditions.

Councilmember Herron asked how merit is recognized if all eligible employees receive the same annual adjustment. Ms. Yocham explained that the 3% annual increase is separate from the market adjustments identified through the salary study. Employees may receive additional market-based increases depending on how their positions compare with the market, while the City recognizes employee performance through career development opportunities, expanded responsibilities, and limited bonus opportunities rather than performance-based salary increases. She noted that the City intentionally separated annual pay increases from performance evaluations several years ago.

Councilmember Bell asked about employee feedback regarding total compensation. Ms. Yocham said the City has completed one employee engagement survey and plans to conduct another after implementation of the updated pay plan. She noted that competitive pay and benefits were identified as an area needing improvement in the previous survey, which was conducted before the current pay plan was implemented, and expressed interest in comparing future survey results after employees experience the updated compensation structure.

Mayor Sayers asked if the implementation costs and 3% annual adjustment were included in the proposed 2027 budget. Ms. Yocham confirmed that the 2026 budget included 6% for implementation of the pay study and salary increases and that the funding is carried forward into the recommended 2027 budget, with additional discussions occurring as part of the annual budget process.

Councilmember Bell made a motion to approve Item 11 and Councilmember Charlton seconded the motion. Motion passed unanimously.

COUNCILMEMBER REPORTS

Mayor Sayers talked about the amazing and fun experience she and Councilmember Nicks had with the Community Orchestra last weekend. She was a guest conductor for a piece and he performed a Lincoln reading.

STAFF REPORTS

Ms. Yocham said there would be no Committee of the Whole meeting next week.

END OF RECORDED SESSION

BUSINESS FROM FLOOR

There was no business from the floor.

ADJOURN

Councilmember Denny made a motion to adjourn and Councilmember Bell seconded the motion. Motion passed unanimously.

The meeting adjourned at 9:48 PM.

Proclamation

WHEREAS, clean, safe water is essential to the health, economic well-being, and vibrant quality of life for all residents, businesses within the City of Lenexa; and

WHEREAS, local water infrastructure, native streams, and community watersheds require diligent management to mitigate urban stormwater pollution, and maintain ecological health; and

WHEREAS, the City of Lenexa is committed to sustainable environmental stewardship through proactive programs and localized conservation efforts; and

WHEREAS, August is recognized nationally as Water Quality Awareness Month, serving as an important reminder that individual actions such as proper waste disposal, minimizing chemical use, and supporting neighborhood stormwater initiatives collectively protect our shared water supply.

NOW, THEREFORE, I, Julie Sayers, Mayor of Lenexa, Kansas, do hereby proclaim August 2026 in the City of Lenexa as

WATER QUALITY AWARENESS MONTH

and encourage all residents, businesses, and civic organizations to protect our local waterways and commit to clean water practices for a sustainable future.

IN WITNESS WHEREOF, I have hereunto set my hand this 4th day of August, 2026.

Lenexa
KANSAS

Julie Sayers
Mayor of Lenexa, Kansas

City of Lenexa Quarterly Financial Report (Quarter Ending 06/30/2026)

Prepared by the Finance Department

August 4, 2026

Lenexa
KANSAS

OVERVIEW

The information contained in this report is unaudited & generally prepared on a cash basis. The report focuses on key indicators in 5 different areas:

- Revenues
- Expenditures
- Reserve Policy
- Debt Management
- Investments

Each key indicator is assigned a current rating based on the following scale:

Rating Scale for Key Indicators	
(green)	Positive Outlook
(yellow)	Area of Concern
(red)	Negative Outlook

OVERVIEW

Overall, the City's goal is to achieve a "positive outlook" rating on each of the key indicators.

Key indicators are also presented for the local economy. These economic indicators are also assigned a specific rating according to the same rating scale. However, the rating results for these economic indicators are beyond the City's control.

As of 06/30/2026, the City's key revenues increased by $1.5 million (2%) compared to revenue collections for the same period in 2025. The revenue change is primarily due to increased receipts of City sales tax, and City compensating use tax. In addition, expenditures for operating activities are within budget for 2026.

The remaining sections of the report review the key indicators & contain exhibits with details on the City's major revenue collections, operating & debt service expenditures, investment holdings, reserve balances by fund, Thompson Barn financial activity, and Rec Center financial activity.

Lenexa KANSAS

REVENUE INDICATORS

Status	Indicator	Comments
	Property Taxes (current)	Property tax revenues decreased 0.4% (compared to the same time period in 2025) & are projected to meet the budget estimate.
	Sales Tax - City	City sales tax revenues increased 7% & are projected to meet the budget estimate.
	Sales Tax - County	County sales tax revenues increased 3% & are projected to meet the budget estimate.
	Compensating Use Tax - City	City use tax revenues increased 8% & are projected to meet the budget estimate.
	Compensating Use Tax - County	County use tax revenues increased 5% & are projected to meet the budget estimate.
	Franchise Tax - Electric	Franchise tax (electric) revenues increased 2% & are projected to meet the budget estimate.
	Franchise Tax - Gas	Franchise tax (gas) revenues decreased 8% & are projected to meet the budget estimate.
	Stormwater Service Charges	Stormwater Service Charges decreased 0.2% & are projected to meet the budget estimate.

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REVENUE INDICATORS

Collections for the City's key revenue sources increased by $1.5 million (2%) as of 06/30/2026 compared to 06/30/2025.

City sales tax revenues are $12.6 million for 2026, which is $857,200 higher (7%) than collections in 2025. County sales tax revenues are $6.0 million for 2026 which is $194,500 higher (3%) than collections in 2025.

City compensating use tax revenues are $6.9 million for 2026, which is $537,500 higher (8%) than collections in 2025. County compensating use tax revenues are $2.3 million for 2026 which is $117,000 higher (5%) than collections in 2025.

Electric Franchise tax revenues are $2.3 million for 2026, which is $55,100 higher (2%) than collections in 2025.

Exhibit A includes additional information on the City's key revenue sources.

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EXPENDITURE INDICATORS

Status	Indicator	Comments
	Operating Expenditures - General Fund	General Fund operating expenditures increased 2% & are projected to be within the budget estimate.
	Operating Expenditures - Stormwater Fund	Stormwater Fund operating expenditures decreased 3% & are projected to be within the budget estimate.
	Debt Service Expenditures - All Funds	Debt service expenditures decreased 7% & are projected to be within the budget estimate.

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EXPENDITURE INDICATORS

The City's operating expenditure indicators are trending favorably in comparison to the 2026 budget.

General Fund operating expenditures increased by 2% as of 06/30/2026 compared to 06/30/2025 & are 45% of the 2026 budget estimate.

Stormwater operating expenditures decreased by 3% compared to 2025 & are 40% of the 2026 budget estimate.

Debt service expenditures decreased by 7% compared to 2025 & are 12% of the 2026 budget estimate (debt service expenditures reflects interest payments made on 3/1/2026).

Exhibit B includes additional information on the City's expenditure indicators.

FIFA World Cup Expenditures

All Expenditures are being funded from the Tourism Fund (Transient Guest Tax) - This fund is restricted for tourism purposes only.

Type	Cost	Description
Public Transportation	$256,410	JoCo Transit/Bus Shelter
Public Safety	$1,186,127	Translation Services/Security Barriers*
Pitch Lenexa Membership	$31,000	World Cup Watch Parties
Promotional	$4,541	World Cup Promotion Items
Total	**$1,478,078**	

*Public safety equipment will be used for future Lenexa events

RESERVE POLICY INDICATORS

Status	Indicator	Comments
	General Fund	The current General Fund reserve balance is 44% of budgeted revenues. This percentage exceeds the 30% minimum reserve target established by policy.
	Debt Service Fund	The current Debt Service Fund reserve balance is 152% of budgeted expenditures/transfers. This percentage exceeds the 10% minimum reserve target established by policy.
	Stormwater Fund	The current Stormwater Fund reserve balance is 112% of budgeted revenues. This percentage exceeds the 10% minimum reserve target established by policy.
	Rec Center Fund	The current Rec Center Fund reserve balance is 99% of budgeted revenues. This percentage exceeds the 10% minimum reserve target established by policy.
	Tourism & Convention Fund	The current Tourism & Convention Fund reserve balance is 102% of budgeted revenues. This percentage exceeds the 5% minimum reserve target established by policy.

RESERVE POLICY INDICATORS

The City’s key reserve indicators are trending favorably in comparison to the City’s reserve policy.

The General Fund reserve balance as of 06/30/2026 is above the maximum reserve target of 35%. This is primarily attributable to the receipt of the second half of the City's property tax distribution in June. The reserve balance is expected to decline over the remainder of 2026 as these funds are used to support planned expenditures.

The balances in the Debt Service Fund and Stormwater Fund will be reduced in the 3rd quarter when principal and interest payments are made on outstanding bond issues.

The balance in the Stormwater Fund will be reduced in 2026 as transfers increase to support capital projects. These transfers will provide matching contributions for external funding sources for stormwater initiatives.

RESERVE POLICY INDICATORS

In recent years, the City has steadily increased the balance of the Rec Center Fund, preparing for future facility maintenance and equipment replacement. In the coming years, staff foresees substantial investments in Rec Center maintenance, surpassing what the operating budget can accommodate within a single fiscal year.

The significant balance in the Tourism & Convention Fund has occurred due to the opening of new hotels in the City. These funds can only be used for promotion of tourism and economic development purposes. Currently, revenues in the Tourism & Convention Fund are used to provide funding to the Convention and Visitors' Bureau, Lenexa Economic Development Council, Legler Barn operations, Public Market operations, and debt service on the Lenexa Conference Center (at the Hyatt Place Hotel). Additionally, the City has allocated reserve funds for economic development projects and the 2026 World Cup.

Exhibit E contains additional information on the City's reserve balances.

DEBT MANAGEMENT INDICATORS

Status	Indicator	Comments
	Ratio of budgeted debt service to budgeted total expenditures	The ratio of debt service to total expenditures is 9.85% for the 2026 budget (this percentage is considered "manageable" by the credit rating agencies - target is 15% or less).
	Ratio of direct g.o. debt to appraised valuation	The ratio of city g.o. (general obligation) debt to appraised valuation is 1.36% as of June 2026. This is considered manageable by the credit rating agencies.

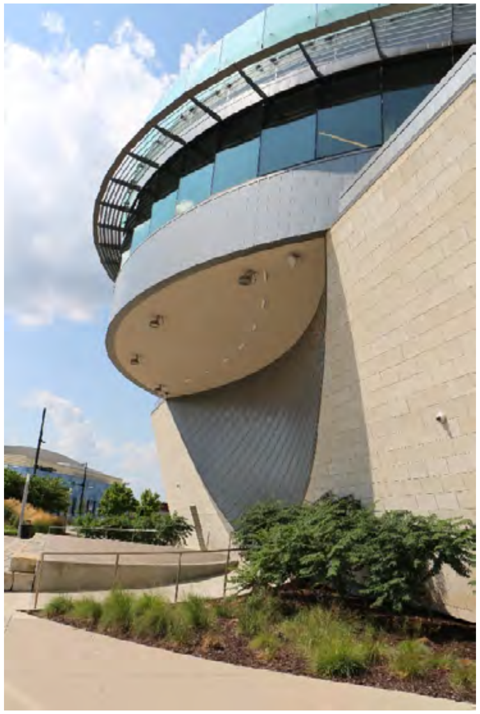
Lenexa KANSAS

DEBT MANAGEMENT INDICATORS

In order to finance previous & existing capital improvements, the City has issued a significant amount of general obligation (g.o.) debt.

The previous debt issued has resulted in a ratio of debt service to total expenditures of 9.85% for the 2026 budget. This is considered an above median but manageable debt burden by the credit rating agencies (generally, the rating agencies prefer ratios of 15% or lower).

The ratio of g.o. debt to appraised value (estimated market value) is 1.36% - the rating agencies consider this to be manageable.



Lenexa
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INVESTMENT INDICATORS (operating portfolio)

Status	Indicator	Comments
	Portfolio distribution compared to policy parameters	The portfolio value by investment type is within the limits established by the city's investment policy.
	Current yield vs. short-term portfolio rate of return benchmark	Current investment yield of 3.639% is below the 3.87% benchmark.
	Current yield vs. long-term portfolio rate of return benchmark	Current investment yield of 3.970% is below the 3.98% benchmark.

INVESTMENT INDICATORS (operating portfolio)

The City's investment indicators are favorable in comparison to the investment policy. In accordance with the investment policy, the City primarily purchases U.S. Treasury, U.S. Government Agency fixed income securities and certificates of deposit.

The portfolio value by investment type is within the limits established by the investment policy and actual rates of return exceed or are slightly below the benchmarks. Specifically, the 6/30/2026 short-term portfolio rate of return is 3.639% compared to the benchmark (3-month Treasury yield) of 3.87%. The 6/30/2026 long-term portfolio rate of return is 3.970% which is slightly below the benchmark (1-year Treasury yield) of 3.98%

As of 06/30/2026, the unrealized loss on the City's investment portfolio is $118,139 (this means the City would have lost $118,139 compared to the book value of the investments if all the securities were sold in the open market on 06/30/2026). In practice, the City usually holds all investment securities to maturity and rarely sells an investment security on the open market for a gain or loss.

The total market value of the City's operating portfolio is $198.6 million as of 06/30/2026. Exhibits C & D include additional information on the City's investments, including information on the terms of each security in the City's portfolio.

Lenexa KANSAS

ECONOMIC INDICATORS

Status	Indicator	Comments
	Commercial Building Permits	Total valuation of commercial building permits is $84.1 million as of 06/30/2026, compared to $112.9 million average in the same time period for 2021 thru 2025.
	Single Family Residential Building Permits	Total valuation of single family residential building permits is $37.7 million as of 06/30/2026, compared to a $49.8 million average for 2021 thru 2025.
	Apartment Building Permits	Total valuation of apartment building permits is $61.2 million as of 6/30/2026, compared to a $25.3 million average for 2021 thru 2025.
	Average Home Value (Appraised Value)	As of February 2026, the average appraised value of a Lenexa home is approximately $518,673 an increase of 6.1% from the previous year ($488,729).

Lenexa
KANSAS

ECONOMIC INDICATORS

Commercial building permit valuation is $84.1 million as of 06/30/2026 compared to an average of $112.9 million in the same time period for 2021 thru 2025.

Single family residential permit valuation is $37.7 million for 2026 compared to an average of $49.8 million for 2021 thru 2025.

Total building permit revenue is $907,100 for 2026 compared to $853,500 for the same period in 2025.

The average appraised value of a Lenexa home is $518,673 for 2026, an increase of 6.1% from 2025 ($488,729) per the Johnson County Appraiser's Revaluation Report dated February 2026.

Lenexa
KANSAS

OTHER INFORMATION

Additional exhibits in the report include:

- Thompson Barn financial report (Exhibit F)
- Purchase Order report (Exhibit G)
- Rec Center Financial Report (Exhibit H)

Please contact Nate Blum or Megan Sterling if you have any questions about the 06/30/2026 quarterly financial report.

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)

Exhibit A – Budget and Actual Collections for Major Revenue Sources

6/30/2026		FY 2026		Actual 2026		
	Actual thru	Budget	Actual	as a % of	% Change	$ Change
Description	6/30/2025	Estimate	6/30/2026	Budget Estimate	from FY 2025	from FY 2025
Property Taxes (current)	$42,627,150	$44,168,467	$42,452,029	96%	-0.4%	($175,121)
Sales Tax - City	$11,756,623	$27,206,966	$12,613,795	46%	7%	$857,172
Sales Tax - County	$5,809,427	$12,457,985	$6,003,902	48%	3%	$194,475
Comp Use Tax - City	$6,420,140	$13,290,752	$6,957,672	52%	8%	$537,532
Comp Use Tax - County	$2,144,222	$4,423,036	$2,260,858	51%	5%	$116,636
Franchise Tax - Electric	$2,248,931	$5,464,000	$2,304,028	42%	2%	$55,097
Franchise Tax - Gas	$1,339,539	$1,442,000	$1,236,329	86%	-8%	($103,210)
Stormwater Service Charges	$6,571,569	$6,746,000	$6,556,402	97%	-0.2%	($15,167)
Totals	**$78,917,601**	**$115,199,206**	**$80,385,015**	**70%**	**2%**	**$1,467,414**

Exhibit B – Operating and Debt Service Expenditures

6/30/2026		FY 2026		Actual 2026		
	Actual thru	Budget	Actual	as a % of	% Change	$ Change
Description	6/30/2025	Estimate	6/30/2026	Budget Estimate	from FY 2025	from FY 2025
Operating Expenditures:						
General Fund	$37,597,697	$85,268,095	$38,491,831	45%	2%	$894,134
Stormwater Fund	$1,112,776	$2,690,214	$1,083,313	40%	-3%	($29,463)
Totals	**$38,710,473**	**$87,958,309**	**$39,575,144**	**45%**	**2%**	**$864,671**
Debt Service Expenditures:						
Debt Service Fund	$1,881,002	$13,842,391	$1,761,015	13%	-6%	($119,987)
Capital Improvement Fund	$182,475	$2,841,200	$120,600	4%	-34%	($61,875)
Tourism & Convention Fund	$37,078	$274,656	$34,828	13%	-6%	($2,250)
Stormwater Fund	$368,023	$2,897,613	$370,689	13%	1%	$2,666
Totals	**$2,468,578**	**$19,855,860**	**$2,287,132**	**12%**	**-7%**	**($181,446)**

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)

Exhibit C – Investment Summary

Investment Type	Market Value	% of Market Value	Maximum % Allowed by Policy
U.S. Treasury Notes and Bills	$59,597,461	24.5%	100%
Collateralized Time and Demand Deposits	$139,159,729	57.2%	100%
Kansas Municipal Investment Pool Fund (MIP)	$855,346	0.4%	30%
Repurchase Agreements	$43,656,000	17.9%	30%
Total Portfolio	**$243,268,536**	**100%**	**n/a**

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)
Exhibit D - List of U.S. Treasury, U.S. Government Agency, and Certificate of Deposit Investments

Short-term Portfolio:

Description	Par Value	Current Yield	Final Maturity	Current Book Value	Current Market Value	Unrealized Gain (Loss) as of 06/30/2026
Security Bank of KC- Certificate of Deposit	10,000,000.00	3.860	7/15/2026	10,000,000.00	10,000,000.00	0.00
Security Bank of KC- Certificate of Deposit	3,000,000.00	4.060	7/15/2026	3,000,000.00	3,000,000.00	0.00
Security Bank of KC- Certificate of Deposit	10,000,000.00	4.130	8/14/2026	10,000,000.00	10,000,000.00	0.00
Academy Bank - Certificate of Deposit	10,000,000.00	3.900	8/15/2026	10,000,000.00	10,000,000.00	0.00
Academy Bank - Certificate of Deposit	5,000,000.00	3.900	9/15/2026	5,000,000.00	5,000,000.00	0.00
Academy Bank - Certificate of Deposit	10,000,000.00	3.700	9/15/2026	10,000,000.00	10,000,000.00	0.00
Commerce Bank - Certificate of Deposit	15,000,000.00	3.351	10/15/2026	15,000,000.00	15,000,000.00	0.00
UMB Bank - Certificate of Deposit	15,000,000.00	3.400	11/16/2026	15,000,000.00	15,000,000.00	0.00
Security Bank of KC- Certificate of Deposit	15,000,000.00	3.550	12/15/2026	15,000,000.00	15,000,000.00	0.00
Security Bank of KC- Certificate of Deposit	10,000,000.00	3.550	1/15/2027	10,000,000.00	10,000,000.00	0.00
Security Bank of KC- Certificate of Deposit	10,000,000.00	3.560	2/15/2027	10,000,000.00	10,000,000.00	0.00
Commerce Bank - Certificate of Deposit	20,000,000.00	3.430	3/15/2027	20,000,000.00	20,000,000.00	0.00
Security Bank of KC- Certificate of Deposit	6,000,000.00	3.480	4/15/2027	6,000,000.00	6,000,000.00	0.00
US TREASURY N/B	5,000,000.00	3.735	5/31/2027	4,950,427.12	4,934,375.00	(16,052.12)
US TREASURY N/B	10,000,000.00	3.902	6/15/2027	10,066,805.76	10,048,828.10	(17,977.66)
Sub-total: Short-term Portfolio	**$154,000,000.00**	**3.639**		**$154,017,232.88**	**$153,983,203.10**	**($34,029.78)**

Long-term Portfolio:

Description	Par Value	Current Yield	Final Maturity	Current Book Value	Current Market Value	Unrealized Gain (Loss) as of 06/30/2026
US TREASURY N/B	20,000,000.00	3.972	7/31/2027	19,742,978.31	19,709,375.00	(33,603.31)
US TREASURY N/B	5,000,000.00	3.761	7/31/2027	5,005,821.00	4,986,523.45	(19,297.55)
US TREASURY N/B	10,000,000.00	4.006	9/30/2027	9,938,166.38	9,923,046.90	(15,119.48)
US TREASURY N/B	10,000,000.00	4.033	10/31/2027	10,011,401.81	9,995,312.50	(16,089.31)
Sub-total: Long-term Portfolio	**$45,000,000.00**	**3.970**		**$44,698,367.50**	**$44,614,257.85**	**($84,109.65)**

Description	Par Value	Current Yield		Current Book Value	Current Market Value	Unrealized Gain (Loss) as of 06/30/2026
TOTALS	**$199,000,000.00**	**3.714**		**$198,715,600.38**	**$198,597,460.95**	**($118,139.43)**

Report Notes:
This report includes the City's U.S. Treasury and U.S. Government Agency investments held by the third-party custodian (UMB Bank) and Certificates of Deposits held across various financial institutions
This report does not include investments held away from the third-party custodian, which include:
-Repurchase Agreements
-Municipal Investment Pool (Overnight Pool)

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)

Exhibit E - Reserve Balances by Fund

6/30/2026 Fund	6/30/2026 Reserve Balance	FY 2026 Budget	Policy Minimum Reserve Target	Minimum Reserve Target (per policy)	Actual 6/30/2026 Reserve Percentage	Projected 12/31/2026 Reserve Percentage
General Fund	$51,452,373	$115,754,408	30%	$34,726,322	44%	39%
Debt Service Fund	$23,046,373	$15,212,040	10%	$1,521,204	152%	51%
Health Plan Fund	$5,282,399	n/a	n/a	$2,072,907	n/a	n/a
Risk Management Fund	$2,867,200	n/a	n/a	$1,521,414	n/a	n/a
Worker's Compensation Fund	$3,239,467	n/a	n/a	$1,878,416	n/a	n/a
Stormwater Fund	$8,693,467	$7,748,213	10%	$774,821	112%	31%
Rec Center Fund	$3,983,998	$4,014,000	10%	$401,400	99%	99%
Tourism and Convention Fund	$1,840,602	$1,800,000	5%	$90,000	102%	173%
Special Alcohol Fund	$1,165,677	$477,317	5%	$23,866	244%	273%

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)

Exhibit F - Thompson Barn Financial Report

Account Description	Amount as 6/30/2025	Amount as 6/30/2026
Revenues:		
Community Rentals	$42,740	$122,125
Total Revenues	**$42,740**	**$122,125**
Expenditures and Encumbrances:		
Personnel Costs	$6,142	$19,414
Contractual Services	$27,738	$10,632
Commodities	$6,488	$12,643
Total Expenditures and Encumbrances	**$40,368**	**$42,689**
Revenues less Expenditures and Encumbrances	**$2,372**	**$79,436**
Unspent Balance as of January 1st	**$1,389,067**	**$1,555,736**
Unspent Balance as of June 30th	**$1,391,439**	**$1,635,172**

Rental Activity YTD:

Number of Rentals	6/30/2025	6/30/2026
Chamber of Commerce	12	11
City of Lenexa	3	7
Public	118	132
Totals	**133**	**150**

Types of Rentals	6/30/2025	6/30/2026
Meetings	49	50
Social Functions	84	100
Totals	**133**	**150**

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)

Exhibit G - Purchase Order Report ($20,000.01 - $75,000)

Fund/Department	Vendor Name	Amount	Description	Date
Parks & Rec Support Services	Rigdon Inc.	20,771.59	Facility Window Cleaning CH/PM	05/26/2026
Street Improvements	Stanion Wholesale Electric Co Inc	21,475.00	Ubicquia Nodes - CC Streetlights Project	04/22/2026
Street Improvements	Stanion Wholesale Electric Co Inc	21,475.00	Ubicquia Nodes	06/04/2026
Street Improvements	Stanion Wholesale Electric Co Inc	21,475.00	Ubicquia Nodes	06/08/2026
MS Facilities	Siemens Industry Inc	23,025.00	Siemen's 2026 Advantage Maintenance Agreement	04/14/2026
ERF Police Patrol	Airtouch / Verizon	24,196.48	PD2602 (22) Cradle point routers	4/30/2026
Municipal Buildings	Senne Company, Inc	26,740.00	Fuel Station Access Platform	05/22/2026
Facility Maintenance	Peckham Guyton Albers & Viets Inc	27,000.00	Public Market Office & Concierge Office Spaces	05/18/2026
Rec Ctr Admin	DB Flooring LLC	27,515.00	Rec Center New Flooring	06/04/2026
Municipal Buildings	Minnesota Elevator	27,884.00	Lenexa Community Center Elevator Repair	05/04/2026
ERF Police Patrol	Vick Roberts Consulting LLC	34,201.47	PD2603 -(3) Binocular Night Vision Devices	05/11/2026
Police	Blue Valley Public Safety Inc	39,618.00	Outdoor Warning Siren main agreemt 3/1/26-2/28/27	05/18/2026
Facility Maintenance	Gridium, Inc.	41,099.00	Gridium Energy Analytics - Software Access	06/23/2026
Police	Intergraph Corporation	43,318.44	Intergraph 8/1/26-7/31/27-To be reimb 911 funds	04/28/2026
MS Traffic	TRAFFIC SIGNAL CONTROLS INC.	43,560.00	CONFLICT MONITORS - 18 CHANNEL SIGNAL MONITOR	04/28/2026
ERF Police Patrol	S&S Electronics LLC.	43,847.25	PD2601 (15) Axis PTZ Cameras	6/19/2026
Economic Development	Johnson County Trans	44,398.00	Transit Service during FIFA World Cup	4/17/2026
MS Traffic	Mid-American Signal Inc	49,140.00	Traffic Enclosure Locks	06/08/2026
Rec Ctr Fitness	Core Health & Fitness LLC	51,807.28	Replacement Exercise Equipment	05/15/2026
IT Infrastructure	ConvergeOne Inc	67,036.81	Cisco SmartNet Network Equip maintenance	4/19/2026
Police	C&C Sales Inc	68,869.00	4/1/26-3/31/27 Genetec-Omnicast Contract & Lic	04/13/2026

CITY OF LENEXA QUARTERLY FINANCIAL REPORT
(06/30/2026)
Exhibit H - Rec Center Financial Report

Account Description	FY 2026 Budget	Amount as of 6/30/2026
Revenues:		
Membership Fees	$2,718,500	$1,385,964
Day Pass Fees	$290,000	$305,386
Child Care Fees	$35,000	$32,415
Silver Sneakers Fees	$250,000	$171,828
Birthday Party Rental Fees	$140,000	$72,917
Fitness Class Fees	$96,000	$59,313
Swim Lessons/Aquatics Programs	$150,200	$91,496
Sports Programs	$40,800	$28,280
Other Event & Rental Fees	$7,000	$37,459
Other Classes & Camps Fees	$172,500	$93,001
Investment Income	$100,000	$13,323
Vending & Miscellaneous Revenues	$14,000	$8,043
Total Revenues	**$4,014,000**	**$2,299,425**
Expenses:		
Personnel Costs	$3,104,485	$1,308,430
Contractual Services	$562,123	$177,138
Commodities	$301,025	$153,476
Capital Outlay	$239,853	$114,392
Total Expenses	**$4,207,486**	**$1,753,436**
Revenues less Expenses	**($193,486)**	**$545,989**
Transfer to Capital Project	**$4,382,226**	**$1,900,000**
Net Position (Balance), January 1, 2026		**$5,338,009**
Net Position (Balance), June 30, 2026		**$3,983,998**

Statistics as of 06/30/2026

Rec Center opened for operations in late July of 2017.

Memberships	Number	% Share
Household	5,923	50.0%
PLUS 1 (members above total of 5 members per household)	797	6.7%
Adult	1,108	9.4%
Senior	747	6.3%
Specialty Memberships	2,606	22.0%
All Other	669	5.6%
Total Memberships	**11,850**	**100.0%**

Total Membership Units (Pro Forma estimated 2,010 in first year)	4,117

Total Visits (2nd quarter 2026)	93,336
Total Visits (since opening)	2,717,162