

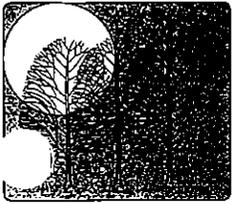


City of Leawood

Capital Improvement Program
2007-2011



Bond Financed, Fiscal Impact
Pay-as-you-go Capital Program



City of Leawood

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January 17, 2006

To the Honorable Mayor,

Members of the City Council
And the Citizens of Leawood, Kansas

On February 6, 2006 a study session has been set to review the proposed 2007-2011 Capital Improvement Program (C.I.P.). **Attached please find your copy.**

In order to digest all of the information, I would suggest the following:

- Please read the Overview on pages 3 and 4 under Tab 1. These pages explain the philosophy of the C.I.P.
- Page 5 includes the history of the Street Program and the Pavement Management Index system, which the city uses to rate street conditions. The 2005 average PCI rating for all Leawood streets is 85.8%.
- Next, Page 7 discusses the assumptions for the C.I.P. The C.I.P. is linked to the operating budget. Assumptions made in one or the other budget (operating or capital) affects the entire organization. Annually key assumptions are reviewed and if necessary revised. The key emphasis this year as we start the budget process is the reminder that current projections indicate the need for an estimated .83 mill levy increase in 2007 and 1 mill in both 2009 and 2011. The .83 mill levy is needed to maintain IRONHORSE Golf Course operations until the debt is retired in 2015. The other significant assumption is the rate at which the tax base will grow. Through 2005, the average increase in assessed valuation was 10% annually. It is projected that Leawood's growth will be 5.9% for the 2007 Budget and continue through 2011.
- Beginning on Page 8 is a Glossary of Capital and Budgeting Terms for your reference.
- Under Tab 2, which begins on Page 12, you will find the Debt Policy, which was approved by the Governing Body in 2000. The Debt Policy provides guidance to staff on how to manage the city debt. **Added to the policies this year is a brief policy statement on how the city will authorize and financially manage TDD (Transportation Development District) debt. See Page 15, Policy #10. In addition, Policy #16 on page 16 has been enhanced to discuss the length for which TDD debt obligations will be issued.**
- Tab 3, beginning on Page 18, contains the various capital debt projects planned for the city. The total of these projects, page 21, is \$115,212,627 over the next six years. Approximately 43% of these project costs will be paid with city funds, which is slightly lower than last years' C.I.P. The graph on page 21 has been expanded to show that 21% of the anticipated borrowings during the next six years will be under the TDD method.
- Projects by type (infrastructure, parks/recreation, and buildings) are shown on Pages 22-24. New to the C.I.P. this year are parking structures at the Park Place Development which are proposed to be financed by TDD and equal \$13,650,000. In addition, there is a large project along 135th that is being proposed and is shown in two separate TDD petitions, totaling \$6,500,000. The project anticipates getting all of the overhead power lines along 135th buried and to complete the third turning lane. This concept is unique because it would create a

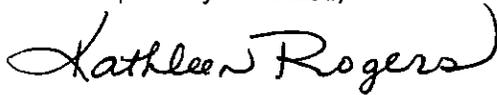
as a result of a compounding effect of the debt payments required for the 2006 and 2007 debt-funded projects. Interestingly enough, the amount of city-at-large debt decreases fairly significantly in 2007 and by 2010 is within the \$1,200 industry average.

- ✓ Page 77 shows the debt outstanding as a percent of property market valuation. Throughout the 2007-2011 planning period, this measurement reflects an increase over the industry standard of 1.5%, and remains slightly above until 2011. This ratio along with the previous ratio, go hand in hand. This particular ratio tells the reader that on a per person basis, based on community wealth, the city is reaching and exceeding a point where it is at or slightly above capacity. The chart has been modified to show the source of the debt and the proposed timing, current or future.
- ✓ Debt Payout in 10 years. It is important to note that the debt payout over 10 years continues to slow down. During the 80's and 90's the city had primarily bonded projects over a 10-year or 15-year life cycle because they were mostly street projects. As we continue to extend debt lengths i.e. TDD for 22 years, it will not be as rapid a pay-out as in past years. In addition, other city facilities such as the Justice Center and the Community Center will be bonded over 20 years. While we should receive annual taxes for special revenue each year to match those costs, in general the mill levy portion needed for debt will not decrease very rapidly.
- ✓ Page 78 shows the total debt at 12/31/05 of \$48,500,000 and the statutory state limit for Leawood of \$211,162,214. While the City is well below the state limit it would not be financially prudent to use this comparison when managing the City's debt limit. The reason for this is the state debt limit is unrealistically high.
- Under Tab 6, Pages 80-81 is an outline of the arterial/collector program through 2011 and shows the anticipated funding from other governmental entities.
 - ✓ Page 82 details the funding for the Pay-As-You-Go Residential Street Program for the period of 2006-2011.
 - ✓ Page 83 reflects the planned Storm Water (SMAC) projects. The associated streets that must be reconstructed as a result of these will be included to correspond with the storm water project year.
 - ✓ Page 84 shows the 1/8-cent sales tax projects proposed for the planning period.
 - ✓ New this year is a list of Other Projects, which are cash-financed throughout the planning period. Page 85 shows funds for the land acquisition for the Justice Center, Restrooms at Ironwoods, Ironhorse Golf Course green repairs and Gezer Park. The Ironwoods Park Restroom and the acquisition of land for the construction of the Justice Center, both in 2006.
 - ✓ Below these projects on page 85 are two proposed projects that are park related but do not have funding sources identified.
 - ✓ Page 86 is a new listing. This is the Art projects that are planned in the city through 2011. Funding for these projects is secured through monies in the City Capital Art Fund, the Public Art Impact Fee Fund or through donations.
- Tab 7 contains all of the city leases. Page 88 shows all of the leases that the city currently has and those being proposed throughout the planning period. A new golf cart lease is proposed to begin in 2006 when the current lease expires in 2006.

- The City Hall lease payment (revenue bonds) is reflected on this sheet. This payment is being made from General Fund operating monies. This project was initially set up as a lease rather than a long-term debt. This burden on the General Fund will last until 2012. Page 89 graphically illustrates the city's lease obligations.
- Behind Tab 8, you will find the supplemental resolutions that are referenced in the Debt Policy for Industrial Revenue Bonds, Tax Increment Financing and for Special Benefit Districts. If passed, the Transportation Development District policy will also be added to this section.

In conclusion, if there are any questions please feel free to contact me and I will be glad to set up an appointment for as much time as you need.

Respectfully submitted,



Kathleen Rogers
Finance Director

unified effort to meet current and future planning requirements and would create economies of scale both from a construction and an administrative standpoint. The Villaggio project currently has two Special Benefit District projects in construction, but is also requesting funding for a TDD. The Villaggio TDD includes the buying of new power and electrical lines. Other new city projects scheduled include two new traffic signals, one at 128th and State Line and the other at College and Brookwood. Year three of the second phase of major street construction includes a budget of \$1,500,000. Finally in the category of buildings, a Community Center is programmed for 2011 at a cost of \$5,150,000.

- On pages 25-26 are color-coded listings of all projects in different colors to indicate when design, construction and bonding will occur for General Obligation, Special Assessment and Transportation Development District funded projects.
- To date, the city has received approximately \$2,177,300 from the .25% local option sales tax. Voters in Johnson County approved this tax in August 2002. The funds will remain in the Major Capital Projects fund until Council has made a final determination of its use.
- Tab 4, which begins on Page 27, shows a cost breakdown of each project, by scheduled year. Each project detail sheet contains a notes section that provides additional information to the reader.
 - ✓ The list of streets scheduled for repair within the accelerated Residential Street Reconstruction Program is included behind the detail sheet for each year. The streets anticipated for 2005/2006 can be found on Page 38; the list of 2007 streets on Page 46; the list of 2008 streets on Page 51; 2009 streets on Page 56; and 2010/2011 streets have not yet been identified.
 - ✓ The list of proposed future year projects, which extends through 2019, can be found on page 68. Two new proposed projects have been added and are highlighted in red.
- The Debt Service information is located behind Tab 5. The committed projects are listed on Page 70. Projects not yet fully committed to are shown at the bottom of page 70.
 - ✓ Page 70 reflects all of the debt-financed projects and their costs in the year they will be bonded. General Obligation and Special Assessment debt is shown separately. (TDD debt is considered along with other Special Assessment debt for the purpose of this chart).
 - ✓ Page 71 shows the reader the total dollars needed to pay for all types of current debt along with the proposed debt. Page 73 shows the debt service as a percent of total expenditures. This measurement is a key operating ratio. This graph shows the current projects and the proposed future projects by category, city-at-large, special assessments, TDD and golf course projects/leases. The proposed special assessment (and TDD) projects increase substantially in 2008. This ratio exceeds the 20% goal beginning in 2008, but is still slightly below the rating agency 25% when the TDD debt is not factored in. According to the city's financial advisors, George K. Baum, TDD debt is not included as direct debt by the rating agencies, thus this threshold is maintained throughout the five-year planning period.
 - ✓ Page 74 lists and graphically shows the amount of outstanding debt held by the City at December 31, 2005. The debt ratios approved within the Debt Policy by the Governing Body are shown on Page 75.
 - ✓ As shown on Page 76, Leawood moves aggressively ahead of debt per capita (industry average) of \$1,200 per citizen. The highest debt per capita appears in 2009 as a result of a compounding effect of the debt payments required for the 2006 and

Table of Contents

OVERVIEW	3
OVERVIEW OF STREET PROGRAM	5
ASSUMPTIONS	7
BUDGETING TERMS	8
DEBT POLICIES (ORD. 1518)	12
Objective	13
Scope	13
Responsibility	13
Debt Planning Policies	13
Debt Issuance Policies	15
Debt Administration Policies	17
PROGRAM SUMMARY	18
Total <i>Project</i> Cost, All Projects	19
Total <i>City</i> Cost, All Projects	20
Construction Year Cost Distribution	21
Infrastructure Projects	22
Parks and Recreation Projects	23
Buildings and Facilities Projects	24
General Obligation Debt Bonding Projections	25
Special Benefit District Bonding Projections	26
Transportation Development District Bonding Projections	26
ANNUAL PROJECTS 2006	27
Roe Ave, 124 th to 135 th Streets	28
Pedestrian Bridge	29
Nall Ave, 135 th to 142 rd Streets	30
92 nd Street & State Line Traffic Signals	31
137 th & Briar Utilities (TDD)	32
Main Entry Water Feature (SBD)	33
Park Place (SBD)	34
Villaggio Project (SBD)	35
Villaggio Stormwater Project (SBD)	36
2005 & 2006 Street Reconstruction, Ph I	37
135 th Street-Bury Power Lines (TDD)	39
135 th Street - Add Turning Lane (TDD)	40
Villaggio (TDD)	41
ANNUAL PROJECTS 2007	42
Nall Avenue, 143 rd to 151 st Streets	43
Nall Avenue, 151 st to 159 th Streets	44
2007 Street Reconstruction, Ph I	45
ANNUAL PROJECTS 2008	47
Construction - Justice Center	48
Creek Bank Stabilization	49
2008 Street Reconstruction, Ph I	50
Park Place - Parking Structure #1 (TDD)	52

ANNUAL PROJECTS 2009.....	53
Roe Avenue, S of 135th Street (SBD)	54
2009 Street Reconstruction, Ph I	55
Traffic Signals, 128 th & State Line	57
ANNUAL PROJECTS 2010.....	58
143rd Street, Nall to Mission.....	59
2010 Street Reconstruction, Ph II.....	60
Park Place - Parking Structure #2 (TDD).....	62
ANNUAL PROJECTS 2011.....	63
Community Center	64
2011 Street Reconstruction, Ph II.....	65
Traffic Signals, College & Brookwood.....	67
FUTURE YEARS PROJECTS.....	68
DEBT SERVICE INFORMATION.....	69
Committed and Uncommitted CIP Projects.....	70
Levy Supported Projects.....	71
Non Levy Supported Projects.....	71
Debt Service & Lease Payments	72
Debt as a Percent of Total Expenditures.....	73
Bonds, Notes, and Leases Outstanding at 12/31/05	74
Key Debt Management Ratios	75
Debt Per Capita.....	76
Debt Outstanding as a Percent of Property Market Valuation	77
Debt Limitation Status.....	78
PAY-AS-YOU-GO PROGRAM.....	79
Arterial Street Program	80
Arterial Street Program by Funding Source	81
Residential Street Program	82
Stormwater Projects.....	83
1/8 ¢ Sales Tax Revenue	84
Other Projects.....	85
Art Projects	86
CAPITAL LEASES.....	87
Current Lease Schedule	88
Proposed Capital Leases.....	88
Lease Payment Graph	89
APPENDICES	90
Resolution No. 1317 - Commercial Tax Increment Financed Projects, 1996	91
Special Benefit District Assessment Policy	95
Resolution No. 598 - Industrial Revenue Bonds (1982)	97

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Overview

What is a capital improvement project?

A capital improvement project is a project that may include the construction of new facilities as additions to the City's assets, renovation of existing structures to significantly extend useful life, and major repair operations of a comprehensive and non-routine nature. To be defined as a capital project, the project must exceed \$100,000 in cost, and should be an expense that is nonrecurring (not an operating budget item). Common examples of capital improvement projects include the construction of roads and bridges, facility construction, and land acquisition. However, certain other large ticket items, such as fire trucks, are considered to be capital items as well.

What is a capital improvement program?

A capital improvement program is a document that is the result of systematic evaluation of capital projects. The plan serves as a guide for the efficient and effective provision of public facilities, outlining a timing and financing schedule of capital projects for a five-year period of time. In the process of formulating the plan, public improvements are prioritized and costs are projected, thereby allowing the City to take maximum advantage of federal, state, and county funds. However, the capital improvement program is not a document of long-term certainty. Rather, the plan is reviewed yearly, during which time the needs of the City may be re-prioritized and financial status reevaluated. This allows the City further flexibility in maintaining and promoting an effective level of service for present and future citizens.

What are the objectives of a capital improvement program?

1. To forecast the public facilities and improvements that will be needed in the near future.
2. To forecast the public financing needs in order to maximize available federal, state, and county funds.
3. To promote sound financial planning in order to enhance and protect bond rating of the City of Leawood, in accordance with the Debt Policy.
4. To avoid, through sound financial planning, dramatic fluctuations of the tax rate.
5. To focus attention on, and assist in, the implementation of established community goals as outlined in the long term goals of the City Council.
6. To serve as a guide for local officials in making budgetary decisions.
7. To balance the needs of developing south Leawood with the needs of the already developed northern and middle portion of Leawood.
8. To promote and enhance the economic development of the City of Leawood in a timely manner.
9. To arrive at a balance between needed public improvements and the present financial capability of the City to provide for these improvements.
10. To provide an opportunity for citizens and interest groups to voice their request for community improvement projects.

11. To provide for improvements in a timely and systematic manner.
12. Encourage responsible land use development within the City as well as adherence to the Leawood Master Development Plan.
13. Enable the Governing Body to consider long-term responsibilities and to respond appropriately.

How is the capital improvement program formulated?

Since a capital improvement is intended to schedule major physical improvements, it is necessary to allow all City departments an opportunity to submit capital improvement requests that are anticipated over a five-year period. Likewise, citizens and public interest groups should be offered the opportunity to voice their requests for community improvement projects.

Once a composite list of capital improvement requests have been created, and the administrative recommendations are submitted, the Planning Commission is responsible for reviewing and recommending project priority from a professional planning perspective. The Governing Body is responsible for recommending and prioritizing projects from a budgetary and affordability perspective, as well as examining the need and priority of the projects themselves. The scheduling of projects over a five-year period is based on an evaluation of Leawood's development policies and plans for future growth and the ability of the City to amortize the debt. It is important to understand that the Governing Body is not committed to a particular expenditure in a particular year. Instead, the capital improvement programming process is repeated each year to allow reevaluation of previous requests and consider new requests based on changing community needs and conditions.

How are capital improvements financed?

It is very important to note the direct correlation between sound capital planning and favorable bond ratings. Bonding agencies directly correlate large debt with greater risk. A strong assessed valuation in conjunction with low debt ratio encourages a better bond rating, thereby encouraging a more favorable interest rate for long-term borrowing. A sound capital improvement program is critically important to a favorable bond rating, as it demonstrates that the City is able to exercise control over expenditures.

Because most capital improvements involve outlay of substantial funds, local government can seldom pay for these facilities through appropriations in the annual operating budget. Therefore, numerous techniques have evolved to enable local government to pay for capital improvements over a longer period of time rather than a single year. Most techniques involve the issuance of bonds in which a government borrows money from investors and pays the principal and interest over a number of years. Long-term debt is issued by the City of Leawood in accordance with Resolution 1518 as the official debt policy of the City of Leawood. Brief definitions of financing techniques are included in the Glossary of Capital Budgeting Terms on page 8.

Street Program

History of Street Program

The Public Works Department began inventorying and rating streets in 1986. To date, the department has inspected the streets in 1986, 1991, 1995, 1996, 1998, 2000, 2002 and 2004. Inspection is also planned for 2006. Beginning in 1996, the Public Works Department has been inspecting streets every two years.

The Public Works Department purchased George Butler and Associates (GBA) Master Series software for the inventory and budget forecasting of streets in June 2000. The Master Series software allows us to model the streets with different levels of funding over any number of years to determine if the street pavement condition index (PCI) is decreasing or increasing. The Master Series software is linked with GIS to aid in data validation. The work history is updated annually and currently includes all streets from 1970 through present.

The Master Series software requires certain parameters that are unique to each city to be used for the budget forecast model. The parameters are: pavement deterioration rates for different levels of PCI's, maintenance breakpoints, sequence steps, construction costs, budget inflation and construction inflation.

Current and Future PCI Street Rating

Due to funding restraints from the State and the City, a program for street reconstruction was developed in late 2003. Phase I of the Accelerated Street Program included a total of \$10,500,000 over the five-year period of 2004 through 2008, alternating funding of \$1,500,000 and \$2,500,000 each year. Phase II begins in 2009 and will continue through 2013 with Phase III projected to begin in the following year. It is anticipated that these repairs will decrease the current PCI rating and eventually maintain it at the 70.0 Governing Body goal. The 2005 average PCI rating for all streets is 85.8. The average PCI for arterial streets is 87.3; the average PCI for collector streets is 84.7; and the average PCI for residential streets is 85.5. The model will be updated annually and a current PCI will be calculated.

The following briefly describes each parameter used for the 2006-2011 model:

- **Pavement Deterioration Rates:** Deterioration rates vary with the age of the street. Streets within the first 10 years of life deteriorate at a slower rate than streets that are 20 years old. Deterioration rates from the previous inspections are reviewed and four unique deterioration rates are developed.
- **Maintenance Breakpoints:** The breakpoints were determined by driving the streets, reviewing their ratings and then determining what type of maintenance could be done on the street.
- **Sequence Steps:** This is used by the model to determine how much of the fund should be spent on the various types of maintenance. The first sequence is to select the streets that have been entered for certain years, then the program selects the streets that are deteriorating from one

maintenance type to the next, (i.e. streets that could be slurried this year, but if delayed one more year will be in the overlay budget).

- Construction Costs: The 2005 bid tabs were used to determine current construction costs for various types of maintenance.
- Budget Inflation: A 0% annual budget inflation rate was assumed. We fluctuated \$17.5 million over 6 years for the street reconstruction, overlay, and slurry seal programs.
- Construction Inflation: A 4% annual construction inflation rate was assumed (after the 2006 bids are opened, early in this year, this inflation figure may need to be adjusted).

Conclusion:

We hope that the Governing Body is pleased with the current average PCI street rating of 85.8, compared to the Governing Body goal of a street rating of not less than 70.0. It is the hope of city staff that this type of analysis will provide the Governing Body greater information and will assist you in tailoring your broad goals with specific objectives. Furthermore, this information will provide measurable and quantifiable benchmarks that can clearly be communicated to staff and your constituents.

Assumptions

In forecasting the fiscal impact of the 2007-2011 Capital Improvements Program, several financial assumptions have been made:

- Cost subject to change depending upon approved final design and construction bids in construction year;
- Oil prices, and oil based products, i.e. asphalt;
- Interest rate of 4.25% and 4.75% for 15-year tax exempt bonded projects and 20-year bonded projects, respectively, in 2006. An interest rate of 4.95% and 5.50% for 15-year and 20-year, respectively thereafter. For taxable TDD projects a rate of 6.5% is projected;
- State mandated debt limitation established at 30.0% of equalized assessed valuation;
- Changes in state law could affect the amount of property tax collections; for example, the reclassification of motor vehicle valuation;
- Interest earnings are projected with a 4% annual growth;
- Assessed valuation is projected at an annual growth rate of 5.9% for 2007 through 2011;
- An increase of .83 mills is planned in 2007 to cover the debt service obligations of the Ironhorse Golf Course thus making the Golf Course self-sufficient. The golf course debt will be paid in full in 2015;
- Timely payment of special assessment debt by special benefit district properties;
- Includes 1/8th cent sales tax for capital improvements extended throughout the 2007-2011 CIP. From this tax a portion will be used to support the mill & overlay projects and non-SMAC storm water projects with allocations yet to be determined;
- Stormwater projects financed mainly through SMAC (Stormwater Management Advisory Council) will continue to require a \$100,000 transfer from the General Fund.

The above reflect the assumptions included in the 2006 – 2010 Financial Planning Model. The model is reviewed annually as part of the Operating Budget process, which begins in early February, 2006.

Glossary of Capital Budgeting Terms

Ad Valorem Tax

A tax levied on the assessed value of both real and personal property in proportion to the value of the property (also known as “property tax”).

Assessed Valuation

The valuation placed upon real and certain personal property by the county assessor as the basis for levying property taxes.

Authorities and Special Benefit Districts

Special authorities or benefit districts may be formed, pursuant to applicable statutory requirements, to provide public improvements. These districts are usually single purpose, providing only a single service improvement. The purpose of forming authorities or special benefit districts is often to avoid statutory local government debt limits, which restrict the ability of the municipality to issue long-term debt. A further purpose is to provide improvements, which may overlap jurisdictional boundaries. Projects undertaken by special districts and authorities are generally financed through the issuance of revenue bonds, although in some circumstances special districts may be granted the power to tax.

Bond

A written promise to pay a specified sum of money on a specific date at a specified or variable stated interest rate. The most common types of bonds are general obligation and revenue bonds. Bonds are typically used as long-term debt to pay for specific capital expenditures

Bond Rating

A rating that is received from Standard & Poor’s Corporation and Moody’s Investors service, Inc., which shows the financial and economic strengths of the City.

Capital Improvements Program

A plan for capital expenditures to be incurred each year over a five-year period, setting forth each capital project, identifying the expected beginning and ending date for each project, the amount to be expended in each year, and the method of financing those expenditures.

Current Revenue (Pay-as-you-go)

Pay-as-you-go financing refers to the method whereby improvements are financed from current revenues including general taxes, fees, service charges, special funds, and special assessments.

Debt

An obligation resulting from the borrowing of money.

Debt Service

The City's obligation to pay the interest and repay the principal of all bonds and other debt instruments according to a predetermined payment schedule.

Fiscal Year

The time-period designated by the City signifying the beginning and the ending period of recording financial transactions. The City of Leawood has specified the calendar year as its fiscal year.

General Obligation Bonds

Many capital improvement projects are funded by the issuance of general obligation bonds. General obligation bonds are full faith and credit bonds, pledging the general taxing power of the jurisdiction to back the bonds. General obligation bonds can be sold to finance the permanent types of improvements such as schools, municipal buildings, parks, and recreation facilities. In some circumstances, voter approval may be required.

**General Obligation
Temporary Notes**

Temporary notes are to be used as a funding mechanism for capital projects, which will be paid off, by the use of general obligation bonds or other funding sources. General obligation temporary notes are full faith and credit notes, pledging the general taxing power of the jurisdiction to back the notes. General obligation temporary notes can be sold to finance the permanent types of improvements such as schools, municipal buildings, parks, and recreation facilities. In some circumstances, voter approval may be required.

Infrastructure

Public domain fixed assets such as roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, lighting systems and similar assets that are immovable and of value only to the government unit.

Lease Purchase

Local governments using the lease-purchase method prepare specifications for a needed public works project that is constructed and owned by a private company or authority. The facility is then leased back to the municipality, and the title is conveyed to the municipality at the end of the lease period. The lease period is of such length that the payments retire the principal and interest.

Long-Term Debt

Debt with a maturity of more than one year after the date of issuance.

Mill Levy

Used to impose taxes for the support of governmental activities. A Mill Levy is expressed as one dollar per one thousand dollars of assessed valuation.

Property Tax

Ad valorem taxes levied on both real and personal property according to the assessed valuation and the tax rate.

Reserve Funds

In reserve fund financing, funds are pooled in advance to finance an upcoming capital construction or purchase. This pool of funds may be from surplus or earmarked operational revenues, funds in depreciation reserves, or the sale of capital assets.

Revenue Bonds

Revenue bonds are a mechanism used in cases where the project being funded will generate revenue from user fees, such as water or sewer systems. These fees are used to pay for the improvement project. These bonds are not generally subject to statutory debt limitations, as these issues are not backed by the full faith and credit of the municipal entity. However, some revenue bonds, referred to as "double barreled" revenue bonds, have supplemental guarantees to make the investment more appealing. The interest rate on revenue bonds is generally higher than that for general obligation bonds, and voter approval is seldom required.

Special Assessments

Public works projects that more directly benefit certain property owners may be financed in the interest of equity by the use of special assessments. In this method, the directly benefiting property owners are assessed the cost of the improvements based upon applicable formulas and/or policies. Local improvements typically financed by this method include street pavement, sanitary sewers, and water mains.

State and Federal Grants

State and federal grants-in-aid are a financing method that have financed many improvements including street improvements, water and sewer facilities, airports, parks, and playgrounds. The cost of these improvements may be paid for entirely by the grants, although in many instances these funds must be leveraged with local funds.

Transportation Development District

Transportation Development District (TDD) is a transportation project development tool, governed by state statute. This debt tool is designed to facilitate specific public transportation improvements through the collection of taxes and the borrowing of funds. The revenue of a TDD (most frequently sales tax) can only be used for public transportation and transportation-related improvements or they can be backed by assessments.

City of Leawood

Debt Policies

Objective

To maintain the City's ability to incur debt and issue other long-term obligations at favorable interest rates in amounts needed for capital improvements, economic development, and facilities or equipment to provide essential city services.

Scope

This policy provides a general guideline to all debt issued by the City regardless of purpose, source or type.

Responsibility

The primary responsibility for developing financing recommendations rests with the Finance Director. In developing the recommendations, the Finance Director shall be assisted by the City Administrator, the City Attorney or designee, and other Department Heads. Responsibilities include annual review of debt capacity, quarterly assessment of progress on the Capital Improvement Program, preparation for debt issues and the ongoing responsibility of oversight and evaluation of services provided by the Financial Advisor and Bond Counsel.

Debt Planning Policies

- Policy 1: Capital Planning. To enhance creditworthiness and prudent financial management, the City is committed to systematic capital planning, intergovernmental cooperation and coordination, and long-term financial planning. Evidence of this commitment is demonstrated through adoption of an annual Capital Improvement Plan (CIP), annual assessment of financial condition, and participation in the Johnson County Debt Management Awareness Council (DMAC).
- Policy 2: Debt Capacity. Each year the City will review whether it is willing and able to assume new debt beyond what will be retired. The Finance Director or designee shall, prior to the issuance of new debt, or at least annually, calculate the City's statutory debt limit in accordance with K.S.A. 10-308. Debt capacity will be assessed by reviewing debt per capita, general levels of per capita income, debt as a percent of appraised value, debt service payments as a percent of general government expenditures, debt payout over the ensuing ten years, and the level of overlapping net debt of all other local taxing jurisdictions.
- Policy 3: Debt vs. Pay-As-You-Go. The City will evaluate annually the relationship between issuing debt and pay-as-you-go financing. The City will consider pay-as-you-go financing for all personal property less than \$50,000.

- Policy 4: Appropriate Uses. The City will generally consider long-term financing for the acquisition, maintenance, replacement, or expansion of physical assets having a useful life of at least (5) years. The scheduled maturities of long-term obligations should generally not exceed the expected useful life of the capital project or asset(s) financed. Proceeds should only be used for construction project costs, acquisition of fixed assets, issue costs, debt service reserve requirements, or refunding of outstanding issues. Proceeds from long-term debt may not be used to fund current operating costs.
- Policy 5: Timing of Issues. In determining when to issue bonds, notes and other obligations the following factors should be considered:
- a) The timing of other proposed issues, including those by other jurisdictions;
 - b) The timing of the preparation, completion and certification of the City's annual budget including special assessment procedures;
 - c) The availability of the City's audited financial statements for the previous fiscal year;
 - d) The potential impact on the City's bond ratings.
- Policy 6: Types of obligations. In determining the type of obligation to issue, the following factors should be considered:
- a) The direct and indirect beneficiaries of the project (i.e. a significantly large proportion of citizens should benefit from projects financed by at-large taxes and other revenues);
 - b) The time pattern of the stream of benefits generated by the project;
 - c) The sources and timing of revenues available for the repayment of the debt;
 - d) The cost-effectiveness of user charges or other revenue sources to the extent available;
 - e) The effect of the proposed issue on the City's ability to finance future projects of equal or higher priority;
 - f) The interest cost of each type of obligation;
 - g) The impact on the City's financial condition and credit ratings.
- Policy 7: At-Large General Obligation Bonds. At-large general obligation, property tax-supported financing should be used for those capital improvements and long term assets which have been determined to be essential to the maintenance or development of the City and as permitted by law. Consideration should be given to alternative funding sources, such as project revenues, Federal and State grants, and special assessments.
- Policy 8: Benefit District Bonds. The issuance of benefit district general obligation bonds shall be governed by the most recently approved Resolution.
- Policy 9: Revenue Supported Obligation. Revenue supported obligations should be used to limit potential dependence on property taxes for those projects with available revenue sources, whether self-generated or dedicated from other sources. Adequate financial feasibility studies will be performed for each project to establish assurances as to the self-liquidating nature of the project or adequacy of dedicated revenue sources.

- Policy 10: Transportation Development District Obligations. The formation of a Transportation Development District (TDD) and the provisions and conditions under which debt for such projects can be issued, will be considered by the Governing Body on a case by case basis. If sales tax is proposed to pay off the bonds, it would be based on extremely conservative estimates. All TDD bonds shall be privately placed.
- Policy 11: Lease and Lease-Purchase Agreements. The City may enter into leases and lease-purchase obligations to finance the acquisition of real and personal property as permitted by law. The Finance Director shall review all proposed leases prior to submittal to the Governing Body. Lease financing is appropriate:
- a) Whenever the introduction of leased equipment and/or a capital improvement results in verifiable operating savings, or interest costs that minimizes the loss on resale value, properly discounted, outweigh the lease financing costs;
 - b) Existing or incremental new revenues are available to provide for the lease payments;
 - c) The capital asset is deemed important enough (for safety, legal, efficiency, or other reasons) to lead to a reallocation of existing revenues; or
 - d) Existing state statutes do not provide adequate or expedient methods of financing.
- This policy shall not preclude the use of operating leases in appropriate circumstances such as for office equipment.
- Policy 12: Other Borrowing Methods. Financial feasibility studies should be performed for other financing methods such as state loan programs and pool participation.
- Policy 13: Short Term Borrowing. Use of short-term borrowing, such as temporary notes will be undertaken if the available cash is insufficient to meet project requirements or their use is judged to be prudent and advantageous to the City. Temporary notes may also be used to affect the interim financing of capital projects including benefit district projects so that permanent financing can occur on a more orderly basis. The City will conduct a cash flow analysis for a forecast period of no less than 12 months prior to issuing short-term notes.
- Policy 14: Conduit Financing. The City may sponsor conduit financing such as industrial revenue bonds and tax increment financings that are consistent with the City's overall service, development and policy objectives. The issuance of industrial revenue bonds and tax increment financings should be governed by Resolutions 598 and 1317 respectively.

Debt Issuance Policies

- Policy 15: Method of Sale. As required by law, City debt will be issued through a competitive bidding process. Bids on long-term bonds will be awarded on a true interest cost basis, providing other bidding requirements are satisfied. Negotiated sales of debt will be considered when the complexity of the issue requires specialized expertise, or when the

negotiated sale would result in substantial savings in time or money. The objective in all situations will be to accomplish the project at the lowest overall cost to the City.

- Policy 16: Length of Debt. Debt will be structured for the shortest period consistent with a fair allocation of costs to current and future beneficiaries or users (guidelines - 15 years for General Obligations Debt; 20 years for land, parks and buildings; and 15 to 20 years for Revenue Bonds. Special Benefit District Debt has a 10 year length, however, upon special approval by the Governing Body, benefit district debt may be extended up to a 15 year term). Transportation Development District debt has a 10 year length, however, upon special approval by the Governing Body, this debt may be extended up to 22 years, which is the maximum by law.
- Policy 17: Debt Structure. Debt will be structured to achieve the lowest possible net cost to the City given market conditions, the urgency of the capital project, and the nature and type of security provided. Moreover, to the extent possible, the City will design the repayment of its overall debt so as to recapture rapidly its borrowing capacity for future use. The structure should approximate level principal on street projects debt, and level payment for public buildings, land and parks. Level debt service should also be used for revenue bonds. There shall be no debt structures which include increasing debt service levels in subsequent years, except when such structuring will allow debt service to more closely match project revenues during the early years of the project's operation or such structuring is needed to mitigate property tax impacts. There shall be no "balloon" bond repayment schedules that consist of low annual payments and one large payment of the balance due at the end of the term. Normally, there shall be no capitalized interest included in the debt structure unless there are insufficient revenues available from the source of repayment of the debt during the project construction or start up phase.
- Policy 18: Bond Rating. The City should continually seek to maintain and improve current bond ratings so that borrowing costs are minimized and access to credit preserved. Good communication with bond rating agencies should be maintained and all necessary financial and economic data concerning the City and its borrowing needs shall be provided to the bond rating agencies as needed or requested. The city shall attempt to structure its debt issuance, prepare its operating budgets, and implement policies that will maintain or improve its existing bond rating. Any departure from prior structuring or budgeting processes that may jeopardize the City's bond rating will be discussed in advance with the rating agencies.
- Policy 19: Credit Enhancements. Decisions regarding credit enhancements such as letters of credit or bond insurance will be based on the City's goal of accomplishing its financings at the lowest borrowing cost.

Debt Administration Policies

- Policy 20: Coordination of Local Jurisdictions. The City will participate in the Johnson County DMAC to enhance coordinated communication with overlapping and adjoining jurisdictions concerning plans for future debt issues.
- Policy 21: Monitoring. The Finance Department should continually monitor the City's outstanding debt issues to verify compliance with debt covenants and record keeping.
- Policy 22: Reporting. Official statements accompanying debt issues, Comprehensive Annual Financial Reports, and continuing disclosure statements will meet (at a minimum) the standards articulated by, the Government Accounting Standards Board (GASB), the Government Finance Officers Association (GFOA), any clarifying guidance from the Securities and Exchange Commission (SEC), and Generally Accepted Accounting Principles (GAAP). The Department of Finance shall be responsible for ongoing disclosure to established national and state information repositories and for maintaining compliance with disclosure standards of state and national regulatory bodies.
- Policy 23: Investment of Bond Proceeds. All proceeds of bonds, notes and other obligations shall be segregated into separate funds and invested in a manner consistent with those authorized by existing state laws and by the City's investment practices, consistent with safety, liquidating and return. All interest earned on proceeds shall be used to pay costs associated with the projects being financed or used to pay the principal of or interest on such debt.
- Policy 24: Arbitrage Rebate. The Finance Director shall ensure that record keeping and reporting meets the arbitrage rebate compliance requirements of the federal tax code. This effort shall include tracking investment earnings on bond proceeds, calculating rebate payments in compliance with tax law, and remitting any rebatable earnings to the federal government in a timely manner in order to preserve the tax-exempt status of the City's outstanding debt issues. The City should actively monitor its investment practices to ensure maximum returns on its invested bond funds while complying with federal arbitrage guidelines.
- Policy 25: Refunding. Periodic reviews of all outstanding debt will be undertaken to determine refunding opportunities. As a general matter, advance refundings may be undertaken for economic savings when net present value savings of not less than two percent of the refunded debt can be achieved. The City also may choose to refund outstanding indebtedness when existing bond covenants or other financial structures can be modified to improve financial operations. Savings requirements for current or advance refundings undertaken to restructure debt may be waived upon finding that such a restructuring is in the City's overall best financial interests.

REFERENCES:

Adopted by Resolution No. 1518 [April 3, 2000]
Revised by Resolution No. 2221 [May 3, 2004]

Program Summary

Bond Issue Financed

All Projects

Infrastructure Projects

Parks and Recreation Projects

Buildings and Facilities Projects

Bonding Projections – General Obligation & Special Benefit District

Capital Improvements Program 2007 - 2011

Total Project Cost - All Projects, by Construction Year

Project <u>Number</u> <u>Project Description</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80110 Roe Ave. 124th to 135th Streets	\$9,662,000					
# 80112 Pedestrian Bridge	\$313,000					
# 80139 Nall Avenue, 135th to 143rd Streets	\$9,384,727					
# 80143 Nall Avenue, 143rd to 151st Streets		\$8,743,000				
# 80152 Nall Avenue, 151st to 159th Streets		\$11,295,000				
# 80153 Construction - Justice Center			\$8,400,000			
# 80154 Community Center						\$5,150,000
# xxxxx Park Improvements		\$500,000				
# 80157 92nd St. & State Line Traffic Signals	\$849,000					
# 80162 143rd Street, Nall to Mission					\$12,004,000	
# 80171 Creek Bank Stabilization			\$753,900			
# 80189 Roe Avenue, S of 135th Street (SBD)				\$860,000		
# 80191 137th & Briar, Utilities (TDD)	\$483,000					
# 80192 Main Entry Water Feature (SBD)	\$1,221,000					
# 80196 Park Place (SBD)	\$3,381,000					
# 80197 Villaggio Project (SBD)	\$4,400,000					
# 80198 Villaggio Stormwater Project (SBD)	\$3,300,000					
# 80202 2005 & 2006 Street Reconstruction, Ph I	\$4,000,000					
# 80206 2007 Street Reconstruction, Ph I		\$1,500,000				
# 80208 2008 Street Reconstruction, Ph I			\$2,500,000			
# 80209 2009 Street Reconstruction, Ph II				\$1,500,000		
# 80210 2010 Street Reconstruction, Ph II					\$2,500,000	
# 80211 2011 Street Reconstruction, Ph II						\$1,500,000
# 80400 Traffic Signals, 128th & State Line				\$278,000		
# 80401 Traffic Signals, College & Brookwood						\$225,000
# 80450 135th St-Bury Power Lines (TDD)	\$3,500,000					
# 80451 135th St-Add Turning Lane (TDD)	\$3,000,000					
# 80452 Villaggio (TDD)	\$860,000					
# 80453 Park Place-Parking Structure #1 (TDD)			\$6,300,000			
# 80454 Park Place-Parking Structure #2 (TDD)					\$7,350,000	
Total	\$44,353,727	\$22,038,000	\$17,953,900	\$2,638,000	\$21,854,000	\$6,875,000

Capital Improvements Program 2007 - 2011

Total City Cost - All Projects, by Construction Year

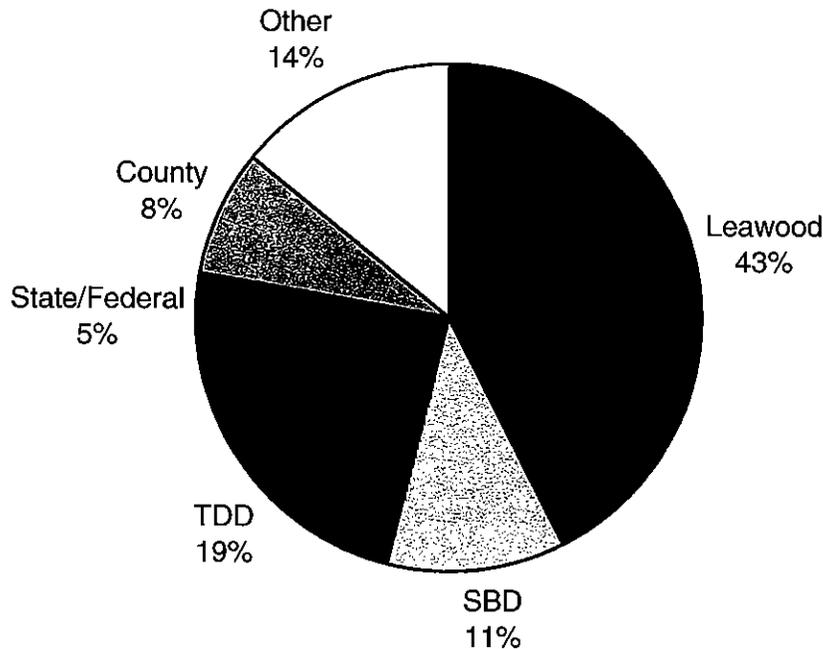
Project Number	Project Description	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80110	Roe Ave. 124th to 135th Streets	\$4,482,000					
# 80112	Pedestrian Bridge	\$313,000					
# 80139	Nall Avenue, 135th to 143rd Streets	\$2,318,962					
# 80143	Nall Avenue, 143rd to 151st Streets		\$3,792,500				
# 80152	Nall Avenue, 151st to 159th Streets		\$1,930,950				
# 80153	Construction - Justice Center			\$8,400,000			
# 80154	Community Center						\$5,150,000
# xxxx	Park Improvements		\$500,000				
# 80157	92nd St. & State Line Traffic Signals *	\$331,000					
# 80162	143rd Street, Nall to Mission					\$7,504,000	
# 80171	Creek Bank Stablization			\$753,900			
# 80189	Roe Avenue, S of 135th Street (SBD) *				\$0		
# 80191	137th & Briar, Utilities (TDD) *	\$0					
# 80192	Main Entry Water Feature (SBD) *	\$0					
# 80196	Park Place (SBD) *	\$0					
# 80197	Villaggio Project (SBD) *	\$0					
# 80198	Villaggio Stormwater Project (SBD) *	\$0					
# 80202	2005 & 2006 Street Reconstruction, Ph I	\$4,000,000					
# 80206	2007 Street Reconstruction, Ph I		\$1,500,000				
# 80208	2008 Street Reconstruction, Ph I			\$2,500,000			
# 80209	2009 Street Reconstruction, Ph II				\$1,500,000		
# 80210	2010 Street Reconstruction, Ph II					\$2,500,000	
# 80211	2011 Street Reconstruction, Ph II						\$1,500,000
# 80400	Traffic Signals, 128th & State Line				\$278,000		
# 80401	Traffic Signals, College & Brookwood						\$225,000
# 80450	135th St-Bury Power Lines (TDD) *	\$0					
# 80451	135th St-Add Turning Lane (TDD) *	\$0					
# 80452	Villaggio (TDD) *	\$0					
# 80453	Park Place-Parking Structure #1 (TDD) *			\$0			
# 80454	Park Place-Parking Structure #2 (TDD) *					\$0	
Total		\$11,444,962	\$7,723,450	\$11,653,900	\$1,778,000	\$10,004,000	\$6,875,000

* The Total City Cost may differ from the Total Project cost due to funding sources other than Leawood, such as Special Benefit District, TDD, and/or Other Contributions.

Capital Improvements Program 2007 - 2011

Construction Year Cost Distribution by Funding Source

<u>Year</u>	<u>City of Leawood</u>	<u>Special Benefit Dist</u>	<u>Transportation Devel Dist</u>	<u>State/Federal</u>	<u>County</u>	<u>Other</u>	<u>Total</u>
2006	\$11,444,962	\$12,302,000	\$7,843,000	\$4,500,000	\$3,899,000	\$4,364,765	\$44,353,727
2007	\$7,223,450	\$0	\$0	\$0	\$2,288,000	\$12,026,550	\$21,538,000
2008	\$11,653,900	\$0	\$6,300,000	\$0	\$0	\$0	\$17,953,900
2009	\$1,778,000	\$860,000	\$0	\$0	\$0	\$0	\$2,638,000
2010	\$10,004,000	\$0	\$7,350,000	\$1,500,000	\$3,000,000	\$0	\$21,854,000
2011	\$6,875,000	\$0	\$0	\$0	\$0	\$0	\$6,875,000
Total	\$48,979,312	\$13,162,000	\$21,493,000	\$6,000,000	\$9,187,000	\$16,391,315	\$115,212,627



Capital Improvements Program
2007 - 2011
Total Project Cost - Infrastructure

Project							
Number	Project Description	2006	2007	2008	2009	2010	
# 80110	Roe Ave. 124th to 135th Streets	\$9,662,000					
# 80112	Pedestrian Bridge	\$313,000					
# 80139	Nall Avenue, 135th to 143rd Streets	\$9,384,727					
# 80143	Nall Avenue, 143rd to 151st Streets		\$8,743,000				
# 80152	Nall Avenue, 151st to 159th Streets		\$11,295,000				
# 80157	92nd St. & State Line Traffic Signals	\$849,000					
# 80162	143rd Street, Nall to Mission					\$12,004,000	
# 80189	Roe Avenue, S of 135th Street (SBD)				\$860,000		
# 80191	137th & Briar, Utilities (TDD)	\$483,000					
# 80192	Main Entry Water Feature (SBD)	\$1,221,000					
# 80196	Park Place (SBD)	\$3,381,000					
# 80197	Villaggio Project (SBD)	\$4,400,000					
# 80198	Villaggio Stormwater Project (SBD)	\$3,300,000					
# 80202	2005 & 2006 Street Reconstruction, Ph I	\$4,000,000					
# 80206	2007 Street Reconstruction, Ph I		\$1,500,000				
# 80208	2008 Street Reconstruction, Ph I			\$2,500,000			
# 80209	2009 Street Reconstruction, Ph II				\$1,500,000		
# 80210	2010 Street Reconstruction, Ph II					\$2,500,000	
# 80211	2011 Street Reconstruction, Ph II					\$1,500,000	
# 80400	Traffic Signals, 128th & State Line				\$278,000		
# 80401	Traffic Signals, College & Brookwood					\$225,000	
# 80450	135th St-Bury Power Lines (TDD)	\$3,500,000					
# 80451	135th St-Add Turning Lane (TDD)	\$3,000,000					
# 80452	Villaggio (TDD)	\$860,000					
# 80453	Park Place-Parking Structure #1 (TDD)			\$6,300,000			
# 80454	Park Place-Parking Structure #2 (TDD)					\$7,350,000	
Total Annual Cost		\$44,353,727	\$21,538,000	\$8,800,000	\$2,638,000	\$21,854,000	\$1,725,000

Capital Improvements Program 2007 - 2011

Total Project Cost - Parks & Recreation Projects

Project Number	Project Description	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80171	Creek Bank Stablization			\$753,900			
Total Annual Cost		\$0	\$0	\$753,900	\$0	\$0	\$0

**Capital Improvements Program
2007 - 2011
Total Project Cost - Buildings**

Project Number	Project Description	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80153	Construction - Justice Center			\$8,400,000			
# 80154	Community Center						\$5,150,000
Total Annual Cost		\$0	\$0	\$8,400,000	\$0	\$0	\$5,150,000

Capital Improvements Program 2007 - 2011

General Obligation Bonding Projections and Total City Cost

<u>Project Number</u>	<u>Project Description</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80106	Dykes Branch Drainage		\$220,000				
# 80110	Roe Ave. 124th to 135th Streets	\$4,482,000					
# 80112	Pedestrian Bridge	\$313,000					
# 80139	Nall Avenue, 135th to 143rd Streets	\$2,318,962	\$2,318,962				
# 80143	Nall Avenue, 143rd to 151st Streets	\$3,792,500	\$3,792,500		\$3,792,500		
# 80152	Nall Avenue, 151st to 159th Streets	\$1,930,950	\$1,930,950		\$1,930,950		
# 80153	Construction - Justice Center	\$8,400,000		\$8,400,000	\$8,400,000		
# 80154	Community Center					\$5,150,000	\$5,150,000
# xxxxx	Park Improvements		\$500,000	\$500,000			
# 80157	92nd St. & State Line Traffic Signals	\$331,000	\$331,000				
# 80162	143rd Street, Nall to Mission		\$7,504,000			\$7,504,000	
# 80171	Creek Bank Stabilization	\$753,900		\$753,900	\$753,900		
# 80200	Residential Street Program, Ph I	\$2,500,000					
# 80202	2005 & 2006 Street Reconstruction, Ph I	\$4,000,000	\$4,000,000				
# 80206	2007 Street Reconstruction, Ph I	\$1,500,000	\$1,500,000	\$1,500,000			
# 80208	2008 Street Reconstruction, Ph I		\$2,500,000	\$2,500,000	\$2,500,000		
# 80209	2009 Street Reconstruction, Ph II			\$1,500,000	\$1,500,000	\$1,500,000	
# 80210	2010 Street Reconstruction, Ph II				\$2,500,000	\$2,500,000	\$2,500,000
# 80211	2011 Street Reconstruction, Ph II					\$1,500,000	\$1,500,000
# 80400	Traffic Signals, 128th & State Line			\$278,000	\$278,000	\$278,000	
# 80401	Traffic Signals, College & Brookwood					\$225,000	\$225,000
Totals		\$30,322,312	\$24,597,412	\$15,431,900	\$21,655,350	\$18,657,000	\$9,375,000
Total Project Cost/Design Year		\$16,377,350	\$10,004,000	\$1,778,000	\$2,500,000	\$6,875,000	\$0
Total City Cost/Construction Year		\$6,649,962	\$7,723,450	\$11,653,900	\$1,778,000	\$10,004,000	\$6,875,000
Total Project Cost/Bond Year		\$7,295,000	\$6,869,962	\$2,000,000	\$17,377,350	\$1,778,000	\$2,500,000

Capital Improvements Program 2007 - 2011

Special Benefit District Bonding Projections and Total City Cost

<u>Project Number</u>	<u>Project Description</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80189	Roe Avenue, S of 135th Street (SBD)			\$860,000	\$860,000	\$860,000	
# 80192	Main Entry Water Feature (SBD)	\$1,221,000	\$1,221,000				
# 80193	135th & Briar Intersection (SBD)				\$594,600		
# 80195	Parkway Plaza Development (SBD)		\$6,900,000				
# 80196	Park Place (SBD)	\$3,381,000	\$3,381,000				
# 80197	Villaggio Project (SBD)	\$4,400,000	\$4,400,000				
# 80198	Villaggio Stormwater Project (SBD)	\$3,300,000		\$3,300,000			
Totals		\$12,302,000	\$15,902,000	\$4,160,000	\$1,454,600	\$860,000	\$0
Total Project Cost/Design Year		\$0	\$0	\$860,000	\$0	\$0	\$0
Total SBD Cost/Construction Year		\$12,302,000	\$0	\$0	\$860,000	\$0	\$0
Total Project Cost/Bond Year		\$0	\$15,902,000	\$3,300,000	\$594,600	\$860,000	\$0

Transportation Development District Bonding Projections and Total City Cost

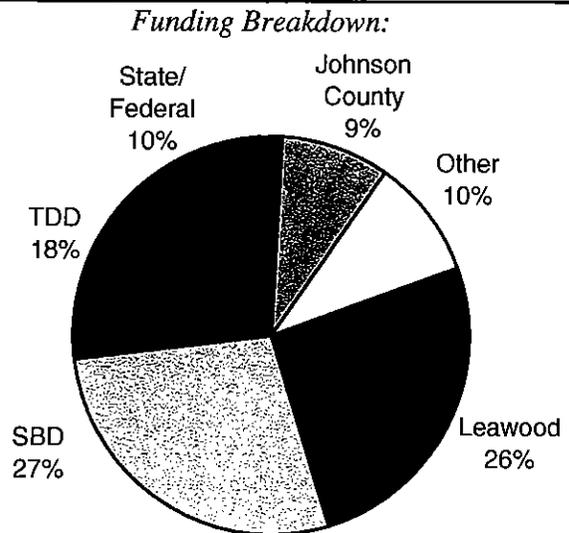
<u>Project Number</u>	<u>Project Description</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80190	Roe Ave, Nall Ave, 137th-Utilities (TDD)	\$158,000					
# 80191	137th & Briar, Utilities (TDD)	\$483,000					
# 80450	135th St-Bury Power Lines (TDD)	\$3,500,000	\$3,500,000				
# 80451	135th St-Add Turning Lane (TDD)	\$3,000,000	\$3,000,000				
# 80452	Villaggio (TDD)	\$860,000	\$860,000				
# 80453	Park Place-Parking Structure #1 (TDD)	\$6,300,000		\$6,300,000	\$6,300,000		
# 80454	Park Place-Parking Structure #2 (TDD)				\$7,350,000	\$7,350,000	\$7,350,000
Totals		\$14,301,000	\$7,360,000	\$6,300,000	\$13,650,000	\$7,350,000	\$7,350,000
Total Project Cost/Design Year		\$6,300,000	\$0	\$0	\$7,350,000	\$0	\$0
Total TDD Cost/Construction Year		\$7,843,000	\$0	\$6,300,000	\$0	\$7,350,000	\$0
Total Project Cost/Bond Year		\$641,000	\$7,360,000	\$0	\$6,300,000	\$0	\$7,350,000

Annual Projects

2006

- # 80110 Roe Ave. 124th to 135th Streets
- # 80112 Pedestrian Bridge
- # 80139 Nall Avenue, 135th to 143rd Streets
- # 80157 92nd St. & State Line Traffic Signals
- # 80191 137th & Briar, Utilities (TDD)
- # 80192 Main Entry Water Feature (SBD)
- # 80196 Park Place (SBD)
- # 80197 Villaggio Project (SBD)
- # 80198 Villaggio Stormwater Project (SBD)
- # 80202 2005 & 2006 Street Reconstruction, Ph I
- # 80450 135th St-Bury Power Lines (TDD)
- # 80451 135th St-Add Turning Lane (TDD)
- # 80452 Villaggio (TDD)

13 Project(s)
 \$44,353,727 Total 2006 Project Cost



Roe Ave. 124th to 135th Streets

2006

Project Number: # 80110

Location: Roe Avenue
124th Street to 135th Street

Description: Improve to four lane divided street
with curb and gutter.

Design Date: 2002

Construction Date: 2005

Project Life: 2 years

Bond Date: 2006

Bond Life: 15 years

Estimated Cost

Construction	\$6,484,000
Stormwater	\$0
Design	\$690,000
Inspection/Survey	\$546,031
Trails	\$0
Land	\$250,000
Landscaping	\$500,000
ROW/Utilities	\$200,000
Equipment	\$0
Finance/Admin.	\$531,874
Sub-total	\$9,201,905
Inflation	5%
Total	\$9,662,000

Funding Source

Leawood	\$4,482,000
Special District	\$0
State/Federal	\$2,500,000
Johnson County	\$1,770,000
Other (Developer Fees)	\$910,000
Total	\$9,662,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Pedestrian Bridge

2006

Project Number: # 80112

Location: El Monte, N. of College to Mission

Description: Remove and replace old steel bridge.

Design Date: 2005

Construction Date: 2006

Project Life: 1 year

Bond Date: 2006

Bond Life: 15

Estimated Cost

Construction	\$260,000
Stormwater	\$0
Design	\$30,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$23,000
Sub-total	\$313,000
Inflation	0%
Total	\$313,000

Funding Source

Leawood	\$313,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$313,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Nall Avenue, 135th to 143rd Streets

2006

Project Number: # 80139

Location: Nall Avenue
135th Street to 143rd Street
Description: Improvement to a four lane
divided roadway.

Design Date: 2002
Construction Date: 2005
Project Life: 2 years
Bond Date: 2007
Bond Life: 15 years

Estimated Cost

Construction	\$6,600,000
Stormwater	\$0
Design	\$605,000
Inspection/Survey	\$365,000
Trails	\$0
Land	\$198,727
Landscaping	\$0
ROW/Utilities	\$700,000
Other	\$816,000
Finance/Admin.	\$100,000
Sub-total	\$9,384,727
Inflation	0%
Total	\$9,384,727

Funding Source

Leawood	\$2,318,962
Special District	\$0
State/Federal	\$2,000,000
Johnson County	\$2,129,000
Other	\$2,936,765
Total	\$9,384,727

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year. The Other is Overland Park assuming 56.8% of the project cost, also administering the project. Leawood assumes the remaining 43.2%. Also included in Other is \$415,000 in impact fees.

92nd St. & State Line Traffic Signals

2006

Project Number: # 80157

Location: 92nd Street & State Line Road

Description: Installation of signals and widening of
State Line for left turns onto 92nd Street

Design Date: 2002

Construction Date: 2006

Project Life: 1 year

Bond Date: 2007

Bond Life: 15

Estimated Cost

Construction	\$650,000
Stormwater	\$0
Design	\$90,000
Inspection/Survey	\$49,000
Trails	\$0
Land	\$40,000
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$20,000
Sub-total	\$849,000
Inflation	0%
Total	\$849,000

Funding Source

Leawood	\$331,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$518,000
Total	\$849,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year. This project will be administered by Kansas City, Mo.

137th & Briar, Utilities (TDD)

2006

Project Number: # 80191	Design Date: 2005
Location: Cornerstone & COR	Construction Date: 2006
Description: 137th Street (Nall to Briar)	Project Life: 1 year
135th St lane improvements; Briar Ave	Bond Date: 2006
improvements; signalization of 137th & Nall intersection.	Bond Life: 15

Estimated Cost

Construction	\$0
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$460,000
Other (Street Lights/Traf Signals)	\$0
Finance/Admin.	\$23,000
Sub-total	\$483,000
Inflation	0%
Total	\$483,000

Funding Source

Leawood	\$0
TDD	\$483,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$483,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Main Entry Water Feature (SBD)

2006

Project Number: # 80192

Location: Cornerstone

Description: Main entry water feature at the
Cornerstone/COR project site.
Special Benefit District #1

Design Date: 2003

Construction Date: 2006

Project Life: 2 years

Bond Date: 2007

Bond Life: 15 Years

Estimated Cost

Construction	\$1,030,500
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$120,500
Equipment	\$0
Finance/Admin.	\$70,000
Sub-total	\$1,221,000
Inflation	0%
Total	\$1,221,000

Funding Source

Leawood	\$0
Special District	\$1,221,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$1,221,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Park Place (SBD)

2006

Project Number: # 80196

Design Date: 2005

Construction Date: 2006

Location: Between 117th St & Town Center
Drive, E of Nall

Project Life: 1 year

Description: Special Benefit District
Street Improvements & Storm Sewers

Bond Date: 2007

Bond Life: 15

Estimated Cost

Construction	\$1,732,213
Stormwater	\$752,762
Design	\$617,052
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$49,750
ROW/Utilities	\$28,080
Equipment	\$0
Finance/Admin.	\$201,143
Sub-total	\$3,381,000
Inflation	0%
Total	\$3,381,000

Funding Source

Leawood	\$0
Special District	\$3,381,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$3,381,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Villaggio Project (SBD)

2006

Project Number: # 80197
Design Date: 2005
Construction Date: 2006
Location: Between Roe & Mission, southside
Project Life: 1 year
Description: Concrete, curb and gutters, storm drainage, pedestrian sidewalks, traffic signals, accel/ decel lanes, and landscaping.
Bond Date: 2007
Bond Life: 10

Estimated Cost

Construction	\$3,757,000
Stormwater	\$0
Design	\$197,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$446,000
Sub-total	\$4,400,000
Inflation	0%
Total	\$4,400,000

Funding Source

Leawood	\$0
Special District	\$4,400,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$4,400,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Villaggio Stormwater Project (SBD)

2006

Project Number: # 80198	Design Date: 2005
Location: Between Roe & Mission, southside	Construction Date: 2006
Description: Concrete, curb and gutters, storm drainage, pedestrian sidewalks, traffic signals, accel/ decel lanes, and landscaping.	Project Life: 1 year
	Bond Date: 2008
	Bond Life: 10

Estimated Cost

Construction	\$0
Stormwater	\$2,271,440
Design	\$295,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$453,560
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$280,000
Sub-total	\$3,300,000
Inflation	0%
Total	\$3,300,000

Funding Source

Leawood	\$0
Special District	\$3,300,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$3,300,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2005 & 2006 Street Reconstruction, Ph I

2006

Project Number: # 80202	Design Date: 2005
Location: Various	Construction Date: 2006
Description: Street Reconstruction Program	Project Life: 1 year
2005 = Reconstruction of 7,871 feet of roadway currently at a PCI of 63.	Bond Date: 2007
2006 = Reconstruction of 12,617 feet of roadway currently at a PCI of 69.	Bond Life: 15

Estimated Cost

Construction	\$3,700,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$300,000
Sub-total	\$4,000,000
Inflation	0%
Total	\$4,000,000

Funding Source

Leawood	\$4,000,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$4,000,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2005 & 2006 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
Group 2 - 2005			
Belinder Rd (Somerset to 83rd St)	1,985	58	Reconstruction
Cherokee Circle (N of 83rd St)	1,328	64	Road Recon (no storm)
Cherokee Lane (S of 83rd St)	526	64	Road Recon (no storm)
	Avg PCI =	61	
Group 15 - 2005			
High Drive (N of 98th)	2,562	69	Reconstruction
Sagamore Road (N of 97th St)	789	59	Reconstruction
Overbrook Road (N of 97th St)	681	62	Reconstruction
	Avg PCI =	66	
Group 3 - 2006			
W 84th Terr (W of State Line Rd)	900	69	Road Recon (no storm)
Sagamore St (N of 84th Terr)	470	69	Road Recon (no storm)
Cambridge St (N of 84th Terr)	320	70	Road Recon (no storm)
	Avg PCI =	69	
Group 6 - 2006			
Sagamore Road (S of 83rd St)	559	63	Reconstruction
Overbrook Road (S of 83rd St)	755	71	Reconstruction
83rd Terrace (Overbrook Rd to State Line Rd)	484	65	Road Recon (no storm)
84th Street (W of State Line Rd)	334	72	Road Recon (no storm)
	Avg PCI =	68	
Group 13 - 2006			
Cherokee Lane (S of 99th St)	802	65	Road Recon (no storm)
Cherokee Lane (Wenonga to 97th St)	1,031	68	Reconstruction
Wenonga (Cherokee Ln to 97th Pl)	705	69	Reconstruction
	Avg PCI =	67	
Group 18 - 2006			
Fairway St (89th St to 87th Terr)	1,150	65	Reconstruction
Norwood (89th St to 87th Terr)	1,100	76	Reconstruction
	Avg PCI =	70	
Group 21 - 2006			
Ensley La (Somerset to 83rd St)	1,985	71	Reconstruction
82nd St (W of Ensley La)	660	71	Road Recon (no storm)
	Avg PCI =	68	
Group 22 - 2006			
Mohawk Lane (S of 93rd St)	639	77	Road Recon (no storm)
Pawnee Lane (S of 93rd St)	723	71	Road Recon (no storm)
	Avg PCI =	74	

135th St-Bury Power Lines (TDD)

2006

Project Number: # 80450

Location: 135th Street

Description: Bury overhead power lines along 3 sides
of 135th Street.

Design Date: 2005

Construction Date: 2006

Project Life: 1 year

Bond Date: 2007

Bond Life: 15

Estimated Cost

Construction	\$3,305,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$195,000
Sub-total	\$3,500,000
Inflation	0%
Total	\$3,500,000

Funding Source

Leawood	0
TDD	\$3,500,000
State/Federal	\$0
Johnson County (CARS)	\$0
Other	\$0
Total	\$3,500,000

Note: ESTIMATED COST ONLY.

135th St-Add Turning Lane (TDD)

2006

Project Number: # 80451

Location: 135th Street

Description: Add third lane for eastbound, from
Fontana to State Line Road.

Design Date: 2005

Construction Date: 2006

Project Life: 1 year

Bond Date: 2007

Bond Life: 15

Estimated Cost

Construction	\$2,830,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$170,000
Sub-total	\$3,000,000
Inflation	0%
Total	\$3,000,000

Funding Source

Leawood	0
TDD	\$3,000,000
State/Federal	\$0
Johnson County (CARS)	\$0
Other	\$0
Total	\$3,000,000

Note: ESTIMATED COST ONLY.

Villaggio (TDD)

2006

Project Number: # 80452	Design Date: 2005
	Construction Date: 2006
Location: Between Roe & Mission, southside	Project Life: 1 year
	Bond Date: 2007
Description: Bury new power and new electrical lines.	Bond Life: 15

Estimated Cost

Construction	\$0
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$820,000
Equipment	\$0
Finance/Admin.	\$40,000
<hr/>	
Sub-total	\$860,000
Inflation	0%
<hr/>	
Total	\$860,000

Funding Source

Leawood	\$0
TDD	\$860,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
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Total	\$860,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

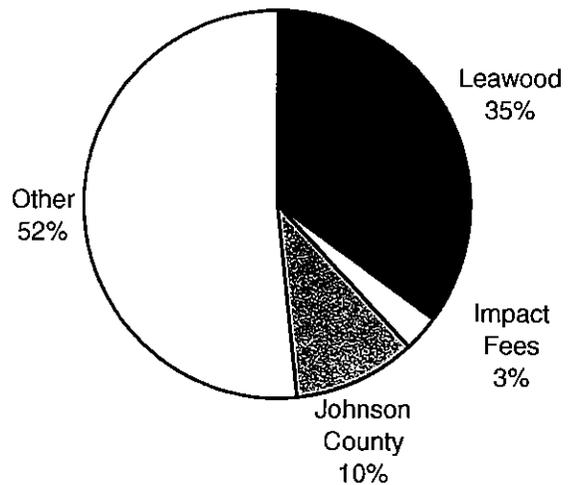
Annual Projects

2007

- # 80143 Nall Avenue, 143rd to 151st Streets
- # 80152 Nall Avenue, 151st to 159th Streets
- # 80206 2007 Street Reconstruction, Ph I
- # xxxxx Park Improvements

4 Project(s)
\$22,038,000 Total 2007 Project Cost

Funding Breakdown:



Nall Avenue, 143rd to 151st Streets

2007

Project Number: # 80143

Design Date: 2006

Construction Date: 2007

Location: Nall Avenue
143rd to 151st Street

Project Life: 2 years

Bond Date: 2009

Description: Improve to four lane divided road.

Bond Life: 15

Estimated Cost

Construction	\$4,699,182
Stormwater	\$0
Design	\$460,000
Inspection/Survey	\$391,000
Trails	\$0
Land	\$640,000
Landscaping	\$400,000
ROW/Utilities	\$983,000
Equipment	\$0
Finance/Admin.	\$375,000
Sub-total	\$7,948,182
Inflation	10%
Total	\$8,743,000

Funding Source

Leawood	\$3,792,500
Impact Fees	\$450,000
State/Federal	\$0
Johnson County (CARS)	\$258,000
Other	\$4,242,500
Total	\$8,743,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Nall Avenue, 151st to 159th Streets

2007

Project Number: # 80152

Design Date: 2006

Construction Date: 2007

Location: Nall Avenue
151st to 159th Street

Project Life: 2 years

Bond Date: 2009

Description: Improve to four lane divided road.

Bond Life: 15

Estimated Cost

Construction	\$6,566,918
Stormwater	\$0
Design	\$656,660
Inspection/Survey	\$558,161
Trails	\$0
Land	\$640,000
Landscaping	\$250,000
ROW/Utilities	\$700,000
Equipment	\$0
Finance/Admin.	\$450,000
Sub-total	\$9,821,739
Inflation	15%
Total	\$11,295,000

Funding Source

Leawood	\$1,930,950
Impact Fees	\$200,000
State/Federal	\$0
Johnson County (CARS)	\$2,030,000
Other	\$7,134,050
Total	\$11,295,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year. *Other is Overland Park (77%) and Leawood assuming the remaining (23%) of the costs.

2007 Street Reconstruction, Ph I

2007

Project Number: # 80206

Location: Various

Description: Street Reconstruction Program

Reconstruction of 7,564 feet of roadway currently at an average PCI of 69.

Design Date: 2006

Construction Date: 2007

Project Life: 1 year

Bond Date: 2008

Bond Life: 15

Estimated Cost

Construction	\$1,400,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$100,000
Sub-total	\$1,500,000
Inflation	0%
Total	\$1,500,000

Funding Source

Leawood	\$1,500,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$1,500,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2007 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
Group 7 - 2007			
High Drive (N of 85th Terr)	500	68	Road Recon (no storm)
High Drive (S of 85th Terr)	1,011	64	Reconstruction
86th Street (86th Terr to State Line Rd)	859	64	Reconstruction
86th Terrace (85th Terr to State Line Rd)	1,650	63	Reconstruction
86th Terrace (E of Lee Blvd)	409	65	Road Recon (no storm)
	Avg PCI =	64	
Group 14 - 2007			
97th Terrace (W of Manor Rd)	290	73	Road Recon (no storm)
97th Terrace (W of Lee Blvd)	250	71	Road Recon (no storm)
	Avg PCI =	72	
Group 16 - 2007			
Howe Lane (S of 103rd St)	650	75	Road Recon (no storm)
Mohawk Road (S of 103rd St)	720	66	Road Recon (no storm)
Ensley Lane (S of 103rd St)	387	71	Road Recon (no storm)
Ensley Lane (N of 103rd St)	220	76	Road Recon (no storm)
Pawnee Lane (S of 103rd Terr)	618	68	Road Recon (no storm)
	Avg PCI =	70	

Park Improvements

2007

Project Number: # xxxxx

Location: Various

Description: Park Improvements

Design Date: 2007

Construction Date: 2007

Project Life: 1 year

Bond Date: 2008

Bond Life: 20

Estimated Cost

Construction	\$500,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$0
Sub-total	\$500,000
Inflation	0%
Total	\$500,000

Funding Source

Leawood	\$500,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$500,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

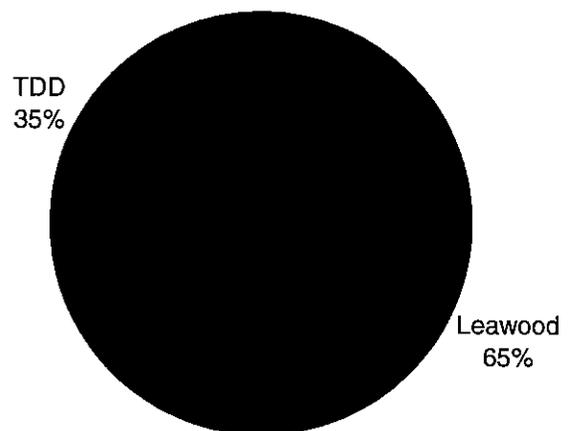
Annual Projects

2008

- # 80153 Construction - Justice Center
- # 80171 Creek Bank Stabilization
- # 80208 2008 Street Reconstruction, Ph I
- # 80453 Park Place-Parking Structure #1 (TDD)

4 Project(s)
\$17,953,900 Total 2008 Project Cost

Funding Breakdown:



Creek Bank Stabilization

2008

Project Number: # 80171	Design Date: 2006
Location: IRONHORSE Golf Club	Construction Date: 2008
Description: Installation of creek bank stabilization on Negro Creek	Project Life: 1 year
	Bond Date: 2009
	Bond Life: 15

Estimated Cost

Construction	\$555,905
Stormwater	\$0
Design	\$74,472
Inspection/Survey	\$53,527
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Other	\$0
Finance/Admin.	\$34,096
<hr/>	
Sub-total	\$718,000
Inflation	5%
<hr/>	
Total	\$753,900

Funding Source

Leawood	\$753,900
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
<hr/>	
Total	\$753,900

Note: ESTIMATED COST ONLY.

A total of \$375,000 may be cash-financed in 2005/2006.

Construction - Justice Center

2008

Project Number: # 80153

Location: Undetermined

Description: Police and Court Facility

Design Date: 2006

Construction Date: 2008

Project Life: 1 year

Bond Date: 2009

Bond Life: 20

Estimated Cost

Construction	\$8,000,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$400,000
Sub-total	\$8,400,000
Inflation	0%
Total	\$8,400,000

Funding Source

Leawood	\$8,400,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$8,400,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2008 Street Reconstruction, Ph I

2008

Project Number: # 80208

Location: Various

Description: Street Reconstruction Program

Reconstruction of 10,809 feet of roadway currently at an average PCI of 69.

Design Date: 2007

Construction Date: 2008

Project Life: 1 year

Bond Date: 2009

Bond Life: 15

Estimated Cost

Construction	\$2,300,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$200,000
Sub-total	\$2,500,000
Inflation	0%
Total	\$2,500,000

Funding Source

Leawood	\$2,500,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$2,500,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2008 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
Group 5 - 2008			
85th St (Mission Rd to Ensley Pl)	2,850	73	Reconstruction
Wenonga Lane (W of 85th St)	365	64	Road Recon (no storm)
Cherokee Place (N of 85th St)	803	70	Reconstruction
Ensley Place (N of 85th St)	771	69	Reconstruction
	Avg PCI =	71	
Group 11 - 2008			
91st Terrace (N of 92nd St)	1,057	67	Reconstruction
93rd Street (W of Belinder)	346	67	Road Recon (no storm)
93rd Terrace (W of Belinder)	343	66	Road Recon (no storm)
94th Street (W of Belinder)	342	71	Road Recon (no storm)
94th Terrace (W of Belinder)	343	70	Road Recon (no storm)
Manor Road (95th St to 93rd St)	1,240	73	Reconstruction
Meadow Lane (95th St to 93rd St)	1,180	68	Reconstruction
92nd Street (Manor Rd to Lee Blvd)	362	79	Road Recon (no storm)
	Avg PCI =	70	
Group 19 - 2008			
Overbrook Road (S of 103rd St)	595	65	Road Recon (no storm)
98th Street (E of Overbrook Rd)	212	65	Reconstruction
	Avg PCI =	65	

Park Place-Parking Structure #1 (TDD)

2008

Project Number: # 80453

Location: Between 117th St & Town Center
Drive, E of Nall

Description: Special Benefit District
Parking Structure

Design Date: 2006

Construction Date: 2008

Project Life: 1 year

Bond Date: 2009

Bond Life: 22

Estimated Cost

Construction	\$6,000,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$300,000
Sub-total	\$6,300,000
Inflation	0%
Total	\$6,300,000

Funding Source

Leawood	\$0
TDD	\$6,300,000
State/Federal	\$0
Johnson County (CARS)	\$0
Other	\$0
Total	\$6,300,000

Note: ESTIMATED COST ONLY.

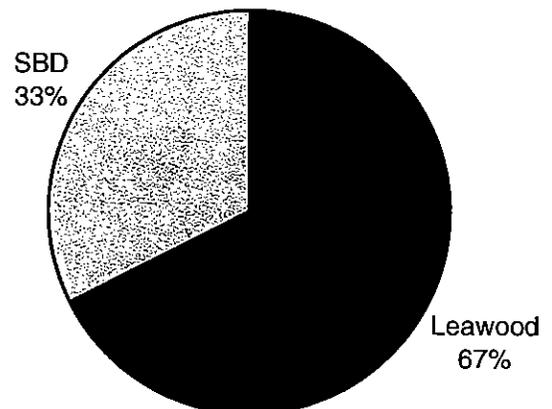
The design and construction years do not impact the City's schedule since the bonds will not be sold until the project is fully operational, per the development agreement.

Annual Projects

2009

- # 80189 Roe Avenue, S of 135th Street (SBD)
- # 80209 2009 Street Reconstruction, Ph II
- # 80400 Traffic Signals, 128th & State Line

3 Project(s)
\$2,638,000 Total 2009 Project Cost



Roe Avenue, S of 135th Street (SBD)

2009

Project Number: # 80189	Design Date: 2008
Location: Roe Avenue, south of 135th Street	Construction Date: 2009
Description: Construct 36 foot wide street with street lights	Project Life: 1 year
	Bond Date: 2010
	Bond Life: 15

Estimated Cost

Construction	\$600,000
Stormwater	\$0
Design	\$80,000
Inspection/Survey	\$50,000
Trails	\$0
Land	\$0
Landscaping	\$100,000
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$30,000
Sub-total	\$860,000
Inflation	0%
Total	\$860,000

Funding Source

Leawood	\$0
Impact Fees	\$860,000
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$860,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2009 Street Reconstruction, Ph II

2009

Project Number: # 80209	Design Date: 2008
Location: Various	Construction Date: 2009
Description: Street Reconstruction Program	Project Life: 1 year
Reconstruction of 7,041 feet of roadway currently at an average PCI of 70.	Bond Date: 2010
	Bond Life: 15

Estimated Cost

Construction	\$1,400,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$100,000
Sub-total	\$1,500,000
Inflation	0%
Total	\$1,500,000

Funding Source

Leawood	\$1,500,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$1,500,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2009 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
Group 4 - 2009			
87th Street (Mission Rd to Cherokee)	2,184	68	Reconstruction
Mohawk Road (87th St to Reinhardt Ln)	676	70	Reconstruction
Reinhardt Ln (Mission Rd to 85th St)	1,300	75	Reconstruction
	Avg PCI =	71	
Group 9 - 2009			
Cherokee Place (94th Terr to 93rd St)	1,122	68	Reconstruction
Canterbury (94th Terr to 93rd St)	1,155	71	Reconstruction
94th Terrace (Cherokee Pl to Ensley Ln)	604	72	Reconstruction
	Avg PCI =	70	

Traffic Signals, 128th & State Line

2009

Project Number: # 80400	Design Date: 2008
Location: 128th & State Line	Construction Date: 2009
Description: Add traffic signal to the intersection of 128th & State Line.	Project Life: 1 year
	Bond Date: 2010
	Bond Life: 15

Estimated Cost

Construction	\$220,000
Stormwater	\$0
Design	\$30,000
Inspection/Survey	\$18,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$10,000
Sub-total	\$278,000
Inflation	0%
Total	\$278,000

Funding Source

Leawood	\$278,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$278,000

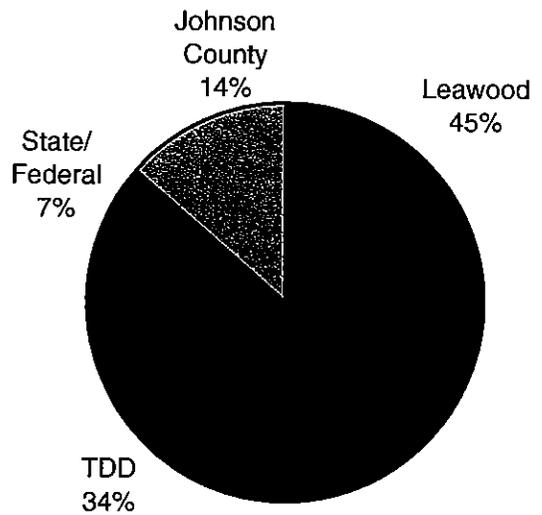
Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Annual Projects

2010

- # 80162 143rd Street, Nall to Mission
- # 80210 2010 Street Reconstruction, Ph II
- # 80454 Park Place-Parking Structure #2 (TDD)

3 Project(s)
\$21,854,000 Total 2010 Project Cost



143rd Street, Nall to Mission

2010

Project Number: # 80162	Design Date: 2007
	Construction Date: 2010
Location: 143rd Street, Nall Ave to Mission Rd	Project Life: 2 years
	Bond Date: 2012
Description: Improve 143rd from 2-lane ditch street to a 4-lane curb & gutter, sidewalks, street lights, storm sewers & traffic signals.	Bond Life: 15

Estimated Cost

Construction	\$6,600,645
Stormwater	\$0
Design	\$660,000
Inspection/Survey	\$560,000
Trails	\$0
Land	\$500,000
Landscaping	\$300,000
ROW/Utilities	\$700,000
Equipment	\$0
Finance/Admin.	\$360,000
Sub-total	\$9,680,645
Inflation	24%
Total	\$12,004,000

Funding Source

Leawood	\$7,504,000
Impact Fees	\$0
State/Federal	\$1,500,000
Johnson County	\$3,000,000
Other	\$0
Total	\$12,004,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2010 Street Reconstruction, Ph II

2010

Project Number: # 80210	Design Date: 2009
Location: Various	Construction Date: 2010
Description: Street Reconstruction Program	Project Life: 1 year
Reconstruction of 7,041 feet of roadway currently at an average PCI of 70.	Bond Date: 2011
	Bond Life: 15

Estimated Cost

Construction	\$2,300,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$200,000
Sub-total	\$2,500,000
Inflation	0%
Total	\$2,500,000

Funding Source

Leawood	\$2,500,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$2,500,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2010 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
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To be determined at a later time

Park Place-Parking Structure #2 (TDD)

2010

Project Number: # 80454 Location: Between 117th St & Town Center Drive, E of Nall Description: Special Benefit District Parking Structure	Design Date: 2009 Construction Date: 2010 Project Life: 1 year Bond Date: 2011 Bond Life: 22
--------------------------------------------------------------------------------------------------------------------------------------------------------------------------------	---------------------------------------------------------------------------------------------------------------------------------------------

Estimated Cost

Construction	\$7,000,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$350,000
Sub-total	\$7,350,000
Inflation	0%
Total	\$7,350,000

Funding Source

Leawood	\$0
TDD	\$7,350,000
State/Federal	\$0
Johnson County (CARS)	\$0
Other	\$0
Total	\$7,350,000

Note: ESTIMATED COST ONLY.

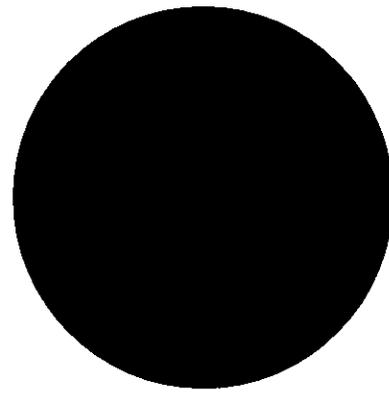
The design and construction years do not impact the City's schedule since the bonds will not be sold until the project is fully operational, per the development agreement.

Annual Projects

2011

- # 80154 Community Center
- # 80211 2011 Street Reconstruction, Ph II
- # 80401 Traffic Signals, College & Brookwood

3 Project(s)
\$6,875,000 Total 2011 Project Cost



Leawood
100%

Community Center

2011

Project Number: # 80154

Location: To Be Determined

Description: Multi-Use Recreational Facility

Design Date: 2010

Construction Date: 2011

Project Life: 1 year

Bond Date: 2012

Bond Life: 20

Estimated Cost

Construction	\$4,825,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$325,000
Sub-total	\$5,150,000
Inflation	0%
Total	\$5,150,000

Funding Source

Leawood	\$5,150,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$5,150,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2011 Street Reconstruction, Ph II

2011

Project Number: # 80211

Location: Various

Description: Street Reconstruction Program

Reconstruction of 7,041 feet of roadway currently at an average PCI of 70.

Design Date: 2010

Construction Date: 2011

Project Life: 1 year

Bond Date: 2012

Bond Life: 15

Estimated Cost

Construction	\$1,400,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$100,000
Sub-total	\$1,500,000
Inflation	0%
Total	\$1,500,000

Funding Source

Leawood	\$1,500,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$1,500,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

2011 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
--------	-------------	-----	--------------

To be determined at a later time

Traffic Signals, College & Brookwood

2011

Project Number: # 80401	Design Date: 2010
Location: College Blvd & Brookwood	Construction Date: 2011
Description: Add traffic signal to the intersection of College & Brookwood	Project Life: 1 year
	Bond Date: 2012
	Bond Life: 15

Estimated Cost

Construction	\$170,000
Stormwater	\$0
Design	\$30,000
Inspection/Survey	\$15,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$10,000
Sub-total	\$225,000
Inflation	0%
Total	\$225,000

Funding Source

Leawood	\$225,000
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
Total	\$225,000

Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Capital Improvements Program
2007 - 2011
Future Years' Projects through 2019

CIP Year	Description	Project #	Total Cost	Leawood Cost	Bond Year
2012	Leawood Town Center Fire Station	80153	\$1,000,000	\$1,000,000	2013
2012	143rd St, Mission Rd to Kenneth Rd	80129	\$11,000,000	\$7,000,000	2013
2012	2012 Street Reconstruction Prog, Ph II	80212	\$2,500,000	\$2,500,000	2013
2013	2013 Street Reconstruction Prog, Ph II	80213	\$1,500,000	\$1,500,000	2014
2014	151st St, Nall Ave to E. City Limit	80163	\$14,060,000	\$6,752,000	2015
2014	2014 Street Reconstruction Prog, Ph III	80214	\$1,500,000	\$1,500,000	2015
2015	2015 Street Reconstruction Prog, Ph III	80215	\$1,500,000	\$1,500,000	2016
2016	Mission Rd, 135th to 143rd St.	80175	\$10,251,000	\$5,959,000	2017
2016	2016 Street Reconstruction Prog, Ph III	80216	\$1,500,000	\$1,500,000	2017
2017	2017 Street Reconstruction Prog, Ph III	80217	\$1,500,000	\$1,500,000	2018
2018	Mission Rd, 143rd to 151st St.	80155	\$10,000,000	\$6,000,000	2019
2018	2018 Street Reconstruction Prog, Ph III	80218	\$1,500,000	\$1,500,000	2019
2019	2019 Street Reconstruction Prog, Ph IV	80219	\$1,500,000	\$1,500,000	2020
2019	Kenneth Rd, 143rd to S City Limits	80102	\$7,900,000	\$7,900,000	2020
			\$67,211,000	\$47,611,000	

New projects are shown in red.

Debt Service Information

Capital Improvements Program 2007 - 2011

Committed Projects

Number	Project Description	Project Cost	Finish Date	GO Bond Issue Amt	Developer/TDD or SBD Amount	Bond Date	Bond Life
# 80110	Roe Ave. 124th to 135th Streets	\$9,662,000	2006	\$4,482,000	\$0	2006	15
# 80112	Pedestrian Bridge	\$313,000	2006	\$313,000	\$0	2006	15
# 80190	Roe Ave, Nall Ave, 137th-Utilities (TDD) **	\$158,000	2005	\$0	\$158,000	2006	15
# 80191	137th & Briar, Utilities (TDD)	\$483,000	2006	\$0	\$483,000	2006	15
# 80200	Residential Street Program, Ph I **	\$2,500,000	2005	\$2,500,000	\$0	2006	15
# 80106	Dykes Branch Drainage **	\$220,000	2005	\$220,000	\$0	2007	10
# 80139	Nall Avenue, 135th to 143rd Streets	\$9,384,727	2006	\$2,318,962	\$0	2007	15
# 80157	92nd St. & State Line Traffic Signals	\$849,000	2006	\$331,000	\$0	2007	15
# 80192	Main Entry Water Feature (SBD)	\$1,221,000	2007	\$0	\$1,221,000	2007	15
# 80195	Parkway Plaza Development (SBD) **	\$6,900,000	2005	\$0	\$6,900,000	2007	15
# 80196	Park Place (SBD)	\$3,381,000	2006	\$0	\$3,381,000	2007	15
# 80197	Villaggio Project (SBD)	\$4,400,000	2006	\$0	\$4,400,000	2007	10
# 80202	2005 & 2006 Street Reconstruction, Ph I	\$4,000,000	2007	\$4,000,000	\$0	2007	15
# 80198	Villaggio Stormwater Project (SBD)	\$3,300,000	2006	\$0	\$3,300,000	2008	10
# 80206	2007 Street Reconstruction, Ph I	\$1,500,000	2008	\$1,500,000	\$0	2008	15
# 80143	Nall Avenue, 143rd to 151st Streets	\$8,743,000	2009	\$3,792,500	\$0	2009	15
# 80152	Nall Avenue, 151st to 159th Streets	\$11,295,000	2009	\$1,930,950	\$200,000	2009	15
# 80153	Construction - Justice Center	\$8,400,000	2009	\$8,400,000	\$0	2009	20
# 80171	Creek Bank Stabilization	\$753,900	2008	\$753,900	\$0	2009	15
# 80193	135th & Briar Intersection (SBD) **	\$594,600	2005	\$0	\$594,600	2009	15
# 80208	2008 Street Reconstruction, Ph I	\$2,500,000	2009	\$2,500,000	\$0	2009	15
# 80209	2009 Street Reconstruction, Ph II	\$1,500,000	2010	\$1,500,000	\$0	2010	15
# 80210	2010 Street Reconstruction, Ph II	\$2,500,000	2011	\$2,500,000	\$0	2011	15
TOTAL		\$84,558,227		\$37,042,312	\$20,637,600		

Committed projects are agreed upon by the Governing Body. Annually the Governing Body reviews the list and may make changes from the prior year providing funding is available.

Uncommitted Projects

Number	Project Description	Project Cost	Finish Date	GO Bond Issue Amt	Developer/TDD or SBD Amount	Bond Date	Bond Life
# 80450	135th St-Bury Power Lines (TDD)	\$3,500,000	2006	\$0	\$3,500,000	2007	15
# 80451	135th St-Add Turning Lane (TDD)	\$3,000,000	2006	\$0	\$3,000,000	2007	15
# 80452	Villaggio (TDD)	\$860,000	2006	\$0	\$860,000	2007	15
# 80453	Park Place-Parking Structure #1 (TDD)	\$6,300,000	2008	\$0	\$6,300,000	2009	22
# 80189	Roe Avenue, S of 135th Street (SBD)	\$860,000	2009	\$0	\$860,000	2010	15
# 80400	Traffic Signals, 128th & State Line	\$278,000	2009	\$278,000	\$0	2010	15
# 80454	Park Place-Parking Structure #2 (TDD)	\$7,350,000	2010	\$0	\$7,350,000	2011	22
# 80154	Community Center	\$5,150,000	2012	\$5,150,000	\$0	2012	20
# xxxxx	Park Improvements	\$500,000	2007	\$500,000	\$0	2008	20
# 80162	143rd Street, Nall to Mission	\$12,004,000	2012	\$7,504,000	\$0	2012	15
# 80211	2011 Street Reconstruction, Ph II	\$1,500,000	2012	\$1,500,000	\$0	2012	15
# 80401	Traffic Signals, College & Brookwood	\$225,000	2011	\$225,000	\$0	2012	15
TOTAL		\$41,527,000		\$15,157,000	\$21,870,000		

GO = General Obligation (city-at-large) Debt

SBD = Special Benefit District

TDD = Transportation Development District Debt

** Reflected in the 2006-2010 CIP (see P. 19)

Debt Summary 2007 - 2011

Levy Supported - General Obligation Debt Bond Issuance Year Cost Distribution

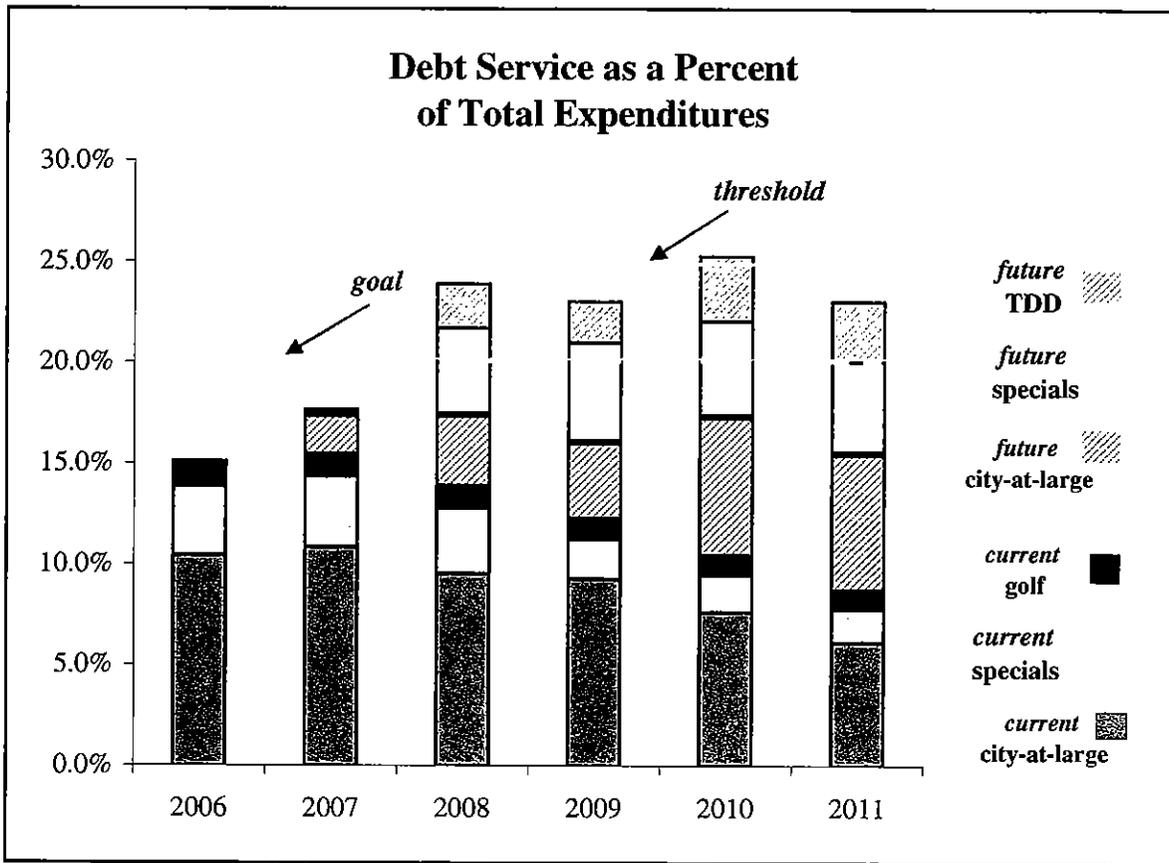
<u>Proj #</u>	<u>Project Description</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80106	Dykes Branch Drainage		\$220,000				
# 80110	Roe Ave. 124th to 135th Streets	\$4,482,000					
# 80112	Pedestrian Bridge	\$313,000					
# 80139	Nall Avenue, 135th to 143rd Streets		\$2,318,962				
# 80143	Nall Avenue, 143rd to 151st Streets				\$3,792,500		
# 80152	Nall Avenue, 151st to 159th Streets				\$1,930,950		
# 80153	Construction - Justice Center				\$8,400,000		
# 80154	Community Center						
# xxxxx	Park Improvements			\$500,000			
# 80157	92nd St. & State Line Traffic Signals		\$331,000				
# 80162	143rd Street, Nall to Mission						
# 80171	Creek Bank Stablization				\$753,900		
# 80200	Residential Street Program, Ph I	\$2,500,000					
# 80202	2005 & 2006 Street Reconstruction, Ph I		\$4,000,000				
# 80206	2007 Street Reconstruction, Ph I			\$1,500,000			
# 80208	2008 Street Reconstruction, Ph I				\$2,500,000		
# 80209	2009 Street Reconstruction, Ph II					\$1,500,000	
# 80210	2010 Street Reconstruction, Ph II						\$2,500,000
# 80211	2011 Street Reconstruction, Ph II						
# 80400	Traffic Signals, 128th & State Line					\$278,000	
# 80401	Traffic Signals, College & Brookwood						
Totals		\$7,295,000	\$6,869,962	\$2,000,000	\$17,377,350	\$1,778,000	\$2,500,000

Non Levy Supported-Special Benefit District/Transportation Development District Debt

<u>Proj #</u>	<u>Project Description</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>
# 80189	Roe Avenue, S of 135th Street (SBD)					\$860,000	
# 80190	Roe Ave, Nall Ave, 137th-Utilities (TDD)	\$158,000					
# 80191	137th & Briar, Utilities (TDD)	\$483,000					
# 80192	Main Entry Water Feature (SBD)		\$1,221,000				
# 80193	135th & Briar Intersection (SBD)				\$594,600		
# 80195	Parkway Plaza Development (SBD)		\$6,900,000				
# 80196	Park Place (SBD)		\$3,381,000				
# 80197	Villaggio Project (SBD)		\$4,400,000				
# 80198	Villaggio Stormwater Project (SBD)			\$3,300,000			
# 80450	135th St-Bury Power Lines (TDD)		\$3,500,000				
# 80451	135th St-Add Turning Lane (TDD)		\$3,000,000				
# 80452	Villaggio (TDD)		\$860,000				
# 80453	Park Place-Parking Structure #1 (TDD)				\$6,300,000		
# 80454	Park Place-Parking Structure #2 (TDD)						\$7,350,000
Totals		\$641,000	\$23,262,000	\$3,300,000	\$6,894,600	\$860,000	\$7,350,000

DEBT SERVICE AND LEASE PAYMENTS

	2006	2007	2008	2009	2010	2011
<i>Current Bond and Leases</i>						
General Obligation						
Property Tax Supported - GO	4,599,653	4,378,319	3,926,125	3,699,480	3,545,971	2,932,938
Special Assessments	1,700,128	1,600,205	1,550,836	982,959	958,795	890,761
Transportation District Debt	0	0	0	0	0	0
Golf Course - Enterprise Fund	519,535	519,643	521,843	518,843	517,705	516,580
Subtotal	6,819,316	6,498,166	5,998,804	5,201,281	5,022,471	4,340,279
Leases						
Property Tax Supported - Leases	160,789	158,989	157,189	508,800	0	0
Golf Course - Enterprise Fund	91,668	0	0	0	0	0
Subtotal	252,458	158,989	157,189	508,800	0	0
Revenue Bonds	409,900	412,900	410,700	417,488	412,988	412,400
TOTAL Current	7,481,674	7,070,056	6,566,693	6,127,569	5,435,459	4,752,679
<i>Committed Projects</i>						
General Obligation						
Property Tax Supported - GO	0	847,436	1,628,756	1,755,899	3,449,617	3,574,478
Special Assessments	0	0	1,993,949	2,427,562	2,420,564	2,442,433
Transportation District Debt	0	84,398	1,050,687	1,016,016	1,677,209	1,623,924
<i>Proposed Future Leases</i>						
Property Tax Supported - Leases	0	0	0	99,500	99,500	99,500
Golf Carts - Enterprise Fund	0	68,000	68,000	68,000	68,000	68,000
TOTAL Committed	0	999,834	4,741,393	5,366,978	7,714,889	7,808,336
GRAND TOTAL	7,481,674	8,069,890	11,308,086	11,494,546	13,150,348	12,561,015



Debt Service as a Percent of Total Expenditures

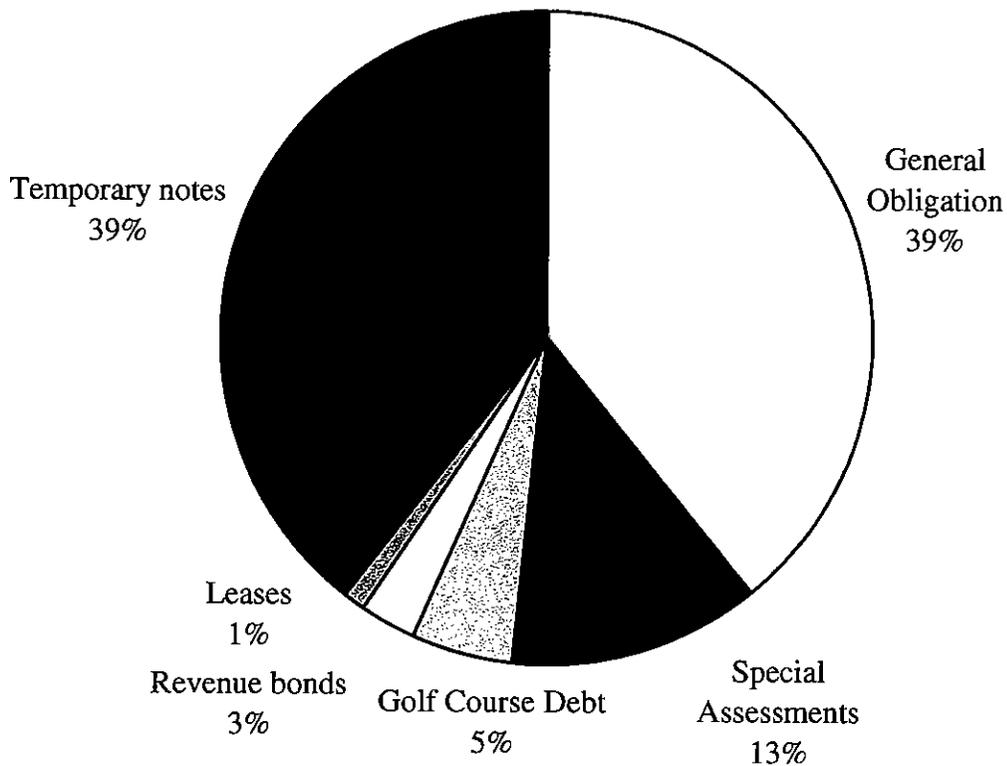
	2006	2007	2008	2009	2010	2011
<i>Current Tax-Supported:</i>						
City-at-Large	10.4%	10.8%	9.5%	9.3%	7.6%	6.1%
Special Assessments	3.4%	3.5%	3.3%	2.0%	1.8%	1.6%
Transportation District Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Golf	1.2%	1.1%	1.1%	1.0%	1.0%	0.9%
<i>Future Tax-Supported:</i>						
City-at-Large	0.0%	1.9%	3.4%	3.7%	6.8%	6.7%
Special Assessments	0.0%	0.0%	4.2%	4.9%	4.7%	4.5%
Transportation District Debt	0.0%	0.2%	2.2%	2.0%	3.2%	3.0%
Golf Leases	0.0%	0.1%	0.1%	0.1%	0.1%	0.1%
	15.1%	17.6%	23.9%	23.0%	25.3%	23.0%
Threshold	25%	25%	25%	25%	25%	25%
Goal	20%	20%	20%	20%	20%	20%

This measurement is a key operating ratio. The graph shows the current projects and the proposed future projects by category, city-at-large, special assessment, TDD and golf. The proposed special assessment (and TDD) projects increase substantially in 2008. This ratio exceeds the 20% goal beginning in 2008, and exceeds the rating agency 25% in 2010.

According to the city's financial advisors, George K. Baum, TDD debt is not included as direct debt by the rating agencies, thus this threshold is maintained throughout the five-year planning period.

BONDS, NOTES, AND LEASES OUTSTANDING

	Outstanding 12/31/2005	Percent of Total
General Obligation	33,647,404	39.3%
Special Assessments	10,708,696	12.5%
Transportation Dev District	0	0.0%
Golf Course Debt	4,143,900	4.8%
Revenue bonds	2,420,000	2.8%
Leases	834,224	1.0%
Golf Course Leases	88,744	0.1%
Temporary notes	33,810,000	39.5%
TOTAL	\$85,652,968	100.0%



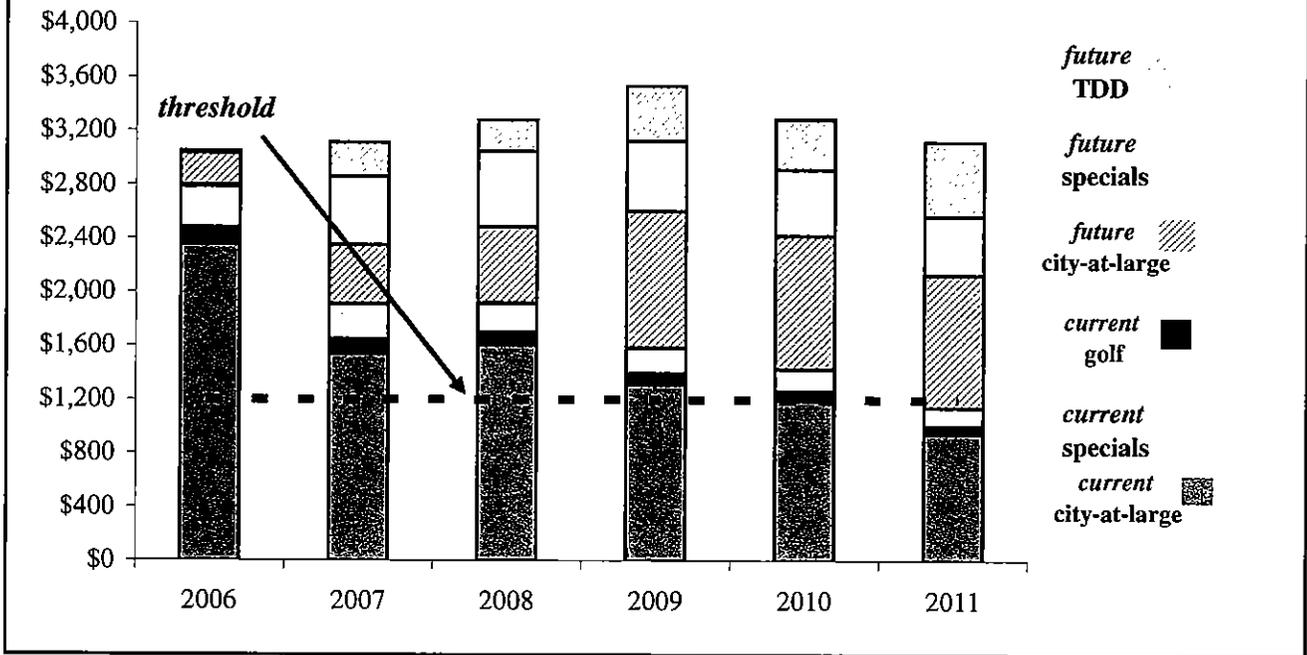
KEY DEBT MANAGEMENT RATIOS

	← Forecast →						Standard
	2006	2007	2008	2009	2010	2011	
Outstanding Debt per capita							
Net Debt (1)	\$2,592	\$1,974	\$2,171	\$2,327	\$2,186	\$1,935	< \$1,200
Direct Debt (2)	\$3,028	\$2,855	\$3,047	\$3,125	\$2,910	\$2,562	
Direct and Overlapping Debt (3)	\$5,829	\$5,835	\$5,951	\$6,150	\$5,851	\$5,637	
Debt outstanding as a percent of full valuation of property							
Net Debt (1)	1.5%	1.1%	1.2%	1.3%	1.1%	1.0%	< 1.5%
Direct Debt (2)	1.8%	1.6%	1.7%	1.7%	1.5%	1.3%	
Direct and Overlapping Debt (3)	3.5%	3.4%	3.3%	3.3%	3.1%	2.9%	
Total debt service as a percent of total expenditures(4)							
	15.1%	17.6%	23.9%	23.0%	25.3%	23.0%	< 20%
Debt Service Levy (per \$1,000 of assessed value)							
	5.403	5.000	6.000	6.000	6.500	6.500	NA
Debt Payout in 10 Years							
Current Debt	88.29%	86.72%	90.55%	92.35%	95.36%	97.27%	NA
Current + Committed Future Projects	13.99%	26.85%	40.50%	53.04%	58.06%	63.98%	NA

1. General Obligation debt and capital leases supported by general tax levy revenues.
2. General Obligation, Golf, Special Assessment debt and capital leases., excluding Transportation Development District debt (TDD).
3. All debt described in #2 plus Leawood's share of debt from Blue Valley & Shawnee Mission school districts, Johnson County, County Parks & Rec and Leawood's TDD debt.
4. The Target is less than 20%, not to exceed 25% in any given year.

These projections are based on the current assumptions in the City's comprehensive financial planning model.

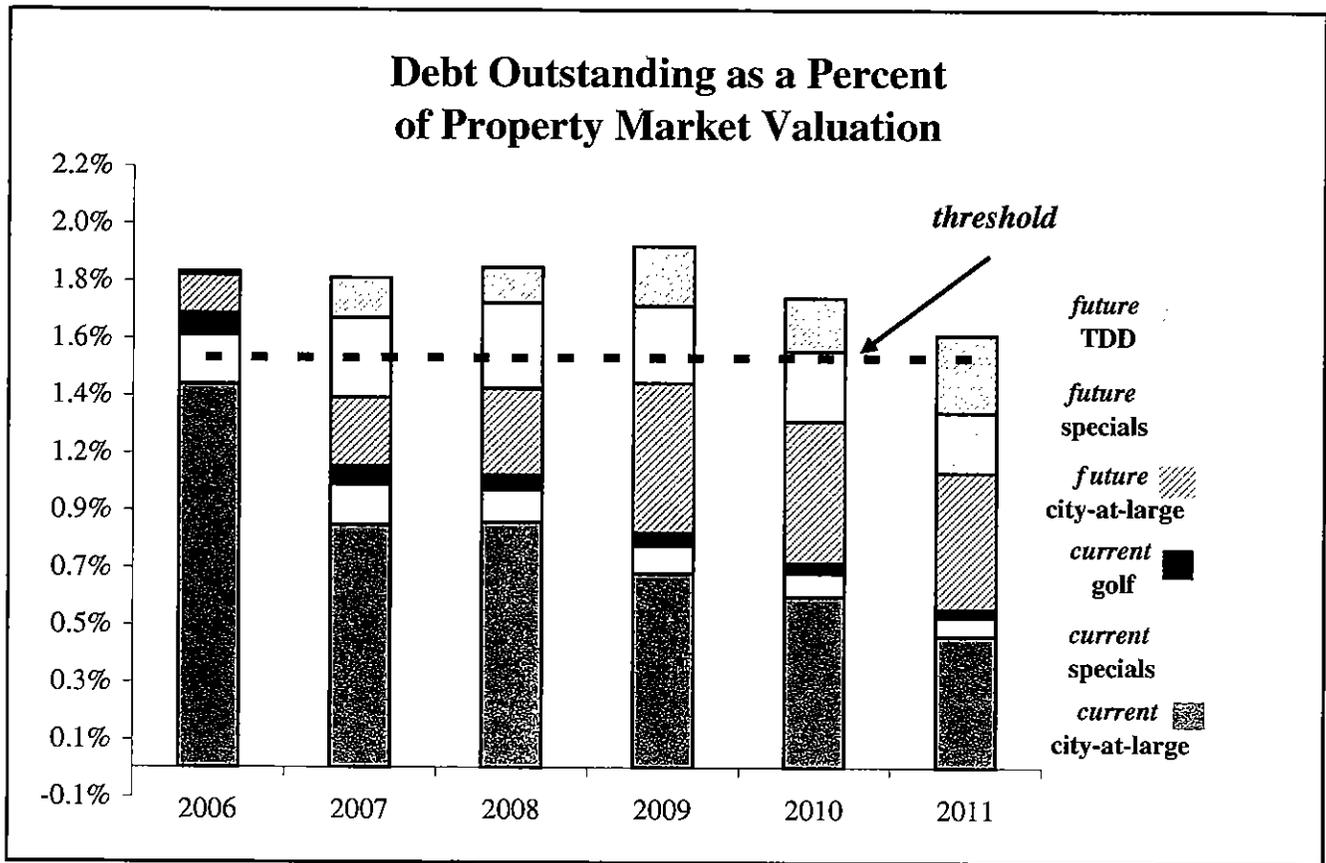
Debt Per Capita



	2006	2007	2008	2009	2010	2011
Debt Per Capita						
<i>Current Tax-Supported:</i>						
City-at-Large	\$2,354	\$1,537	\$1,607	\$1,312	\$1,195	\$948
Special Assessments	\$306	\$260	\$216	\$189	\$163	\$140
Transportation District Debt	\$0	\$0	\$0	\$0	\$0	\$0
Golf	\$123	\$108	\$93	\$79	\$65	\$51
<i>Future Tax-Supported:</i>						
City-at-Large	\$238	\$437	\$565	\$1,015	\$991	\$986
Special Assessments	\$0	\$508	\$564	\$524	\$492	\$434
Transportation District Debt	\$21	\$254	\$233	\$405	\$373	\$558
Golf	\$7	\$4	\$2	\$6	\$4	\$2
	\$3,049	\$3,109	\$3,279	\$3,530	\$3,283	\$3,120
Threshold	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200	\$1,200

As shown in the above graph, Leawood moves aggressively ahead of debt per capita (industry average) of \$1,200 per citizen through 2011. Population is projected to increase approximately 2% annually throughout the planning period.

Debt Outstanding as a Percent of Property Market Valuation



	2006	2007	2008	2009	2010	2011
Debt as a Percent of Full Valuation						
<i>Current Tax-Supported:</i>						
City-at-Large	1.4%	0.9%	0.9%	0.7%	0.6%	0.5%
Special Assessments	0.2%	0.1%	0.1%	0.1%	0.1%	0.1%
Transportation District Debt	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
Golf	0.1%	0.1%	0.1%	0.0%	0.0%	0.0%
<i>Future Tax-Supported:</i>						
City-at-Large	0.1%	0.3%	0.3%	0.5%	0.5%	0.5%
Special Assessments	0.0%	0.3%	0.3%	0.3%	0.3%	0.2%
Transportation District Debt	0.0%	0.1%	0.1%	0.2%	0.2%	0.3%
Golf	0.0%	0.0%	0.0%	0.0%	0.0%	0.0%
	1.8%	1.8%	1.8%	1.9%	1.7%	1.6%
Threshold	1.5%	1.5%	1.5%	1.5%	1.5%	1.5%

For most of the 2007-2011 planning period, this measurement reflects an increase over the industry standard of 1.5%. This ratio helps buyers of city bonds determine how well a city carries its debt load when measured against property appraisal valuations.

Debt Limitation Status

Assessed value, real and personal property, 2005 Budget	\$638,117,797
Plus assessed value, motor vehicles, 2005 Budget	\$65,756,251
Total assessed value, 2005 Budget	\$703,874,048
New debt limitation percentage	30%
2006 debt limitation	\$211,162,214
Total general obligation debt outstanding at 12/31/05	\$48,500,000

Note

In 1997, the Kansas Legislature repealed K.S.A. 79-5037, the statute that had governed legal debt limits for municipalities since statewide reappraisal in 1989. Based on this action, the legal general obligation debt limit for most cities in the state, including Leawood, returned to the pre-1989 limit of 30% of equalized assessed valuation. Between 1989 and 1997, K.S.A. 79-5037 adjusted the debt limit to account for the effect of reappraisal. During this period Leawood's debt limit was approximately 15.82% of equalized assessed valuation.

Pay-As-You-Go Program

Arterial/Collector Projects

Residential Street Projects

Stormwater Projects

1/8-Cent Sales Tax Projects

Other PAYG Projects

Art Projects (APPI)

Pay-As-You-Go Capital Program

2007 - 2011

Arterial Street Program

2006 Program		Project Type	Cost	Funding from Partner City	Proposed CARS Funds	Program Cost
Concrete Maint 83rd, 135th, State Line	*	Joint Repair	\$157,000			\$157,000
Tomahawk Crk Pkwy, Roe Ave-College Blvd & 1900' of Mission N. of College	*	Widening & Mill & Overlay	\$1,168,794		\$584,000	\$584,794
89th St, Lee-Mission Road	*	Mill & Overlay	\$130,000			\$130,000
Annual Total			\$1,455,794	\$0	\$584,000	\$871,794

2007 Program		Project Type	Cost	Funding from Partner City	Proposed CARS Funds	Program Cost
143rd St, Nall to Kenneth	*	Mill & Overlay	\$440,000		\$220,000	\$220,000
Mission Rd, 135th St-Bell Drive	*	Mill & Overlay	\$428,000			\$428,000
Mission Rd, 95th to North City Limits	*	Mill & Overlay	\$90,000	\$45,000 PV		\$45,000
State Line Rd, 79th St-83rd St		Mill & Overlay	\$58,000	\$29,000 KCMO		\$29,000
Annual Total			\$1,016,000	\$74,000	\$220,000	\$722,000

2008 Program		Project Type	Cost	Funding from Partner City	Proposed CARS Funds	Program Cost
Kenneth Rd-135th to City Limit	*	Mill & Overlay	\$210,000			\$210,000
123rd St, State Line Rd-Mission Rd	*	Mill & Overlay	\$250,000		\$125,000	\$125,000
117th Street - Nall to Town Center Dr	*	Mill & Overlay	\$100,000			\$100,000
State Line Road - 83rd to 95th St		Mill & Overlay	\$284,000	\$142,000 KCMO		\$142,000
Annual Total			\$844,000	\$142,000	\$125,000	\$577,000

2009 Program		Project Type	Cost	Funding from Partner City	Proposed CARS Funds	Program Cost
103rd St, Mission Rd-State Line	*	Mill & Overlay	\$1,000,000		\$500,000	\$500,000
Mission Rd, 127th St-135th St	*	Mill & Overlay	\$250,000		\$125,000	\$125,000
State Line Rd, 92nd St-103rd St		Mill & Overlay	\$300,000	\$150,000 KCMO		\$150,000
Annual Total			\$1,550,000	\$150,000	\$625,000	\$775,000

2010 Program		Project Type	Cost	Funding from Partner City	Proposed CARS Funds	Program Cost
Town Center Drive	*	Mill & Overlay	\$150,000			\$150,000
127th St, Mission Rd-Nall Ave	*	Mill & Overlay	\$200,000			\$200,000
Roe Ave, 135th St-South Limits	*	Mill & Overlay	\$220,000			\$220,000
Mission Rd - 95th to 103rd Streets		Mill & Overlay	\$262,000	\$196,500 OP		\$65,500
Annual Total			\$832,000	\$196,500	\$0	\$635,500

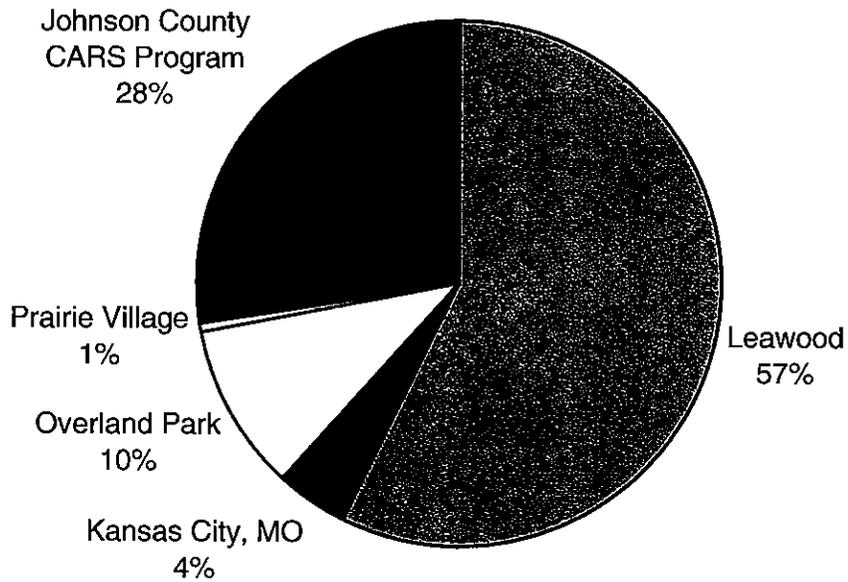
2011 Program		Project Type	Cost	Funding from Partner City	Proposed CARS Funds	Program Cost
119th St - Roe to State Line Rd	*	Mill & Overlay	\$425,000		\$212,500	\$212,500
Nall - 119th to 135th Streets		Mill & Overlay	\$674,000	\$545,940 OP		\$128,060
133rd Street - State Line Rd to Roe	*	Mill & Overlay	\$465,000		\$232,500	\$232,500
Annual Total			\$1,564,000	\$545,940	\$445,000	\$573,060

* Project administered by the City of Leawood

Pay-As-You-Go Capital Program 2007 - 2011

Arterial Street Program by Funding Source

Leawood	\$ 4,154,354
Kansas City, MO	\$ 321,000
Overland Park	\$ 742,440
Prairie Village	\$ 45,000
Johnson County CARS Program	\$ 1,999,000
<i>Total</i>	<i>\$ 7,261,794</i>



Pay-As-You-Go Capital Program
2007 - 2011
Residential Street Program

2006 Program

Project	Length	PCI	Cost/ft.	Project Type	Cost
Various				Slurry Seal/ Mill & Overlay	\$1,050,000
Total for 2006					\$1,050,000

2007 Program

Project	Length	PCI	Cost/ft.	Project Type	Cost
Various				Slurry Seal/ Mill & Overlay	\$1,100,000
Total for 2007					\$1,100,000

2008 Program

Project	Length	PCI	Cost/ft.	Project Type	Cost
Various				Slurry Seal/ Mill & Overlay	\$1,150,000
Total for 2008					\$1,150,000

2009 Program

Project	Length	PCI	Cost/ft.	Project Type	Cost
Various				Slurry Seal/ Mill & Overlay	\$1,200,000
Total for 2009					\$1,200,000

2010 Program

Project	Length	PCI	Cost/ft.	Project Type	Cost
Various				Slurry Seal/ Mill & Overlay	\$1,250,000
Total for 2010					\$1,250,000

2011 Program

Project	Length	PCI	Cost/ft.	Project Type	Cost
Various				Slurry Seal/ Mill & Overlay	\$1,300,000
Total for 2011					\$1,300,000

Pay-As-You-Go Capital Program

2007 - 2011

Stormwater Projects

(SMAC)

----- Committed Projects -----				
<i>Project Number</i>	<i>Project Description</i>	<i>Estimated Total Cost</i>	<i>Estimated City Share</i>	<i>Status</i>
DB-04-24	82nd Terr. & Wenonga, South to Cherokee & 86th St.	\$7,032,223	\$1,533,056	Construction 2005-2006
	<i>Design</i>	<i>\$1,100,000</i>	<i>\$275,000</i>	
	<i>Phase I</i>	<i>\$3,829,223</i>	<i>\$957,306</i>	
	<i>Phase II</i>	<i>\$2,103,000 *</i>	<i>\$300,750</i>	
NC-04-001	Golf Course SMAC Project & Brittany Woods, Hole 13	\$1,565,000	\$391,250	Design 2005-2006 Construction 2007-2008
Total Cost		\$8,597,223	\$1,924,306	

----- Uncommitted Projects -----				
<i>Project Number</i>	<i>Project Description</i>	<i>Estimated Total Cost</i>	<i>Estimated City Share</i>	<i>Status</i>
Total Cost		\$0	\$0	

* Includes \$1,100,000 in sanitary sewer repairs financed by Johnson County Wastewater

Pay-As-You-Go Capital Program

2007 - 2011

1/8 ¢ Sales Tax Revenue

In April of 2000, the citizens of Leawood approved a 1/8-cent sales tax for improvement of City owned storm water projects as well as acceleration of the annual street improvement program. This five-year tax became effective July 1, 2000. In August 2004 voters approved, with 71% of the vote, to extend this tax for another five years until June 30, 2010. Approximately half of the tax collected will go towards increasing the number of streets that can be rehabilitated. Staff has identified several storm water projects listed below that are recommended to be funded with the other half of the tax collected over the next five years.

<i>Year</i>	<i>Project Name</i>	<i>Subdivision</i>	<i>Project Description</i>	<i>Project Cost</i>
2006	103rd at Shawnee Mission School Dist	Brookwood Elementary	Extend stormsewer and tie into the school's pipe system.	\$80,000 *
2006	89th St to 92nd St - East of Mission	Leawood	Replace failed pipe.	\$320,000 *
2006	84th Place & Cherokee Lane	The Cloisters	Enclose existing open channel - Install approximately 500 linear feet of 60 inch	\$238,000 *
2006	9735 Cherokee Lane	Leawood Estates	Install enclosed storm sewer system.	\$85,000 *
2006	85th St. & Reinhardt	Leawood Lanes	Install pipe and inlet system to capture and convey runoff from the 10 year event.	<u>\$212,365</u>
TOTAL 2006				\$935,365
2007	137th Street & Pembroke Lane	Leawood Falls	Install pipe and inlet system to capture and convey runoff from the 10 year event.	\$60,000
2007	87th Street & Cherokee Lane	Leawood Heritage	Install pipe and inlet system to capture and convey runoff from the 10 year event.	\$202,000
2007	Sagamore Road & High Drive	Leawood South	Enclose existing channel - Install approx 1,300 linear ft of storm sewer pipe to convey 10-yr flow. Built with the High Drive Reconstruction project	<u>\$250,000</u>
TOTAL 2007				\$512,000
2008	12601 Norwood		Install new storm	\$350,000
2009	97th & State Line		Replace storm	\$350,000
2010		<i>Yet To Be Determined</i>		\$350,000
2011		<i>Yet To Be Determined</i>		\$350,000

* Design for these projects was complete in 2005.

Pay-As-You-Go Capital Program

2007 - 2011

Other Projects

The following represent projects which have been included in the CIP for other repairs/replacements which are either for non-SMAC eligible and/or non-City owned properties. These pay-as-you-go projects are funded within the City Capital Improvements Fund.

----- Committed Projects -----			
<i>Year</i>	<i>Project Name</i>	<i>Project Description</i>	<i>City Project Cost</i>
2006	Land Acquisition - Justice Center	Acquisition of land for the construction of a Police and Court Facility.	\$6,000,000
2006	Ironwoods Restroom Facilities	Construction of restroom facilities in the cabin and playground areas at Ironwoods	\$400,000
2006	Contract Management	Design services for construction of restrooms, showers, and maintenance building.	\$37,000
TOTAL 2006			\$6,437,000
2007	Ironhorse Golf Course Green Repair	Reconstruction and replacement of all 18 greens at the Ironhorse Golf Course.	\$1,000,000
2007	Ironwoods Park Restroom, Concession, Amphitheater Stage	Master plan for amphitheater site and theater design for restrooms, concessions and parking lot.	\$95,000
TOTAL 2007			\$1,095,000
2008	Gezer Park	Creation of a park in honor of Leawood's sister city, Gezer Region in Israel.	\$1,200,000
TOTAL 2008			\$1,200,000

----- Uncommitted Projects -----			
<i>Year</i>	<i>Project Name</i>	<i>Project Description</i>	<i>City Project Cost</i>
TBD	Restroom and Concession Facilities at Ironwoods Park	Construction of a restroom facility and a concession stand located near the Amphitheater.	TBD
TBD	Amphitheater Stage at Ironwoods Park	Construction of a permanent stage at Ironwoods Park.	TBD

Pay-As-You-Go Capital Program

2007 - 2011

Art Projects

The following represent planned art projects which have been identified by the Leawood Arts Council. This committee is responsible for Leawood's Art in Public Places Initiative (APPI) which is intended to integrate many aspects of art into the Leawood community in order to create a legacy of works to be enjoyed by current and future generations. The art purchases are made from the following two funds: the City Capital Art Fund and the Public Art Impact Fee Fund.

<i>Year</i>	<i>Project Name/Description</i>	<i>Projected Fund Source</i>	<i>Project Cost *</i>
2006	Porch Lights at Somerset and Lee	City Capital Art Fund	\$86,250
2006	Art in recognition of the Teaching Profession <i>(anticipates \$40,000 in matching funds from the Leawood Foundation).</i>	Public Art Impact Fee Fund	\$92,000
2006	Temporary Art	City Capital Art Fund	\$5,000
<i>TOTAL 2006</i>			<u><i>\$183,250</i></u>
2007	Gezer Park Art	City Capital Art Fund	\$75,000
2007	Temporary Art	City Capital Art Fund	\$5,000
<i>TOTAL 2007</i>			<u><i>\$80,000</i></u>
2008	Future Art - To Be Determined *	City Capital Art Fund	\$57,500
2008	Temporary Art	City Capital Art Fund	\$5,000
<i>TOTAL 2008</i>			<u><i>\$62,500</i></u>
2009	Future Art - To Be Determined *	City Capital Art Fund	\$57,500
2009	Temporary Art	City Capital Art Fund	\$5,000
<i>TOTAL 2009</i>			<u><i>\$62,500</i></u>
2010	Future Art - To Be Determined *	City Capital Art Fund	\$57,500
2010	Temporary Art	City Capital Art Fund	\$5,000
<i>TOTAL 2010</i>			<u><i>\$62,500</i></u>
2011	Gezer Park Art	City Capital Art Fund	\$75,000
2011	Temporary Art	City Capital Art Fund	\$5,000
<i>TOTAL 2011</i>			<u><i>\$80,000</i></u>

*Future Art - To Be Determined (Alpha Order)
 Currants at State Line and College
 Justice Center Art
 Tomahawk Creek Art

* Project cost has been increased by 15% for anticipated site preparation work.

Capital Leases

Lease Schedule 2007-2011

Current Lease Payments (*Principal & Interest*)

<u>Description</u>	<u>Funding</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Lease Ends</u>
General/City Equipment								
Leawood South Park	Tax Levy	\$64,200	\$62,400	\$60,600	\$508,800	\$0	\$0	2009
Fire Ladder Truck 2001	Tax Levy	\$96,589	\$96,589	\$96,589	\$0	\$0	\$0	2008
Leawood City Hall Bldg	Rev Bonds	\$409,900	\$412,900	\$410,700	\$417,488	\$412,988	\$412,400	2012
		\$570,689	\$571,889	\$567,889	\$926,288	\$412,988	\$412,400	
Enterprise Fund								
Golf Carts 2003	Golf	\$91,668	\$0	\$0	\$0	\$0	\$0	2006
Golf Carts 2006	Golf	\$64,016	\$65,000	\$65,000	\$65,000	\$0	\$0	2009
		\$155,684	\$65,000	\$65,000	\$65,000	\$0	\$0	
		* \$726,374	\$636,889	\$632,889	\$991,288	\$412,988	\$412,400	

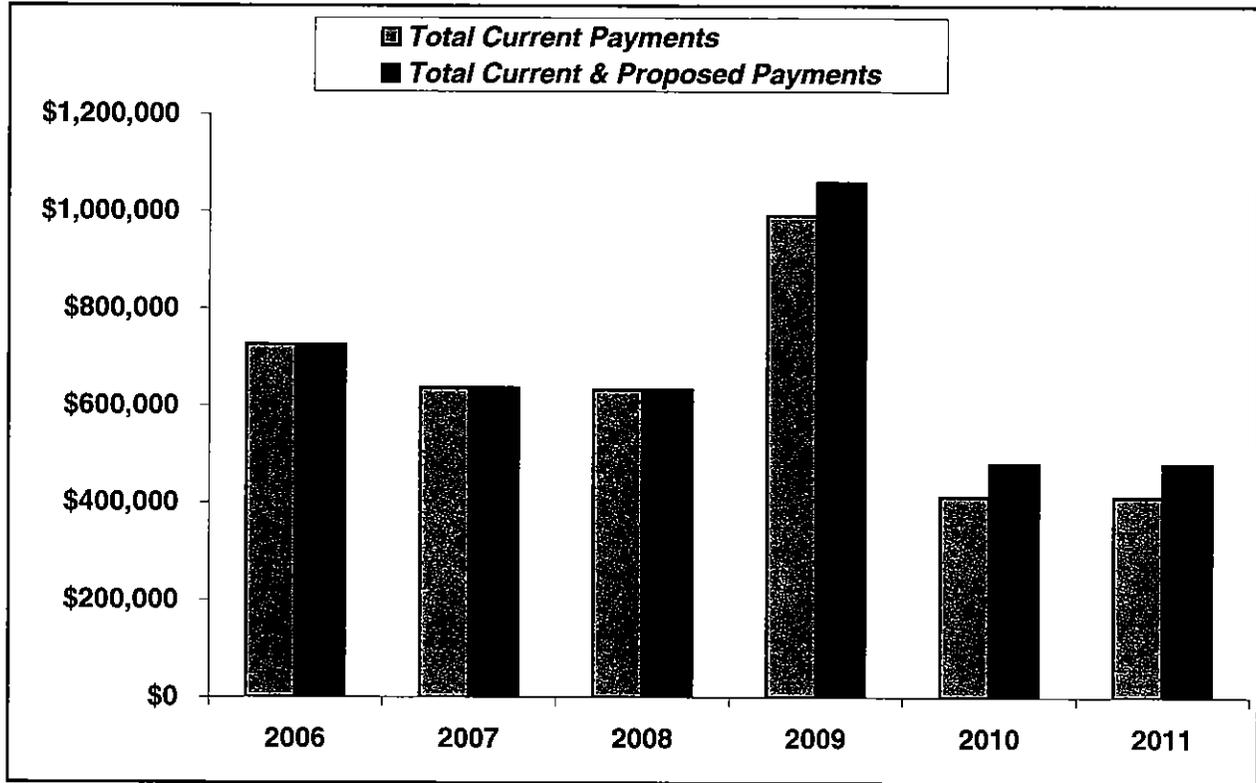
* The amount due in 2006 is higher due to the final payment due on the 2003 Golf Carts and also the first payment due on the 2006 Golf Carts.

Proposed Future Lease Payments

<u>Description</u>	<u>Funding</u>	<u>2006</u>	<u>2007</u>	<u>2008</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>Lease Ends</u>	
General/City Equipment									
	Tax Levy	<i>No planned leases until 2012</i>							
Enterprise Fund									
Golf Carts	Golf	\$0	\$0	\$0	\$68,000	\$68,000	\$68,000	On-Going	
		\$0	\$0	\$0	\$68,000	\$68,000	\$68,000		
		\$726,374	\$636,889	\$632,889	\$1,059,288	\$480,988	\$480,400		

Lease Payments

*Current vs.
Current and Proposed*



2006 2007 2008 2009 2010 2011

Lease Payments (Current vs. Current & Proposed)

<i>Current Leases:</i>		2006	2007	2008	2009	2010	2011
General & City Equipment		570,689	571,889	567,889	926,288	412,988	412,400
Golf - Enterprise Fund		155,684	65,000	65,000	65,000	0	0
TOTAL Current Leases:		\$726,374	\$636,889	\$632,889	\$991,288	\$412,988	\$412,400
<i>Future Leases:</i>							
General & City Equipment		0	0	0	0	0	0
Golf - Enterprise Fund		0	0	0	68,000	68,000	68,000
TOTAL Current/Proposed Leases:		\$726,374	\$636,889	\$632,889	\$1,059,288	\$480,988	\$480,400
Proposed Annual Increase		0.0%	0.0%	0.0%	6.9%	16.5%	16.5%

Appendices

Resolution No. 1317 – Commercial Tax Increment Financed Projects, 1996

**A RESOLUTION ESTABLISHING A POLICY FOR CONSIDERING AND APPROVING
COMMERCIAL TAX INCREMENT FINANCED PROJECTS.**

WHEREAS, the Governing Body is responsible for encouraging and promoting the economic health of the City; and

WHEREAS, the Governing Body is authorized by Kansas law (K.S.A. 12-1770 et seq.) to issue special obligation bonds for the financing of redevelopment projects; and

WHEREAS, the consideration and approval of tax increment financed projects is a complex legal and administrative matter requiring clear direction for the Governing Body;

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

SECTION 1. COMMERCIAL TAX INCREMENT FINANCING POLICY

It shall be the policy of the City to consider requests from qualified applicants to approve tax increment financing for purposes allowed by law and to approve such financing when, in the opinion of the Governing Body, it is in the best interest of the City to do so, and providing that the proposed use and applicant meet the criteria set forth in this policy.

This policy authorizes the City to issue special obligation bonds for the financing of redevelopment projects. Any tax increment as defined by K.S.A. 12-1770 et seq. resulting from a redevelopment district undertaken in accordance with this policy shall be apportioned to a special fund for the payment of the cost of redevelopment project, including the payment of principal and interest on said special obligation bonds.

Any financial risk involved in a tax increment financed project authorized under this policy will be the sole responsibility of the applicant, not the City of Leawood. No general obligations of the City, including full faith and credit tax increment bonds authorized under K.S.A. 12-1770 et seq., shall be considered as part of this policy.

SECTION 2. TAX INCREMENT FINANCING OBJECTIVES.

In reviewing requests to approve commercial tax increment financed projects, the Governing Body shall be guided by whether such a project will substantially meet the challenges outlined within the City of Leawood's Economic Development Strategic Plan, including:

- a) Preserve the City's unique character and distinctive atmosphere
- b) Insure the diversity of the City's economic base
- c) Lessen the City's dependence on property tax as a revenue source
- d) Revitalize the City's existing business climate

SECTION 3. REVIEW CRITERIA

The following criteria will be used by the Governing Body to judge the desirability and feasibility of proposals:

- a) Tax increment financing will be discouraged when the effect would be to grant the applicant an unfair advantage within the local market structure.
- b) Consideration will be given to projects that promote Leawood as a center for major local, regional and national firms.
- c) The proposed use must be in keeping with the character of Leawood, complementing the City's high standards and quality of life, non-polluting and consistent with all planning and development requirements, policies, ordinances and codes.
- d) The proposed use must have a positive impact on the community and not threaten public facilities, streets or other public improvements.
- e) Consideration will be given to redevelopment projects in areas zoned CP-1, CP-2 and/or PI. Proposed projects must promote property investment and urban renewal within existing commercial developments.

SECTION 4. APPROVAL CONDITIONS

Prior to the approval of tax increment financing, the Governing Body must be satisfied that the objectives and criteria for review established in the policy have been met.

Further, all proposals shall be subject to the following conditions:

- a) The proceeds of special obligation bonds issued under this policy may be used implement the redevelopment plan as outlined in the K.S.A. 12-1773(b) and amendments thereto. As defined by law, none of the proceeds from the sale of such bonds that shall be used for the construction of buildings or other structures to be owned by the applicant.
- b) Any special obligation bond issued under this policy will utilize a maturity schedule payable over a period as short as financially practical.
- c) With regard to any special obligation bond issued under this policy, if the bond is offered to the public, an investment grade rating must be assigned to the issue; if the bond is privately placed, it may be issued without a rating, but must be sold to an accredited investor as that term is defined by securities industry standards.
- d) As outlined in K.S.A. 12-1774, should the City issue a special obligation bond to finance the undertaking of a redevelopment project in accordance with state law and this policy, such special obligation bonds shall be made payable, both as to principal and interest, from:
 - i.) Property tax increment allocated to and paid into a special fund of the city;

- ii.) Revenues of the City derived from or held in connection with the undertaking and carrying out the redevelopment project;
 - iii.) Any private sources, contributions or financial assistance from the state or federal government;
 - iv.) A pledge of a portion or all increased revenue received by the city from franchise fees collected from utilities and other businesses using public right-of-way within the development district;
 - v.) A pledge or portion or all of the revenue received by the City from sales taxes;
 - vi.) Or any combination of these methods.
- e) Should the annual increment fall short of the amount necessary to pay the principal and interest of the special obligation bonds issued under this policy, the remaining amount payable is the responsibility of the applicant, not the City.
 - f) Annual monitoring to insure that the criteria for review established in this policy continue to be met will be required. Should monitoring indicate that the criteria established in this policy are not being met, the tax increment financing of the project will default and the repayment of the special obligation bond will become the responsibility of the applicant.
 - g) The applicant shall pay to the Leawood Economic Development Council an economic development fee equal to ten percent (10%) of the tax increment for the first two years of the TIF project.

Said fee will be required in lieu of a performance bond to insure the successfulness of the project. Should the developer cease to operate and/or abandon the project, said funds will be used to assist in redeveloping the property.

- h) The applicant must agree to and reimburse the City for all costs related to the issuing of the bond, including any legal, financial or administrative research, any costs related to the feasibility study required by Kansas law, and work done in reviewing the proposal, writing the leases or other necessary documents and researching the qualification and financial soundness of the proposal and application, as well as any costs associated with presentation of the notice of bond also with the Kansas Board of Tax Appeals are required by law. The city bond counsel will prepare related documents. The city or its designee will perform a financial evaluation of the application.
- i) The applicant shall comply with all laws of the City as well as zoning and building regulations.
- j) The City will request a Sales Tax Exemption Certificate for the project under conditions established by the State of Kansas.

- k) The Resolution of Internet shall be effective for a period of one year from the date of issue. An extension may be granted by the Governing Body. The Applicant is responsible for all related costs if the bonds are not issued.
- l) An application for a tax increment financed project must be submitted at least twenty (20) days in advance of the Governing Body's consideration of such proposal.

SECTION 5. AUTHORITY OF GOVERNING BODY.

The Governing Body, by its inherent authority, reserves the right to reject any tax increment financing proposal when it considers such action to be in the best interest of the City.

Passed by the Governing Body this, the 5th day of August, 1996.

Approved by the Mayor this, the 5th day of August 1996.

(SEAL)

/S/ Marcia Rinehart
Marcia Rinehart, Mayor

Attest:

/S/ Martha Heizer
Martha Heizer, City Clerk

Special Benefit District Assessment Policy

OBJECTIVES

- To provide for certain development within the City through the use of Special Benefit District Assessment financing.
- To provide adequate assurance to the City for the repayment of bonds from benefit district property.

SCOPE

Property owner or developer wishing to seek financial help from the City to develop within the City.

PROVISIONS

Following Governing Body approval for the Final Development Plan for a proposed project, the City of Leawood may facilitate new development by providing Special Benefit District Financing [SBDF] for the installation of public improvements upon submission of a valid petition (approved by City staff) of the property owners, the required financial commitment, and acceptance by the Governing Body as required by law. Said commitment is considered to be provided whenever the City has been furnished by all property owners with:

- A. Funding (cash, cashier's check or escrow account) equal to 20% of the estimated principal cost of the project; or
- B. Financial guarantee (irrevocable letter of credit, corporate completion bond) equal to 35% of the estimated principal cost of the project in such form and issuer to be acceptable to the City.

The required funding or financial guarantee shall be provided prior to the City approving any benefit district by resolution of intent or by resolution authorizing the improvement. Cash funding will be used to reduce the amount of project costs covered by special benefit district assessment (general obligation) bond financing. The financial guarantee will be applied annually to satisfy the principal and interest costs of bonded public improvements should any applicable special assessments not be paid when due. The financial guarantee will be released upon request of the developer when certificates of occupancy for building permits are issued for at least 35% of the properties within the development that received the improvements; otherwise the City will be authorized to draw upon such guarantee. At the time the bonds are issued any funds in excess of the developer's contribution, based on the original project estimate and offset by the actual project cost, will be refunded by the city or the financial guarantee shall be reduced by an equivalent amount. The Letter of Credit must be submitted to the City prior to approval of a Resolution of Intent by the Governing Body.

Special Benefit District Assessment financing will not be approved if the petitioner has a financial interest in an existing development that has delinquent special assessment taxes.

Installation of public improvements with special assessment financing may be authorized by the Governing Body without a financial commitment when deemed to be in the public interest and when one or more of the following conditions exist:

1. Improvements are ordered by resolution of the Governing Body.
 2. The majority of land in the benefit district is in public ownership.
 3. The benefit district is in multiple ownership and a majority of the land therein is developed with residences or other municipal buildings.
- C. Special Benefit District Debt has a 10-year length; however, upon special approval by the Governing Body, benefit district debt may be extended up to a 15-year term.
- D. All public improvement projects associated with any approved Special Benefit District [SBD] will be bid by the Public Works Department and administered by the City.
- E. *Special Benefit District financing will not be available for any improvement involving non-City improvements.*

PROCEDURES

Petition form and petition instruction are attached hereto and made a part of the Policy Statement.

RESPONSIBILITY FOR ENFORCEMENT

The City Administrator shall be responsible to the Governing Body for the enforcement of the Special Assessment Policy. The Finance Director shall assist in the implementation of this Policy.

Please contact the City Clerk's Office to obtain the revised Petition Forms.

REFERENCES

Adopted by Resolution No. 694 [03-18-1985]
 Revised by Resolution No. 1518 [04-03-2000]
 Revised by Resolution No. 2072 [09-02-2003]
 Revised by Resolution No. 2222 [05-03-2004]
 Revised by Resolution No. 2299 [10-18-2004]
 Revised by Resolution No. ____ [xx-xx-2005]

Resolution No. 598- Industrial Revenue Bonds (1982)

A RESOLUTION ESTABLISHING A POLICY FOR CONSIDERING AND ISSUING INDUSTRIAL REVENUE BONDS.

WHEREAS, the Governing Body is responsible for encouraging and promoting the economic health of the City; and

WHEREAS, the Governing Body is authorized by Kansas law to issue industrial revenue bonds to further that objective; and

WHEREAS, the consideration and issuance of industrial revenue bonds is a complex legal and administrative matter requiring clear direction from the Governing Body.

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

SECTION 1. INDUSTRIAL REVENUE BOND POLICY. It shall be the policy of the City to consider requests from qualified applicants to issue Industrial revenue bonds for purposes allowed by law and to issue such bonds when, in the opinion of the Governing Body, it is in the best Interest of the City to do so, and providing that the proposed use and applicant therefore meet the criteria set forth in this policy.

SECTION 2. INDUSTRIAL REVENUE BOND OBJECTIVES. In reviewing requests to issue industrial revenue bonds, the Governing Body shall be guided by whether such an issue would help the City achieve the following objectives:

- a. Attract firms and businesses, which will substantially enhance the economic climate of the City and increase or maintain the job market therein.
- b. Promote Leawood as a center for Institutional or Corporate Headquarters and Regional Offices for major local, regional, and national firms.

SECTION 3. REVIEW CRITERIA. The following criteria will be used by the Governing Body to judge the desirability and feasibility of proposals:

- a. Industrial revenue bonds will be discouraged when the effect would be to grant the applicant an unfair advantage within the local market structure.
- b. Consideration will be given to proposals for the construction or rejuvenation of shopping center developments, but will not be given to Individual retail establishments.
- c. The proposed use must be clean, in keeping with the character of Leawood, non-polluting, and consistent with all planning and community development policies, ordinances, and codes.
- d. The proposed use must have a positive Impact on the community and not threaten public facilities, streets, or other public Improvements.

- e. The applicant must have a sound financial base Indicated by a Dun and Bradstreet rating or other Index of financial strength, and show that the bonds will be marketable either by producing evidence that they will be underwritten by a registered securities dealer or will be sold in a private sale.

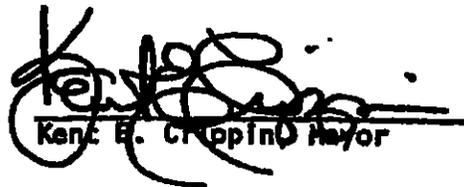
SECTION 4. APPROVAL. CONDITIONS. Prior to approval for issuance of industrial revenue bonds, the Governing Body must be satisfied that the objectives and criteria for review established in this policy have been met. Further, all proposals approved shall be subject to the following conditions:

- a. There will be no tax abatement during the term of the bonds. The project is subject to all appropriate property tax levies during the term of the bonds. Lessee shall agree to pay all utility connections, user and service charges.
- b. The applicant shall pay to the City at the prescribed time a service fee of \$1,500 per million dollars of Issue or \$1,500, whichever is greater, the first year of the issue and \$1,500 per year for the remaining years of the repayment period to cover administration and other City costs. Such service fee shall be In addition to any payment by the applicant to reimburse the City for costs associated with the review of the proposal as outlined in Section 4(g).
- c. Industrial revenue bonds may be used to finance the purchase of land, land improvements, and production related machinery and/or equipment with an asset life span at least equal to the term of the lease. Industrial revenue bonds will not be used to finance the purchase of personal property, except production related machinery and/or equipment, as defined in K.S.A. 79—102, as amended.
- d. The City will carefully examine the bond repayment schedule and will require that the applicant have at least 20 percent unreserved equity in the project. Equity participation does not include professional or consulting fees.
- e. Industrial revenue bonds will not be used to refinance existing debt. This does not include the payment of an existing mortgage on real estate In order to purchase it for the proposed project.
- f. The applicant must occupy 80 percent of the facility's usable floor area unless specific arrangements to the contrary are approved by the Governing Body. Such arrangements would include commitments to purchase or lease space. For applications involving two or more applicants, one of the applicants must occupy 80 percent of the facility's usable floor area.
- g. The applicant must agree to and reimburse the City for costs of any legal, financial, or administrative research or work done in reviewing the proposal, writing the leases and other necessary legal documents, and researching the qualification and financial soundness of the proposal and applicant, as well as any costs associated with presentation of the notice of bond sale with the Kansas Board of Tax Appeals as required by law. The City bond counsel will prepare related documents. The City or its designee will perform a financial evaluation of the applicant.

- h. The applicant agrees to immediate annexation of the property involved if it is not within the City's corporate limits. In addition, the applicant shall comply with all laws of the City zoning and building regulations.
- i. The City will request a Sales Tax Exemption Certificate for the project under conditions established by the State of Kansas.
- j. The Resolution of Intent shall be effective for a period of one year from date of issue. An extension may be granted by the Governing Body. The applicant is responsible for all related costs if the bonds are not issued.
- k. An Industrial revenue bond application must be submitted at least twenty (20) days in advance of the Governing Body's consideration of any such proposal.

SECTION 5. AUTHORITY OF GOVERNING BODY. The Governing Body, by its inherent authority, reserves the right to reject any proposal for issuance of industrial revenue bonds when it considers such action to be in the best interest of the City.

Adopted this 7th day of September 1982.



Kent E. Crippin Mayor

ATTEST:

/S/ J. Oberlander
J. Oberlander, City Clerk

APPROVED AS TO FORM:

/S/ Larry Winn, III

Larry Winn, III, City Attorney

II. NATURE OF IMPROVEMENTS

Industrial revenue bonds may be used to finance the purchase of land, land Improvements, and production related machinery and/or equipment with an asset life span at least equal to the term of the lease. Industrial revenue bonds will not be used to finance the purchase of personal property, except production related machinery and/or equipment, as defined in K.S.A. 79—102, as amended.

1. Amount requested for purchase of land: \$ _____
2. Amount requested for land Improvements (bldgs.) \$ _____
3. Amount requested for machinery and equipment _____
4. Is the proposed project an expansion or replacement of another existing facility? _____
5. Is the applicant presently located in the City of Leawood? _____

III. PROPOSED USE

1. Location of proposed facility _____
2. Current zoning district of proposed location _____
3. What business is proposed by the applicant? _____
4. List products or services to be rendered

5. Will the applicant be in direct competition with other local firms? _____
6. The applicant must occupy 80 percent of the facility's usable floor space unless specific arrangements to the contrary are approved by the Governing Body. Such arrangements would include commitments to purchase or lease space. For application involving two or more applicants, one of the applicants must occupy 80 percent of the facility's usable floor space. What percent of usable floor space will be occupied by the applicant?

Remarks:

IV. OWNERSHIP AND MANAGEMENT

1. Describe the organizational structure of the firm (proprietorship, partnership, subsidiary, corporation, etc.)

Note relationship to parent company _____

required by law. The City bond counsel will perform a financial evaluation of the applicant.

5. The applicant agrees to immediate annexation of the property Involved If It is not within the City's corporate limits. In addition, the applicant shall comply with all laws of the City and all requirements established by the City as stated in zoning and building regulations.
6. The City will request a Sales Tax Exemption Certificate for the project under conditions established by the State of Kansas.
7. The Resolution of Intent shall be effective for a period of one year from date of Issue. An extension may be granted by the Governing Body. The applicant is responsible for all related costs if the bonds are not issued.

VIII. REVIEW PROCESS

1. In order to facilitate the timely processing of the application, please attach as part of the proposal the following Items:
 - a. Copy of the firm's financial audits for the past two years.
 - b. Firm's most recent annual financial report.
 - c. Interim financial statements, to date, for the current fiscal year.
2. An Industrial revenue bond application must be submitted at least twenty (20) days in advance of the Governing Body's consideration of any proposal.

Signature

Title

Date