

City of Edgerton, Kansas
Minutes of City Council Regular Session
May 27, 2021

A Regular Session of the City Council (the Council) was held in the Edgerton City Hall, 404 E. Nelson, Edgerton, Kansas on May 13, 2021. The meeting convened at 7:00 PM with Mayor Roberts presiding.

1. ROLL CALL

Ron Conus	present
Clay Longanecker	present
Josh Lewis	present
Josh Beem	present

With a quorum present, the meeting commenced.

Staff in attendance:	City Administrator Beth Linn
	City Attorney Lee Hendricks
	City Clerk Alexandria Clower
	Development Services Director Katy Crow
	Finance Director Karen Kindle
	Accountant Justin Vermillion
	Public Works Director Dan Merkh
	CIP Manager Brian Stanley
	Public Works Director Trey Whitaker
	Marketing and Communications Manager Kara Banks
	Recreation Coordinator Brittany Paddock

2. WELCOME

3. PLEDGE OF ALLEGIANCE

Mayor Roberts stated Councilmember Katee Smith submitted her resignation from Council due to her moving to another city.

Business Requiring Action

4. CONSIDER APPOINTMENT OF A CITY COUNCIL MEMBER TERM ENDING IN JANUARY 2024

Mayor Roberts recommended the appointment of Jody Brown as the new councilmember. He stated Jody has previously served on Council for 16 years and is an active member in the community.

Councilmember Longanecker moved to approve the new appointment of Councilmember Jody Brown. Seconded by Councilmember Lewis. The appointment of Jody Brown as the new Councilmember was approved, 5-0.

Alexandria Clower, City Clerk, gave the oath of office.

Consent Agenda

5. Approve Minutes from May 13, 2021 Regular City Council Meeting
6. Approve a Lease Agreement with LEAF Capital Funding, LLC and a Maintenance Agreement with MAPS, Inc., for a Multi-Function Printer/Copier for City Offices Located at 305 E. Nelson
7. Approve Application FP2021-02, Final Plat for CY Edgerton Second Plat Generally Located Near the Southeast Corner of Homestead Lane and 191st Street, Edgerton, Kansas.
8. Approve Actual Project Costs and Final Acceptance of 56 Highway Multi-Use Trail Project

Councilmember Beem moved to approve the consent agenda. Seconded by Councilmember Longanecker. The Consent Agenda was approved, 5-0.

Regular Agenda

9. **Declaration.** There were no declarations made by any of the councilmembers.

10. **Introduction** of Brittany Paddock, New Recreation Coordinator.

Ms. Beth Linn, City Administrator, introduced the City's new Recreation Coordinator, Brittany Paddock. She stated she is excited for Brittany to join the team and she has already hit the ground running with the events that are coming up here very soon.

Brittany Paddock addressed the council. She stated she has lived in Kansas City area for 5 years, but she is from California. She stated she grew up coming to the area to visit family. She stated she has been in different types of parks environments for the duration of her career and she is excited to bring new programs and events to the community.

Business Requiring Action

Mr. Lee Hendricks, City Attorney wanted to bring to the attention of the Governing Body and the public the new policy going forward for public hearings. He stated the policy is written in red at the beginning of the Agenda provided to Council and the public. This policy states that anyone wishing to speak regarding public hearings must pre-register online prior to the Council Meeting. He stated because this policy was not published along with the public hearings in the newspaper, the sign in sheets for the public were utilized tonight and pre-registration was not required. He stated the new policy will likely be in effect if the Agendas continue to be the size they are now. He stated going forward, the language for the new policy will be included in the Agenda, Agenda Packet and notification to the paper. He stated he would like to remind the public and council members that comments from the public must pertain to the topic being discussed at that time.

11. PUBLIC HEARING FOR RESOLUTION 05-27-21A TEMPORARILY WAIVING CITY PROHIBITION AS TO THE SALE AND CONSUMPTION OF ALCOHOLIC LIQUOR ON CERTAIN PUBLIC PROPERTY

Ms. Linn addressed the council. She stated Edgerton Frontier Days will be held June 18-19, 2021. She stated the Edgerton Frontier Days Committee has requested permission to sell and serve alcoholic liquor and cereal malt beverages at the festival.

Ms. Linn stated the City Code of Edgerton prohibits the serving of cereal malt beverages or alcoholic liquor within 200 feet of any church, school, nursing home, library, or hospital. She stated the prohibition may be waived by the governing body after public notice, followed by a public hearing and finding by the governing body that the proximity of the location, where the cereal malt beverage or alcoholic liquor will be served, is not adverse to the public welfare or safety.

Ms. Linn stated if approved, Resolution No. 05-27-21A, would grant the waiver requested by the Frontier Days Association, with certain stipulations, listed in the Agenda Packet and in the Resolution itself.

Ms. Linn stated City staff will inform the Johnson County Sheriff's Office of the proposed request to serve alcoholic liquor on the listed and approved dates and times.

She stated this Resolution is specifically in reference to the location of the Johnson County Library in proximity to the serving of alcoholic beverages.

Mayor Roberts opened the Public Hearing at 7:10PM and asked the City Clerk if there was anyone signed up to speak. The City Clerk stated there were no submissions to speak on this topic. Mayor Roberts then closed the Public Hearing at 7:10PM.

12. CONSIDER RESOLUTION NO. 05-27-21A TEMPORARILY WAIVING CITY PROHIBITION AS TO THE SALE AND CONSUMPTION OF ALCOHOLIC LIQUOR ON CERTAIN PUBLIC PROPERTY

There were no questions or comments from the Governing Body.

Councilmember Lewis moved to approve Resolution No. 05-27-21A. Seconded by Councilmember Longanecker. The Resolution was approved, 5-0.

12.5. Presentations by Representatives for 2022 Budget Requests

- Frontier Days

Mr. Glyn Powers addressed the council. He stated Frontier Days Committee is thankful for the City's donation and everything the City does to help Frontier Days. He stated Frontier Days would like to ask for the same amount given last year due to the anniversary event: \$30,000. He stated this year, they could not do real carnival rides but will have Fun Services come in with inflatables and their mechanical rides. He stated there will be an auction this year similar to years past. He stated there is no price to attend the event and most activities are free, but there will be a cost for food, drinks and the auction. He stated the beer garden will be provided by Saints again this year.

Mayor Roberts stated the Funding Recommendation has to come from Council.

Councilmember Conus asked why Frontier Days was asking for so much this year with it not being the anniversary.

Mr. Powers stated because it is the same amount as last year.

Mayor Roberts stated if Council decides not to give the \$30,000 they are requesting, Council can recommend another amount.

Councilmember Longanecker asked if Frontier Days plans to spend the \$30,000 this year.

Mr. Powers stated they have paid about 2.5 times more than what they would to Fun Services to operate and bring in rides.

Councilmember Longanecker stated he would like to see at least \$25,000 going to Frontier Days for 2022.

Councilmember Conus stated he would like to see the City give \$18,000 again.

Councilmember Beem stated he is fine with \$25,000.00. He stated Frontier Days is a complete volunteer committee and there is a lot of time and effort that goes into that event.

The Governing Body agreed to move forward with granting the 2022 Funding Request in the amount of \$25,000.00

- Project Grad

Ms. Beth Linn stated due to schedules, Project Grad members were unable to attend tonight. She stated City Staff is happy to see if anyone would be available for another meeting to present.

Mayor Roberts stated he would like for someone to come to Council to give a report to better understand where the donation from the City is used.

Ms. Linn stated the City could tentatively donate the same amount as last year and have them come to a meeting prior to the budget hearing to present and finalize the numbers.

- Johnson County Utility Assistance

Ms. Brandy Hodge and Ms. Joanne Haworth with Johnson County Human Services addressed the council.

Ms. Hodge stated Johnson County has an established Utility Assistance & Emergency Assistance Program for low-income residents for over 30 years. She stated each year, demand continues to grow and the economic impact from COVID-19, will be felt for years. She stated residents need assistance because of high bills, medical or utilities, unable to work, housing cost has increased, unemployed or looking for work, and low

wages. She stated the Utility Assistance program offers financial assistance to qualifying individuals. She stated to be qualifying, individuals must be an Edgerton resident, be at or below 200% of the poverty level with eligibility based on the last 30 days income, the past due utility bill must be in their name and residents must show proof of recent payment history. She stated the City contributes up to \$150 per qualifying resident and Johnson County contributes up to \$200. She stated the pledge history for the City of Edgerton for the last 5 years. She stated in 2020, 8 households in Edgerton were served and the total amount of assistance including funds from the City, Johnson County and other resources was \$2,659.

She stated they are requesting \$2,000 again this year and there is a current roll over of \$2,552.

Mayor Roberts asked what 200% of the poverty level looks like.

Ms. Haworth stated a household of 4 could qualify if their gross income is at or below \$4,282 based on a 30-day income.

Ms. Beth Linn stated the City's front office staff often refers those residents who might need a little more help on their bill to the Johnson County Multi-Service Center for financial assistance.

Ms. Hodge stated due to COVID the center did perform virtual appointments and residents can still call for the initial startup of the appointment, but documentation is still required.

Councilmember Longanecker stated with the roll over amount, he thinks this is a good amount for 2022.

Ms. Hodge stated the financial team looked over the numbers and they think it is a safe number to use for this coming budget year.

The Governing Body agreed to the funding request of \$2,000.

Mayor Roberts stated he appreciates the Utility Assistance program and the help it provides to the community.

- United Community Services

Ms. Julie Brewer with United Community Services of Johnson County addressed the Council. She stated she will be presenting on two items tonight: the 2022 Budget Request for the Human Service Fund (HSF) and providing an update for the Johnson County Housing Study.

She stated HSF is a City-County partnership that has been managed for more than 30 years. She stated as an organization, they manage grant intake, application review, recommendations, etc. She stated Edgerton has invested resources to support these services since 2012. She stated the focus of HSF are programs that address the well-being, personal safety and stability of Johnson County residents, with primary

beneficiaries being residents that are at or below 200% of the Federal Poverty Level. She stated in 2021, 14 cities and the county contributed \$395,176. She stated through a UCS managed competitive grant process, HSF supports 15 programs in providing safety net services. In 2020, HSF grantees provided more than 168,000 units of service provided to more than 37,000 individuals. She stated this data is on non-duplicated accounts, and because of tele-health services the numbers were a little harder to track, making this number a conservative number for the number of people served. She stated since 2012, Edgerton has supported HSF. In 2020 and 2021, Edgerton provided \$2,000. She stated in 2022, HSF is requesting \$2,500. She stated this increase is needed due to the pandemic. She stated a lot of Federal resources helped throughout the course of the pandemic, but as those are going away, the rise in local need will be greater. She stated they would also like to launch a small grant pool to support small human service focused non-profits in building their grant capacity.

Mayor Roberts stated he appreciates the work UCS has done. He stated UCS works to pull data from across the county, and if there is data needed for anything human service related, UCS can get those numbers. He stated it is amazing the statistics that this team can pull out and show. He stated most people do not realize that there is a substantial homeless population in Johnson County, including in areas most would not think of. He stated the partnership UCS brings forward in helping the community in different areas as far as shelter, education programs, etc., and they manage all of that and bring report back that shows how successful programs are or where improvement can be made.

Ms. Brewer stated Mayor Roberts serves on the board and she appreciates the city/county partnerships that have been formed to benefit the agencies and the surrounding community.

She stated more than more than 750 units of service were provided to residents in Edgerton. She said if the math is done on the \$2,000 funded, that breaks down to a little over \$2.60 per units of service.

Councilmember Conus asked what a unit of service is.

Ms. Brewer stated a unit of service could be counseling, a shelter house, help from Catholic Charities around financial education, etc. She stated it is the type of service with the number of people served, for a non-duplicated count.

The Governing Body agreed to the request of \$2,500.00 for 2022.

Ms. Brewer provided an update on the Housing Study -

She stated the City of Edgerton has been very active and engaged along with ElevateEdgerton! who also worked with the same company to provide an Edgerton-specific report. She stated the Housing Study was work that began about 4 years ago that in turn created the Housing Taskforce for the Johnson County area. She stated Johnson County was one of 18 communities around the state that was awarded the Healthy Community Initiatives Grant and they were tasked with doing a year of research and data analysis around priority needs. She stated from this research safe, stable,

attainable housing was identified as the priority health issue. She stated they looked at the numbers through what they call a "Health Equity Lens" and the Social Determinants of Health. She stated this shows that about 50 percent of your health is related to healthcare, healthy behaviors, etc. but the other 50 percent is made up of their health environment, which includes where that person lives, works, learns, plays and prays. She stated that looking at data from the Johnson County Department of Health and Environment that where someone lives can impact their life expectancy by as much as 8 years.

She stated wages across most foundational jobs in the community have not kept pace with the housing costs. She stated the median wage between the top 3 largest job classifications in the surrounding area (Office Admin, Food Services, and Retail Customer Services) tops out at about \$35,000 a year. She stated with this wage it is hard to get into a home and hard to get into a rental property.

She stated after identifying the need, city and county leaders met regarding the issue, and in 2020 the Housing Task Force was created. She stated for about every dollar put in from the city and county, another 3 dollars was added from the healthcare foundations and grant process to help fund the work of the last four years. She stated they conducted listening sessions throughout the community as well resident surveys so that residents could weigh in on their needs and visions for the housing needs in the community. She stated there is a link to the housing study on the website. She stated the data shows that there is almost as many multifamily units built in the last ten years as single-family homes. They also looked at the age of housing, which shows the majority of the homes in Edgerton were built after 1970.

She stated they looked at the housing cost burden, which for Johnson County shows that on average a little over 18% of those that own their home currently are spending more than 30% of their gross income on their home. She stated for Edgerton, that number is slightly higher with about 22% of those that own their home having a housing cost burden. She stated they look at opportunities for jobs and housing in the areas that pay less than \$1,250 a month, while asking if there is a housing solution opportunity so people can live and have transportation near where they work. She stated they look at community perspective, what there is and is not enough of, while identifying the type of housing products that will work in the county and individual city. She stated the only type of housing that fell below 50% in the survey of what people thought would be successful in Johnson County was Large Lot Residential Housing. She stated more than 500 of the 4,600 people who participated in the survey said they would like to participate in the Task Force. About 125 people attended each of the four evening Task Force convenings.

Councilmember Longanecker stated living and working closer together is a better thing for people.

Ms. Brewer stated if someone is spending more than 30% in housing, they are house burdened. If they are spending more than 15% of their income in transportation, they are transportation cost burdened. She stated they were amazed at the number of people that are burdened.

Ms. Brewer stated at the end of 2020 about 3,300 childcare slots were lost in the Kansas City Metro area and about 1,100 of those were in the Johnson County area.

- Miami County Conservation District
Mayor Roberts stated Lesley Rigney could not make it to council this evening, but he would love to have them come back to the next meeting or meeting she can attend to have Miami County Conservation present.
- ElevateEdgerton!
Mr. James Oltman, ElevateEdgerton! President addressed the council. He stated EE! is the lead economic development group for the City of Edgerton as a 501C6 organization. He stated it has been operating as a public-private organization since 2017. He stated while some funds are received from the city, a major portion of their budget comes from private funding. He stated since its formation, EE! has focused its efforts on residential development recruitment, commercial development recruitment, workforce development efforts and being a resource in the continued growth of Logistics Park Kansas City. He stated on June 16th, the board of directors will hold their third strategic planning session to evaluate the current focused priorities of ElevateEdgerton!. He stated during this process they will evaluate the progress of the organization and refine as needed.

He stated included in the packet is an outlined copy of 2020-2021 deliverables. He stated EE! has vast knowledge about potential residential development property in the surrounding area. He stated he has met with potential housing developers about new residential construction and continues to do so. He stated because of the county wide housing study, Edgerton was fortunate to be able to piggyback and contract out with the same group that completed the county study, saving significant money. He stated the study for Edgerton was completed in April 2021 and it was just presented to EE! board. He stated EE! and City Staff will work to bring forward an Edgerton specific presentation that will explain some of the challenges and questions surrounding the prevention of residential development in the last 20 years. He stated the information received can now be used as a tool for potential developers.

He stated there is there is a lot of demand and need at LPKC for retail and commercial development. He stated On-the-Go Travel Center on Homestead is now nearing completion, which has provided an anchor tenant for other development in the area. He stated it is anticipated that On-the-Go should open sometime this summer. He stated maintaining and updating marketing material for commercial recruitment is on-going. He stated just this week a marketing flyer was released with a promotional drone video showing the new travel center along with available parcels. He stated EE! is continuing to attend commercial developer meetings along with conventions such as ICSC Recon which was a Global Retail Convention that has been postponed to December 2021.

He stated EE! continues to host monthly round tables for LPKC tenants to discuss what is working and what is not and allows EE! to dig deep to see what they can be of assistance on. He stated EE! coordinates LPKC exclusive career fairs and continues to do regional marketing for LPKC employment opportunities. He stated while so many places had to close their doors and people lost their jobs, the companies at LPKC had to hire more people to keep up with the demand.

He stated with investor retention and growth, there has been a continued effort to seek strategic partnerships to EE!.

He stated ElevateEdgerton! continues to represent Edgerton at economic events and within the region, including attending Planning Commission and Council when economic development opportunities are being discussed.

He stated one thing EE! added last year to the community services was the new resident bags. He stated they have also created an outlet for the community with news and events, including podcasts that talk about things going on in the community and things people may want to be aware of.

He stated ElevateEdgerton! continues to adapt to the needs created by the pandemic and with partners at Olathe Health, EE! facilitated a vaccination clinic for Edgerton residents and employees as well as LPKC employees. He stated they also provided water bottles and lanyards to Edgerton Elementary at the beginning of the school year.

He stated for the rest of 2021 and on to 2022, ElevateEdgerton! will maintain and update inventory of properties well positioned for development, meet with potential developers, and stay up to date on economic development tools available to assist communities recruit housing development. He stated EE! will continue to maintain and update marketing material geared toward commercial recruitment as well as attend events and meetings geared toward the recruitment of retail and commercial. He stated EE! will continue to host monthly roundtables, coordinate LPKC career fairs and market for LPKC employment opportunities. He stated EE! will continue to represent Edgerton within the local region. He stated within the last year he has been asked to serve on the Kansas Housing Association. He stated for the community service aspect, they will continue to provide new resident bag, create an outlet for community news and events and continue to be flexible and adapt to the unforeseen circumstances from the COVID-19 pandemic.

He stated ElevateEdgerton! is requesting funding in the amount \$55,000 to go to the operating budget, \$10,000 in kind contributions for the Marketing and Communications Employee and \$10,000 to targeted allocation. He stated the targeted allocation was started 2 years ago. Last year they focused on residential development efforts and because of the funding, they were able to complete the housing study. He stated the targeted allocation is only given if it is used. He stated for 2022, they would like to focus on community development recruiting, including data collection, commercial development related marketing and enhancing the efforts to capitalize on the addition of the new travel center.

Councilmember Longanecker asked if this was the same amount funded last year.

Mr. Oltman stated this is the amount that has been requested and received the last 2 years.

The Governing Body agreed to the funding request of \$55,000 operating, \$10,000 in-kind contribution, and a \$10,000 targeted allocation.

13. PUBLIC HEARING FOR RESOLUTION NO. 05-27-21B CONSENTING TO THE PARTIAL ASSIGNMENT OF A RESOLUTION OF INTENT FOR THE LOGISTICS PARK-KC, PHASE 2, FROM EDGERTON LAND HOLDING COMPANY, LLC TO ELHC LII, LLC, OR ITS SUCCESSORS IN INTEREST

Mr. Scott Anderson, City of Edgerton Bond Counsel, addressed the council. He stated he has been asked to give a summary of who he is and what he does. He stated he holds undergrad and law degrees, and he focuses primarily on economic development. He stated during his 25 years in practice he has worked for three of the largest public finance law firms in the Midwest. He stated he started his own practice in 2011 and served as an expert witness for the University of Iowa on a legal malpractice bond claim. He stated during his practice he has historically focused on representing issuers such as cities, counties, and state governments. He stated his clients over the years have included Iowa, Missouri and Kansas, and at some point in his career, he has represented half of the major cities in the metro. He stated his representation is almost exclusively cities, and he has done limited developer representation due to conflicts. He stated most attorneys pick one side or another and his representation is that of the Governing Body. He stated while he generally takes instruction from City Staff and the Mayor, he also takes direction from the Council.

Mr. Scott Anderson stated although we call it the intermodal in general, the development agreement divides it into two, the Intermodal and Logistics Park Kansas City.

He stated the Intermodal is 440 acres owned by Burlington Northern Sante Fe (BNSF). He stated this includes the tracks and container lift equipment. The development agreement deals very little with the Intermodal itself. He stated BNSF made an initial contribution of \$1.8 million to the Public Infrastructure Fund. He stated railways are taxed differently; they are taxed on miles of track. He stated very few track miles have been added. He stated the City does contribute incremental property taxes above the 2009 base year per the development agreement. In a recent negotiation the City will stop this contribution in 2032.

He stated Logistics Park Kansas City is developed by NorthPoint Development for distribution and warehouse facilities. He stated the City contributes utility sales taxes and franchise fees through 2032, street excise taxes and bond origination fees to the public infrastructure fund. He stated payments-in-lieu-of-taxes, or PILOTs, are paid to the County and distributed as property taxes to all taxing jurisdictions. He stated additional revenue sources are non-abated projects such as the cargo container facilities, which are taxed just like any other facility. The 8 mills for the school district capital outlay cannot be abated, so the school district always receives some money during the abatement. He stated there is a significant KDOT investment to support this development. He stated there is additional sales and use taxes from customers of the Intermodal and Logistics Park. He stated when business bring in materials, they pay use tax. He stated the Logistics Park is financed when someone other than the City builds infrastructure. The City then agrees to reimburse the costs of certain pre-negotiated public infrastructure from funds deposited in the Public Infrastructure Fund as funds are available. He stated if funds are not available, the city will not make those reimbursements. He stated development pays for development and Edgerton residents are not on the hook for any Logistics Park Infrastructure. He reiterated if money does not come in, development is not reimbursed.

He stated the City is required to finance these warehouses with IRBs. He stated to issue an IRB, the City has to have legal interest in the project. He stated the Developer leases to the City and the City then subleases back to the developer. He stated a bond also has to be issued and the City requires the developer to buy their own bond. He stated the payments on the bond are paid solely on lease payments made by the developer. He stated the City is not liable for whatever may be remaining on that bond. He stated under K.S.A. 12-1743 "The principal of and interest on the revenue bonds shall be payable solely and only from the special fund herein authorized for such payments, and the revenue bonds shall not in any respect be a general obligation of such city or county, nor shall they be payable in any manner by taxation." He stated as K.S.A. 12-1749(d) states before bonds can be issued, the city shall "prepare an analysis of the costs and benefits of each exemption". He stated this law does not say it has to be a positive or negative impact, the study just must be completed. He stated it is also required for the City to "conduct a Public Hearing on the granting of such exemption", after published notice.

He stated on the current issues tonight, the City published notice, notified the School District and the County as required. He stated the city then adopts a resolution of intent and finally the city approves an ordinance authorizing the issuance. He stated sometimes these are on the agenda and could be passed in the same night. He stated the required processes have occurred for these items on the agenda tonight. He stated there is no public hearing if there is no property tax abatement. He stated Resolution No. 5-27-21C on the agenda does not have property tax abatement and requires no public hearing.

Mayor Roberts requested a recess at 8:40 P.M.

The meeting resumed at 8:46 P.M.

Mr. Jeff White with Columbia Capital Management addressed the council. He stated Columbia Capital is a 25-year-old independent financial and investment advisory firm that serves state, regional and local government bond issuers in the Midwest and around the country. He stated Columbia Capital works with dozens of cities and counties around the United States. He stated much like Mr. Anderson, Columbia Capital also works as the city's financial advisor, providing advise that puts the city's best interest above anything else. He stated Kansas law requires the City to conduct a cost-benefit analysis with respect to property tax abatements to assess the costs and benefits for the city, along with affected counties and school districts. He stated it is also required to estimate the impact on state revenues. He stated Columbia Capital has used the same analytical methodology on cost-benefit analyses for Kansas tax abatements for more than a decade.

Mr. White stated property tax abatements in Kansas are permitted on nearly all taxes due for up to 10 years. He stated technically, all property tax abatements in Kansas are 100% unless the city and the applicant agree by contract to reduce that amount. He stated in the case of ELHC LII, the property owner would make annual payments-in-lieu-of-taxes (PILOT) on 16 cents per building square foot per year for the 10-year proposed term of the abatement. He stated a dollar of PILOT is distributed to taxing jurisdictions in the same way a dollar of actual property taxes is. He stated the property owner is also obligated to pay certain other costs, also reducing its effective abatement.

Mr. White stated he had mentioned nearly all taxes are abated, however that does not apply to a capital mill levy from a school district. He stated for most districts, including the school districts in Johnson County, this means tax abatements now have no direct financial impact on them.

Mr. White stated Columbia Capital has performed a cost-benefit analysis for this item, a 100% abatement running the full 10 years permitted by law, less the school capital levy and less the payments-in-lieu-of-taxes and additional costs the city imposes via contract. He stated the analysis shows immediate positive impact and overall net present value benefits to the city, the County, and the Gardner-Edgerton schools. He stated the net benefit to the school district is more sizable than the County's, largely because it's 8 mill levy not being abated.

Mr. White stated as noted in the summary of the analysis with respect to the Public Infrastructure Fund, the City has agreed by contract to direct certain dollars from the project for reinvestment in the infrastructure supporting the LPKC development.

Mr. White stated the net benefits shown for each local government studied are measured only over the term of the abatement, but for illustration purposes, there is also an example of what the tax revenues from this project might be when the abatement expires.

Mr. White stated it is challenging to calculate marginal costs and benefits to governmental entities from any given project, so average costs and benefits is used instead. He stated that average is likely to overstate costs and understate benefits over time.

He stated only direct benefits and costs are addressed. He stated induced or spin-off benefits and costs are not calculated because they are much less certain. He stated excluding these costs are much harder to pin down than marginal costs, so it is not calculated, and by excluding induced benefits adds conservatism to the analysis by likely understating the benefits of the project over time.

He stated while state law requires the cost-benefit analysis to be performed, it does not require a positive outcome for the Governing Body to grant the abatement. He stated it is encouraged for the report to be used as one of several pieces of data in making the determination on whether and how much abatement should be granted to any specific project.

There were no questions or comments from the Governing Body.

Mayor Roberts opened the Public Hearing at 8:54PM

Mr. James Oltman, ElevateEdgerton! President addressed the council. He stated even during PILOT period, the City will receive 72 times the tax revenue than it would if the property were to sit undeveloped. He stated after the PILOT period the tax revenue is 602 times what the property generates undeveloped. He stated this is just the city of Edgerton portion. He stated the City of Edgerton has approximately 600 homes within the city limits. He stated according to numbers shared by Mr. Beachamp on social media the average tax collection on an average home in Edgerton is \$548.75. According to these numbers it takes over 64 houses in Edgerton to generate the same amount of revenue for the City as the PILOT for this building will

generate. He stated even more once the full tax revenue from the building is on the tax rolls, it would take 541 homes to generate the same amount of revenue. He stated this is almost the entire residential tax base currently for the City of Edgerton. He stated this is not to say residential development is not important. ElevateEdgerton! has committed almost 1,000 hours of time and effort towards residential development in Edgerton. He stated development like LPKC is critical to ensure the current residents of Edgerton and the future residents of Edgerton do not have to shoulder the tax burden completely.

Tyler Winkleman, 212 W 7th St., addressed the council. He stated vote no, nobody in this town wants anything to do with this project.

Josie Stambaugh, 804 W 3rd St., addressed the council. She stated why have the residential property taxes increased 35 percent since the intermodal where Gardner has only increased by 3.4 percent. She stated if this is ocean-front property that Mayor Roberts claims it is, why are tax abatements offered on those properties. She stated the City has entered one-sided deals with NorthPoint and huge corporations like Amazon and Walmart be granted tax abatements on the backs of the residents and it needs to stop. She stated as residents that are paying the taxes, they would like to see community improvements not warehouses. She stated she understands this is a reassignment of bonds approved in 2019 that require the consent of the City. She stated please vote no to this, use this as an opportunity to renegotiate a better deal or say no to NorthPoint all together. She referenced the mayor's comments about former Council Member Smith and stated Edgerton is losing residents. She asked what the city would have to pay if the IRBs were not granted.

Madeline Myers, 608 Heather Knoll Dr., with her spouse, Zachary Myers, addressed the council. She stated they oppose the IRBs and urge to council to vote against. She stated in March the Governing Body heard citizens oppose rezoning and in April these pleas were ignored. She stated the citizens of this community feel ignored over cooperate intimidation. She stated she urges council to vote no to this.

Kendell Michael, 212 W Nelson, addressed the council. He stated he loves this little town, and it should be kept that way, vote no.

Ted Beachamp, 23205 Moonlight Rd., Spring Hill, addressed the council. He stated 2 minutes is a questionable amount of time to allow him his due process as a Kansas resident. He stated as a Kansas taxpayer this is a bad deal for him and his surrounding neighbors. He stated Edgerton leads the county in properties under IRBs by a wide margin. He stated there is \$934 billion in property value under abatements, this works out to a .2% tax on the appraised value per the Johnson County Appraiser's Office. He stated IRBs will lead to more Home Rule Revenue Bonds. He stated the City currently owes \$27 million in bonds to NorthPoint Development in these bonds and per the financial statements the interest will accrue, and these bonds will remain unpaid for a number of years. He stated the City will be in debt to NorthPoint until 2041. He stated the expansions under the current agreement lengthens the time before anyone sees proper benefits. He stated KS supreme court just set a new precedence that benefits cities like this one. He stated the financing agreement that describes the origination fees and PILOT taxes were all signed in 2015. He stated only one councilmember was serving at that time, Mr. Longanecker. He stated any insinuation of fees for the city denying the abatement is just the company looking to profit off the backs of the taxpayers.

14. CONSIDER RESOLUTION NO. 05-27-21B CONSENTING TO THE PARTIAL ASSIGNMENT OF A RESOLUTION OF INTENT FOR THE LOGISTICS PARK-KC, PHASE 2, FROM EDGERTON LAND HOLDING COMPANY, LLC TO ELHC LII, LLC, OR ITS SUCCESSORS IN INTEREST

Mr. Scott Anderson stated the City received an application for property tax abatements from ELHC LII, LLC. He stated ELHC LII, LLC desires to construct an approximately 1.1 million square foot warehouse and distribution facility located at 20500 Corliss Road. He stated the city has previously approved the resolution of intent for phase 2 of the logistics park. This item assigns up to \$52 million of that master resolution. He stated for the city to issue Industrial Revenue Bonds and grant property tax abatements, the City must first hold a Public Hearing, consider the Cost-Benefit Analysis report, and then approve a Partial Assignment of the Master Resolution of Intent.

Mayor Roberts stated he would like to clarify a few comments. First, the loss of residents. He stated he stated that Ms. Katee Smith resigned from council because she was moving. He stated her house is already sold and will soon be occupied, so there is no loss in residents to the city. He asked Mr. Anderson to address Home Rule Revenue Bonds, when and how they pay off.

Mr. Anderson stated the city has issued a couple of Home Rule Revenue bonds, one by NorthPoint and another by UMB Bank. He stated these are advantageous to the city because they reduce the interest rate on bonds. He stated what happens is the conversion of amounts that would be eligible for reimbursement from the public infrastructure fund to tax exempt obligations which reduces the interest rate. He stated that debt is paid solely from money in the public infrastructure fund. He stated is the money owed, yes, it is a bond, but it is a special obligation revenue bond, it is paid from money in the public infrastructure fund to the extent it is available. He stated if money is not there, then it is not paid.

Mayor Roberts asked if this delays the building going onto the tax roll and residents collecting money into the general fund.

Mr. Anderson stated an abatement is fixed for 10 years per state statute. He stated the State of Kansas has a provision that says how much debt the city can incur.

Mayor Roberts stated after the 10-year abatement those buildings pay taxes at full rate to Edgerton and all other taxing jurisdictions and Edgerton can spend that money where it is deemed necessary.

Mr. Anderson stated the property is exempt from property taxes for a 10-year term the state does not have authority under Kansas law to go more than 10 years. Once that 10-year term is up, that building pays 100% of its tax bill.

Councilmember Conus asked if Mr. Anderson could explain where the money comes from that goes into the Public Infrastructure Fund.

Mr. Anderson stated it comes from origination fees, street excise taxes, utility sales taxes and franchise taxes from projects that are abated. He stated all the revenue comes solely from new projects at the logistics park. He stated the value of bonds has no relevance to the appraised valuation of the property.

Councilmember Lewis moved to approve Resolution No. 05-27-21B. Seconded by Councilmember Longanecker. The Resolution was approved, 5-0.

15. CONSIDER ORDINANCE NO. 2079 AUTHORIZING BOND DOCUMENTS AND THE ISSUANCE OF THE CITY'S TAXABLE INDUSTRIAL REVENUE BONDS (ELHC LII, LLC PROJECT) SERIES 2021, FOR THE PURPOSE OF FINANCING AND PROVIDING TAX ABATEMENT FOR A DISTRIBUTION AND WAREHOUSE FACILITY

Mr. Scott Anderson stated this Ordinance authorizes the issuance of the bonds from the previous Resolution.

Councilmember Longanecker moved to approve Ordinance No. 2079. Seconded by Councilmember Lewis. The Ordinance was approved, 5-0.

16. CONSIDER RESOLUTION NO. 05-27-21C DETERMINING THE INTENT OF THE CITY OF EDGERTON, KANSAS, TO ISSUE ITS TAXABLE INDUSTRIAL REVENUE BONDS IN THE APPROXIMATE AMOUNT OF \$12,000,000 TO PAY THE COST OF ACQUIRING, CONSTRUCTING AND EQUIPPING A COMMERCIAL FACILITY FOR THE BENEFIT OF CY EDGERTON LLC

Mr. Anderson stated CY Edgerton, otherwise known as Arrowhead Intermodal, has a desire to construct an expansion of their lot with some vertical improvements. He stated there is no property tax abatements and the only use of these bonds will be a sales tax exemption on construction materials. He stated by financing, Arrowhead Intermodal can continue to buy materials sales tax exempt. He stated on these projects, the marginal cost is zero to Edgerton. He stated they currently pay full property taxes and will pay property taxes on the expansion. He stated because there is no property tax abatement, there is no public hearing or cost benefit analysis.

Councilmember Longanecker moved to approve Resolution No. 05-27-21C. Seconded by Councilmember Beem. The Resolution was approved, 5-0.

17. CONSIDER ORDINANCE NO. 2080 AUTHORIZING BOND DOCUMENTS AND THE ISSUANCE OF THE CITY'S TAXABLE INDUSTRIAL REVENUE BONDS (CY EDGERTON LLC PROJECT) SERIES 2021, FOR THE PURPOSE OF FINANCING THE EXPANSION OF AN EXISTING SURFACE CONTAINER STORAGE LOT

Mr. Scott Anderson stated this Ordinance authorizes the issuance of the bonds, trust indenture, and other bond documents.

Councilmember Longanecker moved to approve Ordinance No. 2080. Seconded by Councilmember Lewis. The Ordinance was approved, 5-0.

18. CONSIDER RESOLUTION NO. 05-27-21D PROVIDING FOR A DEADLINE OF JUNE 21, 2021 TO RESTORE THE EXTERIOR CONDITION OF THE PROPERTY AT 1110 W. 7TH STREET, EDGERTON, KANSAS PURSUANT TO EDGERTON CITY CODE CHAPTER VIII, ARTICLE 3, SECTION 8-308

Ms. Katy Crow, Development Service Director, addressed the council. She stated on December 15, 2020, a fire occurred at 1110 W 7th Street. As a result of the Fire District gaining access to the home, the back door, sliding glass door and one window had to be boarded with plywood.

Ms. Crow stated to date, the fire damage has not been repaired and plywood is still in place. She stated due to the City Code, it is unlawful to keep the exterior condition of a structure deteriorated, dilapidated, or unsightly. She stated additionally, inoperable doors and windows five months post-fire has a detrimental impact to adjoining properties and the city overall. She stated the Code Enforcement Officer as well as the Sheriff's Office has received phone calls about people accessing the home through the boarded windows and doors.

Ms. Crow stated the owner of the home on Johnson County Aims is listed as Mikkell Allenbrand. She stated on May 4, 2021, City Staff mailed notification to Ms. Allenbrand and posted notice on the property to either abate the violation or request a hearing before the Governing Body to discuss the nuisance. As of date, no actions have been taken by the owner and the property remains in violation of City Code.

Ms. Crow stated pursuant to the City Code, as an alternative to prosecution, the public officer may present a resolution to the Governing Body for adoption, authorizing the public officer or other agents of the city to abate the conditions causing the violation 10 days after the passage of the resolution. She stated should the whereabouts of the owner be unknown, the code states that publication of the notice for two consecutive weeks in the newspaper and posting a copy of the resolution on the premises may be used as the method of notification. She stated the resolution prepared also provides notification that the costs incurred by the City shall be charged against the lot or parcel of ground on which the nuisance is located.

Ms. Crow stated staff recommends the Governing Body approve Resolution No. 05-27-21D to find the existence of a broken window and unsecured doors a violation of the City Code and instruct the public officer and Codes Enforcement Officer to cause the property to be repaired and made safe as allowed per City Code, Section 8-311.

Ms. Crow stated this resolution also charges any and all cost incurred by the City, including attorneys' fees, against the property and paid to the City of Edgerton as other City taxes are collected and paid.

Councilmember Conus stated there was a fire, so it seems reasonable that the owner would board up the house. He asked if this more about the fact that the conditions have not yet been corrected and if there is a certain time limit.

Ms. Crow stated the codes states a structure cannot be left in a dilapidated state.

Ms. Beth Linn stated it is really about two factors. 1. That the structure is left in a dilapidated state and 2. That the house is being accessed by people that are not the owner of the property and it is a concern for the surround neighbors.

Councilmember Conus asked what the City would do.

Ms. Crow stated the City would hire out professionals to repair the windows and doors.

Mayor Roberts stated and then those repairs will go on the tax roll for that owner of the property.

Ms. Linn stated the hope would be that the mortgage company would come forward and make those repairs themselves.

Mr. Lee Hendricks stated had the owners of the property come forward with a response to action, the City would not be taking this action. He stated the problem is the City has not heard anything from the owner or mortgage company.

Councilmember Lewis moved to approve Resolution No. 05-27-21D. Seconded by Councilmember Longanecker. The Resolution was approved, 5-0.

19. CONSIDER AGREEMENT WITH SWT DESIGN FOR GLENDELL ACRES PARK RENOVATION PROJECT

Mr. Dan Merkh, Public Works Director, addressed the council. He stated on October 24, 2019, City Council approved the 2020-2024 CIP. Included in the CIP was Glendell Acres Park Renovation Project, with funding identified from the Park Impact Fee. He stated in November 2020, City council approved the next integration of the CIP from 2021-2025 with Glendell Acres Park Renovation schedule updating, and no changes to the project cost.

Mr. Merkh stated the project includes the redesign and renovation of the park with new equipment, a finished sidewalk system, re-purposed greenspaces, and landscaping. The design components will be determined by public engagement. He stated the approved Parks Master Plan will govern the general design theme of the project.

Mr. Merkh stated request for qualifications were sent out in April 2021 and due May 3, 2021 with a total of five submissions. The selection committee recommends SWT Design Group, LLC as the best, most qualified team for the project. He stated the team was selected based on their existing experience providing these services to municipalities both of similar and larger populations. He stated the team has also worked with the City on the Downtown Edgerton Plan.

Mr. Merkh stated the funding source for the project is the Park Impact Fee and the budget for the project is listed at \$740,867 in the CIP. He stated staff is currently working with SWT

Design to finalize the scope and fee for the project and a draft is included in the Agenda Packet. He stated as the scope is revised, the fee will be adjusted accordingly.

Mr. Merkh stated City Staff recommends the contract fee be approved as a not-to-exceed amount of \$87,780. He stated upon final approval from City Attorney and City Engineer, staff recommends authorizing the mayor to execute the contract. He stated if approved, staff anticipates beginning the design of the project immediately with scheduled completion in 2022.

Ms. Beth Linn stated the Park Impact Fee is a charge that is on any new development with the largest portion of this fund coming from development at LPKC.

Councilmember Lewis moved to approve the Agreement with SWT Design. Seconded by Councilmember Conus. The Agreement was approved, 5-0.

20. Report by the City Administrator

- Pavement Preservation Program Update (2021 and 2022 Street Maintenance Project)

Mr. Merkh addressed the Council. He stated to date, all streets have had some sort of repair/replacement except Nelson Street.

He stated the dollars spent during the rehab phase are significantly less than the dollars spent if the roadway needed to be replaced. He stated the Pavement Preservation Program is in place to maintain and conduct the necessary repairs on the roadways to help lengthen the pavement life. He stated pavement condition will be scored annually to determine needs and if possible, spending early will help lengthen pavement life. He stated more roads can be fixed for the same amount of money if the pavement is preserved.

Mr. Merkh stated Council in the past had questions about the longevity of various repairs and the ability to make repairs without fixing the underlying water drainage issues. He stated while the stormwater repair project is underway, it is likely that the issue of standing water in the roadways will also be addressed. He referenced a map provided to the Governing Body that red roadways are roadways with scores below 60, while yellow roadways have a score between 60-70. He stated several of the roadways within the community fall into those two categories. He stated the CARS Program is slated for 2022 and while that program is underway the roadway is not currently eligible for grant funding, but he hopes to get grant funding to replace certain roadways once the 207th Street bridge project is complete.

Mr. Merkh stated the proposed program for this year is to spend during the rehab phase to allow for the money to go farther and allow for more roadways to be touched and repaired. He stated some funding will go toward roadways with a higher score, allowing those roadways to stay at a high score whereas some money will go toward some roadways with a lower score to help raise that score and ultimately prolong the life until there is the right funding source. He stated it is proposed to do about 5,100 linear feet of Chip seal on the roadways referenced in the map and about 1,600 linear feet of UBAS, also referenced in the map. He stated City Staff proposes to do chip seal in the northeast region of the map provided, along with W. 4th Street and Meriwood Lane. He stated the layout created now runs East to West not North to South,

and this method was selected to allow residents easier access to their homes. Mr. Merkh asked Council to choose if they would rather have maintenance along east-west streets or in square blocks.

Councilmember Longanecker asked about the intersections.

Mr. Merkh stated it depends on the intersection. Staff will look at proper drainage and scoring of the road and see if it can be continued through as well as where the Chip seal will match to keep seals covered. He stated following the current crack seal will be the recommended method.

Ms. Linn stated it is also about the timing. She asked if residents would want to see longer linear stretches or work through one neighborhood at a time.

Mr. Merkh stated from 5th and Nelson, there are streaks from previous seal. He stated if not held tight, it will not last long. Once the oil is spread, lane closures will occur to allow for the product to set and be compacted with the roller. He stated a big component of road closure time is the temperature of that day.

Mayor Roberts asked what the time frame might be.

Mr. Merkh stated it could be hours to days, if the conditions are right, then it could be hours.

Ms. Linn asked if the Governing Body would prefer long stretches or concentrated neighborhoods.

Mayor Roberts stated his preference would be longer stretch and closure for more impactful work. He stated if it is east to west only, then staff will be back more often. If it is one neighborhood at a time, while it is a longer stretch and greater road closures, staff would not have to come back to repair for closer to 5-plus years.

Councilmember Lewis stated he thinks it would be better to do suffer through road closures once for a week instead of every year coming back and closing the roads.

Mayor Roberts stated it is an inconvenience every 5 years instead of every year or so.

Mr. Merkh stated staff will work to revise the maps and bring back a more block by block method.

Mr. Merkh stated for 2022, City staff will wait for finalized plans until winter is concluded. He stated the proposed solution is UBAS to capitalize on the Nelson Street Project. He stated going forward the roadways that are already at a 70-100 PCI score will be funded on an annual basis to keep that score above an 85. He stated dollars will be applied to roadways to keep the score high and then carefully choose lower scoring roadways to bring their score higher. He stated City staff plans to bring a 2022 overview and 2-year look to finalize plans once winter hits.

Councilmember Conus commended Ms. Linn for her continued efforts for the City and bringing forward the idea of what the community will look like in 5 years. He stated this was not

something in place before her and he is grateful City Staff takes the time to put these presentations together.

Ms. Linn stated Mr. Merkh, Superintendent Trey Whitaker and Public Works crews have done a fantastic job of bringing these tools in house to allow the City the ability to perform these checks on their own and not have to contract out as often for maintenance to roadways.

21. Report by the Mayor

Mayor Roberts stated the Crime Stoppers press release is out on social media.

22. Future Meeting Reminders:

- May 27th: City Council Meeting – 7:00 PM
- June 8th: Planning Commission – 7:00 PM
- June 10th: City Council Meeting – 7:00 PM
- June 24th: City Council Meeting – 7:00 PM

23. CONSIDER RECESSING INTO EXECUTIVE SESSION PURSUANT TO K.S.A. 75-4319(B)(12) TO DISCUSS CERTAIN MATTERS RELATED TO SECURITY MEASURES AND PUBLIC SAFETY TO INCLUDE CITY ATTORNEY, CITY ADMINISTRATOR AND SGT. VICKERS

Councilmember Longanecker moved to recess into executive session pursuant to K.S.A 75-4319(B)(12) to include the City Attorney and the City Administrator for the purposes of security measures and public safety for 5 minutes.

Councilmember Lewis seconded the motion. The meeting recessed into executive session at 9:52 PM, 5-0.

Councilmember Longanecker moved to return to open session with no action being taken. Councilmember Lewis seconded the motion. Open session resumed at 9:57 PM, 5-0.

Councilmember Conus moved that the City fund an amount of \$10,000 to Crime Stoppers as a reward for information that leads to the arrest and capture of person(s) responsible for a shooting near 2nd and Nelson Street and authorizes the City Administrator to sign the contract. Councilmember Lewis seconded the motion. Motion was approved, 5-0.

24. CONSIDER RECESSING INTO EXECUTIVE SESSION PURSUANT TO K.S.A. 75-4319(B)(2) FOR CONSULTATION WITH AN ATTORNEY DEEMED PRIVILEGED IN THE ATTORNEY-CLIENT RELATIONSHIP TO INCLUDE CITY ATTORNEY AND CITY ADMINISTRATOR FOR THE PURPOSES OF PENDING LITIGATION

Councilmember Longanecker moved to recess into executive session pursuant to K.S.A 75-4319(B)(2) to include the City Attorney and the City Administrator for the purposes of pending litigation for 10 minutes.

Councilmember Lewis seconded the motion. The meeting recessed into executive session at 10:05 PM, 5-0.

Councilmember Longanecker moved to return to open session to request an additional 5 minutes. Seconded by Councilmember Lewis.

Councilmember Longanecker moved to return to executive session for an additional 5 minutes at 10:10 PM, 5-0. Seconded by Councilmember Lewis.

Councilmember Longanecker moved to return to open session with no action being taken. Councilmember Lewis seconded the motion. Open session resumed at 10:20 PM, 5-0.

25. **Adjourn**

Councilmember Brown moved to adjourn, seconded by Councilmember Longanecker. The meeting adjourned at 10:20 PM.

Submitted by Alexandria Clower, City Clerk

EVENTS

June 5th: Summer Kick-off Block Party and Movie Night

June 18-19th: Frontier Days

July 3rd: Edgerton's Community Picnic and Fireworks

July 24th: Summer Movie Night

August 7th: Summer Movie Night