

2009 - 2013

CAPITAL IMPROVEMENT PROGRAM





City of Leawood

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February 4, 2008

To the Honorable Mayor,

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

Respectfully submitted before you is the 2009-2013 Capital Improvement Program (C.I.P). Every year the City staff strives to move the City's total financial forecasting and budgeting to a more efficient level. This year is no different. The first difference for this five year process is the earlier distribution and meeting dates for the document release and discussions. Often it seems that the Governing Body goal sessions, which are in January, tend to focus on capital goals, but the most recent CIP isn't presented until March. This has possibly led to somewhat of an enmeshment of goal setting process and capital planning. Additionally, once the CIP review has been completed in March and April, it is May and time for the annual budget document to be submitted. The discussion on capital issues may inadvertently be clouding the view and not allowing the requisite clarity for the annual budget process. Leawood has taken a very proactive approach to linking capital and operational planning and forecasting, to such a degree that the discussion process may have become too entangled. The earlier release will hopefully be beneficial so that the Governing Body will have sufficient time to concentrate on their capital plans, the long-term and near-term goals, and operating expectations. The second difference this year is that the 2008 Capital Projects have been eliminated from the document, except in referencing their bonding status. The focus of the document will be on the periods 2009-2013. If significant changes for 2008 are necessary, it is suggested that they be evaluated at a later date in 2008 in concert with the parameters of the 2008 budget plan. A new two page status report has been prepared which will be distributed with the preliminary 2007 quarterly report in February outlining the status of 2007 capital projects and remaining expenses, as well as the status of 2008 projects.

The five year CIP is a document that encompasses capital projects that are all integral parts of the fiber of the community called Leawood. Besides the typical staging and costing of a project, responsible fiscal management must also include the funding method. Many projects can result in increased operating costs which does compound the challenge of fundability. Traditionally the City has used the terms committed and uncommitted designations for projects. Committed projects are those which have been approved and authorized by a resolution, a development agreement, or achieved consensus during the annual review of the CIP with the Governing Body. These projects have funding sources associated with them. The mill levy increases projected for 2011 and 2013 should provide the necessary funding to maintain stability of the cash reserves necessary to provide regular cash flow and emergency funding. To further delineate this point two other categories of uncommitted projects have been added this year. They have been designated as **Desired and Anticipated**. These projects set out unmet community needs, which deserve City Council consideration, but do not have a funding source. At the top of each of the programmed 2009-2013 capital project pages, starting behind Tab 4, you find the word Committed or Uncommitted which have been added to assist in clarifying this. Anticipated projects are large annual capital projects such as the Accelerated Street Residential Reconstruction program and the recently added Accelerated Storm Water initiatives. Desired projects are ones requested by a City Committee, Council Member(s), or City staff, but have not been evaluated and discussed by the Governing Body for limited, competing resources and level of priority. Desired and Anticipated projects begin on page 55.

At this juncture, staff will need direction and consensus on the ranking of these projects. Some of the projects could be debt financed without a vote of the people even though some park initiatives may require voter approval. Cash financing is also an option. However, careful review of the City's cash reserves at the close of 2007 will provide more insight as to which projects may be able to be cash financed.

The most significant project cost increase from last year's CIP are the costs associated for the Park Place Transportation Development Debt (TDD) for the enclosed parking structures needed to complete the new urbanism design. The financing for this project will allow for the parking garages that are necessary to capture the essential dynamics of this new urban trend of building up. Additionally, the financing schedule has been accelerated since a second hotel was added in place of the previously announced second condominium. The continuing demand for more hotel space in southern Johnson County triggered this change. The City has continued to be prudent in issuing debt under its Transportation Development District authority. Sales tax benchmarks, in addition to transient guest tax projections and special assessment provisions will be evaluated before the permanent financing actually is finalized.

This transmittal letter will serve as a guide to describe the highlights and changes.

- The Overview on pages 3 and 4 under Tab 1 explains the philosophy of the C.I.P.
- Page 5 includes the history of the Street Program and the Pavement Condition Index (PCI) system, which the City uses to rate its streets. According to Joe Johnson, the City's Public Works Director, the average PCI rating for all Leawood streets is 86%.
- 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) affect the entire organization. Annually key assumptions are reviewed and if necessary revised. As stated earlier it is still anticipated that an estimated one mill increase in 2011 and 2013 will be needed to fund projects which are already committed. The mill increases are necessary to fund the future capital and debt costs along with meeting current service levels in our operating budget.
- The other significant assumption is the rate at which the tax base will grow. The ten year growth rate through 2007 has averaged about 9% annually, and the five year growth rate has been 6.5%. These projections will be evaluated in February 2008 when the County Assessor presents his proposed figures. The 2009-2013 CIP Budget anticipates an overall growth rate 5.9%. Assessed valuation on business related personal property was eliminated, effective January 1, 2007. Over the planning period it will eventually eliminate this source by reducing the base, which comprises about one percent of our overall assessed valuation. On the flipside we believe the overall assumption is still solid, because of the amount of commercial growth currently under construction and those projects which have gone through the planning department recently. At this point, this building should more than compensate for the anticipated loss in personal property. The affect of the sub-prime crisis has not been as dramatic in the Midwest as it has been in other areas of the country. We believe our tax base to be strong which will still allow us to grow, but obviously at a much slower rate than 9%.
- Beginning on Page 8 is a Glossary of Capital and Budgeting Terms for your reference. The definitions of committed, uncommitted, desired and anticipated are included in this section.
- Under Tab 2, which begins on Page 13, you will find the Debt Policy, which was approved by the Governing Body in 2000 and amended in 2004 and again in May of 2007. The Debt Policy provides guidance to staff on how to manage the City debt.
- Tab 3, beginning on Page 20, contains the various capital debt projects planned for the City. The total of these projects, page 23, is \$55,527,000 over the next five years. Approximately 66% of these project costs will be paid with City funds, which is twenty eight percent higher

than last years' C.I.P. The graph on page 23 also shows that 24% of the anticipated permanent placement of projects and debt (borrowings) during the next five years will be under the TDD authority.

- Projects by type (infrastructure, parks/recreation, and buildings) are shown on Pages 24-26.

Changes from the 2008-2012 year C.I.P.

- Park Place Parking. The developer agreement was increased from \$12,500,000 to \$21,500,000. Construction is currently underway.
 - 143rd Street, Nall to Mission (#80162) reflects an increased cost in construction of \$1,200,000.
 - 143rd Street, Mission to Kenneth (#80129).
 - The Community Center and the Fire Sub-station have been changed from Uncommitted to the Desired classification.
 - On pages 27-28 are color-coded listings of projects to indicate when design, construction and bonding will occur for General Obligation, Special Assessment and Transportation Development District funded projects.
- Tab 4, which begins on Page 29, 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 (PHASE 2) is included behind the detail sheet for each year. The streets anticipated for 2009 can be found on Page 32; the list of 2010 streets on Page 39, the list of 2011 streets on page 43, 2012 on page 49 and 2013 on page 53.
 - ✓ The list of desired projects, which extends through 2013, can be found on page 55.
 - ✓ The list of anticipated projects, which extends through 2019, can be found on page 56.
 - ✓ The list of uncommitted projects which extends through 2019, can be found on page 57.
 - The Debt Service information is located behind Tab 5. The committed projects are listed on the top section of Page 59. Projects not yet fully committed by either resolution or developer agreement or a Governing Body work session for the CIP, are shown at the bottom of the page.
 - ✓ Page 60 reflects all of the debt-financed projects and their costs in the year they will be bonded. General Obligation and Special Assessment debt are shown separately. (TDD debt is shown on this page under the section labeled Non Levy Support Debt, merely to give the reader a concept of the various debt issues the City will undertake in the coming years).
 - ✓ Page 61 shows the reader the total dollars needed to pay for all types of current debt along with the committed 2009-2013 debt. Page 62 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, and TDD which is overlapping debt. This ratio exceeds the 20% in all years, but is still below the rating agency threshold of 25%. According to the

City's financial advisors, George K. Baum, the rating agency looks at the ratios in two ways. First with the TDD debt and then without this debt. George K. Baum does not feel that this debt will adversely affect our rating agencies, thus this threshold is maintained throughout the five-year planning period.

- ✓ Page 63 lists and graphically shows the amount of outstanding debt held by the City at December 31, 2007. The debt ratios approved within the Debt Policy by the Governing Body are shown on Page 64. The City of Leawood has enjoyed a rapid pay off in debt, meaning more debt per year has been paid than has been added. As we look at the next five years, that will change. There are two lines shown for the rapidness of debt pay off, which is a rating consideration by Moody's. The rate at which the City has paid off its debt has been higher than the rates shown going forward. If the City only funded the projects shown as Committed, then it would actually begin to increase the ratio which is seen as a positive. However, if we add all anticipated and uncommitted projects, the percentage of debt payoff dramatically decreases over the five year planning period.
- ✓ As shown on Page 65, Leawood's debt per capita for 2009 will be \$2,721 as compared to the industry average of \$1,200. Debt per capita increases \$386 dollars per person, just by bonding the Creek Bank Stabilization project and the 2007 Accelerated Residential Street Program. If any of the desired projects are added, this ratio would increase. The rating agency looks at the wealth of the community when evaluating this ratio. Moody's looks at the demographics of our major employers and considers the impact of major lay-offs, mergers, etc on the community's wealth.
- ✓ Page 66 shows the debt outstanding as a percent of property market valuation. Throughout the 2009-2013 planning period, this measurement shows Leawood is within the industry standard of 1.5%, in 2010. This particular ratio tells the reader that on a per person basis, based on community wealth, the City is near or below its capacity when the TDD debt is subtracted. The chart shows the source of the debt and the proposed timing, current or future.
- ✓ Page 67 shows the total debt at 12/31/07 of \$51,665,000 while the statutory limit for Leawood is \$228,086,476. Leawood is below the state limits.
- Under Tab 6, Pages 68-76 is the Pay-As-You-Go and includes those Committed to and those Desired through 2013.
 - ✓ Page 69-70 reflects the arterial and street signal repair program and it shows the anticipated funding from outside sources. Public Works Director Joe Johnson recommended removing future federal funding from at-large projects so the current funding could be maintained for the arterial program.
 - ✓ Page 71 details the funding for the Pay-As-You-Go Residential Street Program for the period of 2009-2013.
 - ✓ Page 72 shows no committed Storm Water (SMAC) projects.
 - ✓ Page 73 shows the 1/8-cent sales tax projects proposed for the planning period.
 - ✓ Page 74 reflects other committed cash-financed projects throughout the planning period. Page 74 also includes \$4,000,000 in cash financed projects that have not been previously included in the City projections. Whether the timing and commitment is there from the Governing Body to consider the project scope and cost will need to be determined before these projects will be included in the CIP.

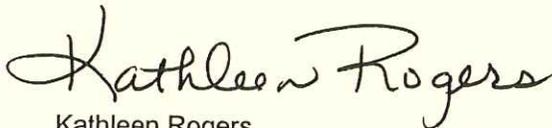
- ✓ Page 75 is a new page. It captures the higher priced equipment (over \$100,000) that will be needed in the next five years. Presently, that equipment is scheduled to be paid for with cash.
 - ✓ Page 76 is a listing of the "Art" projects that are planned in the City through 2013. Funding for these projects is secured through monies in the City Capital Art Fund, the Public Art Impact Fee Fund or through donations. Since last years CIP, \$30,000 has been added for an art piece for I-Lan Park in 2009.
-
- Tab 7 contains City leases. Page 78 shows the leases that the City currently has and those being proposed throughout the planning period. The City Hall lease payment (revenue bonds) is also reflected on Page 78. This payment is being made from General Fund operating monies. This project was initially set up as a lease rather than City-at-large debt and will be retired in 2012. Page 78 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, and for Special Benefit District Debt.

In conclusion, if there are any questions please feel free to contact staff.

Respectfully submitted,



Scott Lambers
City Administrator



Kathleen Rogers
Finance Director

NO. 1

**Overview, Assumptions
& Budgeting Terms**

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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, 2004 and 2006. Inspection is also planned for 2008. 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. Per the annual budget document, the projected 2007 overall average PCI of all lane miles is 86.0. The percentage maintained at the standard of 70 PCI for arterial streets is 95.0; for collector streets is 95.0; and for residential streets is 90.0. The model will be updated annually and a current PCI will be calculated.

The following briefly describes each parameter used for the 2008-2013 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 2007 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.

Conclusion:

We hope that the Governing Body is pleased with the current average PCI street rating of 86.0, 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 2009-2013 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 4.50% and 4.75% for 15-year tax exempt bonded projects and 20-year bonded projects, respectively, in 2007. An interest rate of 5.25% and 5.75% for 15-year and 20-year taxable issues. For taxable TDD projects a rate of 7.50% 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 3% annual growth;
- Assessed valuation is projected at an annual growth rate of 5.9% for 2009 through 2013;
- Using a variance in the City's overall forecasting model of 101% revenues and 99% expenditures plus all the other appropriate financial assumptions, i.e. assessed valuation, inflation, etc., it is anticipated that a one mill increase will occur in both 2011 and 2013;
- Timely payment of special assessment debt by special benefit district properties;
- Includes 1/8th cent sales tax for capital improvements extended throughout the 2009-2013 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;
- On city at large projects, construction inflation is generally projected at 5% per year. On the Residential Street Reconstruction initiative, the amounts are capped at a varying amount of \$1,500,000 or \$2,500,000 every other year;
- Transportation Development District (TDD) project estimates are provided by the Developer. Staff has not indexed these projects for inflation since they generally have been approved through a specific Development Agreement. On developer driven Special Benefit District projects the amount shown in the CIP reflects the amount petitioned and approved by the Governing Body.

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”).

Anticipated Projects

Anticipated projects represent neighborhood street reconstruction and major stormwater repairs/improvements that were originally initiated using a phased financial approach. These projects are seen as necessary to address large areas of capital maintenance. The funding of these multi-year improvements are beyond the five-year planning process, but are expected to continue. Since they are funded annually, the projected mill levy does not reflect any funding to be set aside for these costs after 2013.

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.

Committed Projects

Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year, provided funding and timing allows.

**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.

Desired Projects

Desired projects represent items which have been submitted for consideration into the CIP, but are currently not funded and therefore have not been included in the 2009-2013 CIP plan or in the financial forecasting model.

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.

Uncommitted Projects

Uncommitted projects represent capital improvements where a growth has or will necessitate the improvement; however, the project currently does not have an identified funding source and has not been formally agreed upon for inclusion in the CIP. These projects are shown in the CIP document, but are excluded from the financial debt ratios or mill levy projections.

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 City Administrator. In developing the recommendations, the Finance Director, City Attorney or designee, Public Works Director, and other Department Heads assist the City Administrator. 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.

I. Debt Planning Policies

- Section 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) and annual assessment of the City's financial condition.
- Section 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.
- Section 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.

- Section 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.
- Section 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.
- Section 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.
- Section 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.
- Section 8: Benefit District Bonds. The issuance of benefit district general obligation bonds shall be governed by the most recently approved Resolution.
- Section 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.

Section 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. A TDD Project will be initiated by petition pursuant to the TDD Act. The Governing Body will consider the petition and a reimbursement resolution on the filing of a timely and adequate petition. The Developer will be responsible for construction financing [the City will not participate]. The City will, however, participate in permanent financing upon terms satisfactory to the City but only through a direct private placement arranged by the Developer whereby the lender will satisfy itself with respect to all credit issues. To facilitate this process, a third party Trustee will be engaged by the City through the City Administrator. Costs for the Trustee will be the responsibility of the Developer. The Lender will be required to execute and deliver at closing an investment letter in form and substance satisfactory to the City and its Bond Counsel. The City shall not be committed for the repayment of any portion of the debt whatsoever.

Section 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.

Section 12: Other Borrowing Methods. Financial feasibility studies should be performed for other financing methods such as state loan programs and pool participation.

Section 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.

Section 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.

II. Debt Issuance Policies

Section 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.

Section 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). 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 [TDD] has a 10-year length however, upon special approval by the Governing Body, this debt may be extended up to a maximum of 22 years, in accordance with Kansas State Statute.

Section 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.

Section 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.

Section 19: Credit Enhancements. Decisions regarding credit enhancements such as Letters of Credit or Bond Insurance will be based upon the City's goal of accomplishing its financings at the lowest borrowing cost.

III. Debt Administration Policies

Section 20: Coordination of Local Jurisdictions. The City will participate in communications with overlapping and adjoining jurisdictions concerning plans for future debt issues.

Section 21: Monitoring. The Finance Department should continually monitor the City's outstanding debt issues to verify compliance with debt covenants and record keeping.

Section 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.

Section 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.

Section 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.

Section 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]

Revised by Resolution No. 2789 [May 5, 2007]

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 2009 - 2013

Total Project Cost - All Projects, by Construction Year

<u>Proj #</u>	<u>Project Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	
# 80129	143rd Street, Mission Rd to Kenneth Rd				\$12,687,500		
# 80162	143rd Street, Nall to Mission		\$13,298,500				
# 80189	Roe Avenue, S of 135th Street	\$1,286,900					
# 80209	2009 Residential Streets, Phase II-Yr 1	\$1,500,000					
# 80210	2010 Residential Streets, Phase II-Yr 2		\$2,500,000				
# 80211	2011 Residential Streets, Phase II-Yr 3			\$1,500,000			
# 80212	2012 Residential Streets, Phase II-Yr 4				\$2,500,000		
# 80213	2013 Residential Streets, Phase II-Yr 5					\$1,500,000	
# 80401	Traffic Signals, College & Brookwood			\$288,100			
# 80454	Park Place-Parking Structure #2 (TDD)	\$6,966,000					
# 80455	Park Place-Aloft/Element Garage (TDD)	\$6,500,000					
# 80502	2009 Accelerated Stormwater Reconstruct	\$1,000,000					
# 80503	2010 Accelerated Stormwater Reconstruct		\$1,000,000				
# 80504	2011 Accelerated Stormwater Reconstruct			\$1,000,000			
# 80505	2012 Accelerated Stormwater Reconstruct				\$1,000,000		
# 80506	2013 Accelerated Stormwater Reconstruct					\$1,000,000	
Total		\$17,252,900	\$16,798,500	\$2,788,100	\$16,187,500	\$2,500,000	
		COMMITTED	\$17,252,900	\$16,798,500	\$2,788,100	\$16,187,500	\$2,500,000
		UNCOMMITTED	\$0	\$0	\$0	\$0	\$0

Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year provided funding and timing allows.

Capital Improvements Program 2009 - 2013

Total City Cost - All Projects, by Construction Year

<u>Proj #</u>	<u>Project Description</u>		<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	
# 80129	143rd Street, Mission Rd to Kenneth Rd	1				\$10,307,500		
# 80162	143rd Street, Nall to Mission	1		\$11,168,500				
# 80189	Roe Avenue, S of 135th Street	1	\$226,900					
# 80209	2009 Residential Streets, Phase II-Yr 1		\$1,500,000					
# 80210	2010 Residential Streets, Phase II-Yr 2			\$2,500,000				
# 80211	2011 Residential Streets, Phase II-Yr 3				\$1,500,000			
# 80212	2012 Residential Streets, Phase II-Yr 4					\$2,500,000		
# 80213	2013 Residential Streets, Phase II-Yr 5						\$1,500,000	
# 80401	Traffic Signals, College & Brookwood				\$288,100			
# 80454	Park Place-Parking Structure #2 (TDD)	1	\$0					
# 80455	Park Place-Aloft/Element Garage (TDD)	1	\$0					
# 80502	2009 Accelerated Stormwater Reconstruct		\$1,000,000					
# 80503	2010 Accelerated Stormwater Reconstruct			\$1,000,000				
# 80504	2011 Accelerated Stormwater Reconstruct				\$1,000,000			
# 80505	2012 Accelerated Stormwater Reconstruct					\$1,000,000		
# 80506	2013 Accelerated Stormwater Reconstruct						\$1,000,000	
Total			\$2,726,900	\$14,668,500	\$2,788,100	\$13,807,500	\$2,500,000	
			COMMITTED	\$2,726,900	\$14,668,500	\$2,788,100	\$13,807,500	\$2,500,000
			UNCOMMITTED	\$0	\$0	\$0	\$0	\$0

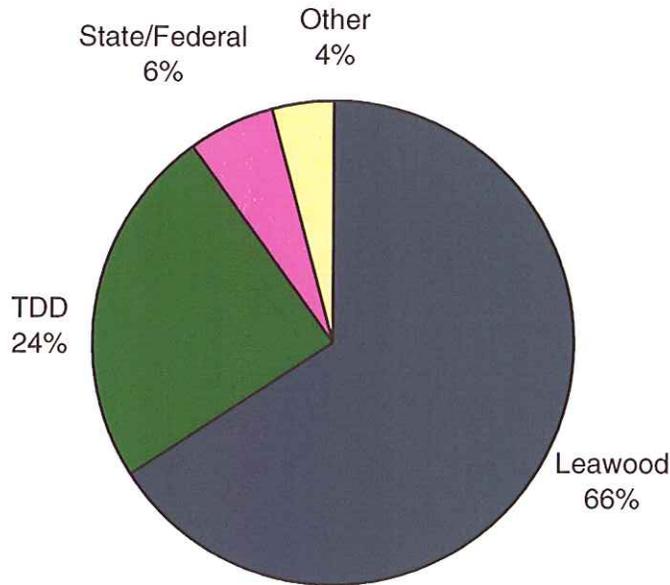
Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year provided funding and timing allows.

1. 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 2009 - 2013

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>
2009	\$2,726,900	\$0	\$13,466,000	\$0	\$0	\$1,060,000	\$17,252,900
2010	\$14,668,500	\$0	\$0	\$1,500,000	\$0	\$630,000	\$16,798,500
2011	\$2,788,100	\$0	\$0	\$0	\$0	\$0	\$2,788,100
2012	\$13,807,500	\$0	\$0	\$1,800,000	\$0	\$580,000	\$16,187,500
2013	\$2,500,000	\$0	\$0	\$0	\$0	\$0	\$2,500,000
Total	\$36,491,000	\$0	\$13,466,000	\$3,300,000	\$0	\$2,270,000	\$55,527,000



Capital Improvements Program 2009 - 2013

Total Project Cost - Infrastructure

<u>Project Number</u>	<u>Project Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
# 80129	143rd Street, Mission Rd to Kenneth Rd				\$12,687,500	
# 80162	143rd Street, Nall to Mission		\$13,298,500			
# 80189	Roe Avenue, S of 135th Street	\$1,286,900				
# 80209	2009 Residential Streets, Phase II-Yr 1	\$1,500,000				
# 80210	2010 Residential Streets, Phase II-Yr 2		\$2,500,000			
# 80211	2011 Residential Streets, Phase II-Yr 3			\$1,500,000		
# 80212	2012 Residential Streets, Phase II-Yr 4				\$2,500,000	
# 80213	2013 Residential Streets, Phase II-Yr 5					\$1,500,000
# 80401	Traffic Signals, College & Brookwood			\$288,100		
# 80502	2009 Accelerated Stormwater Reconstruct	\$1,000,000				
# 80503	2010 Accelerated Stormwater Reconstruct		\$1,000,000			
# 80504	2011 Accelerated Stormwater Reconstruct			\$1,000,000		
# 80505	2012 Accelerated Stormwater Reconstruct				\$1,000,000	
# 80506	2013 Accelerated Stormwater Reconstruct					\$1,000,000
Total Annual Cost		\$3,786,900	\$16,798,500	\$2,788,100	\$16,187,500	\$2,500,000

COMMITTED
UNCOMMITTED

Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year provided funding and timing allows.

Capital Improvements Program
2009 - 2013
Total Project Cost - Parks & Recreation Projects

Project Number	Project Description	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
<i>Currently there are no projects included in the 2009 - 2013 planning period</i>						
Total Annual Cost		\$0	\$0	\$0	\$0	\$0

COMMITTED
 UNCOMMITTED

Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year provided funding and timing allows.

Capital Improvements Program 2009 - 2013

Total Project Cost - Buildings

Project Number	Project Description	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
# 80454	Park Place-Parking Structure #2 (TDD)	\$6,966,000				
# 80455	Park Place-Aloft/Element Garage (TDD)	\$6,500,000				
Total Annual Cost		<u>\$13,466,000</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>

COMMITTED
UNCOMMITTED

Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year provided funding and timing allows.

Capital Improvements Program 2009 - 2013

General Obligation Bonding Projections and Total City Cost

Project Number	Project Description	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
# 80118	Amphitheater Build-Out, Phase I	\$500,000				
# 80129	143rd Street, Mission Rd to Kenneth Rd			\$10,307,500	\$10,307,500	\$10,307,500
# 80143	Nall Avenue, 143rd to 159th Streets	\$6,036,963				
# 80162	143rd Street, Nall to Mission		\$11,168,500		\$11,168,500	
# 80189	Roe Avenue, S of 135th Street	\$226,900	\$226,900			
# 80208	2008 Residential Streets, Phase I-Yr 5	\$2,500,000				
# 80209	2009 Residential Streets, Phase II-Yr 1	\$1,500,000	\$1,500,000			
# 80210	2010 Residential Streets, Phase II-Yr 2	\$2,500,000	\$2,500,000	\$2,500,000		
# 80211	2011 Residential Streets, Phase II-Yr 3		\$1,500,000	\$1,500,000	\$1,500,000	
# 80212	2012 Residential Streets, Phase II-Yr 4			\$2,500,000	\$2,500,000	\$2,500,000
# 80213	2013 Residential Streets, Phase II-Yr 5				\$1,500,000	\$1,500,000
# 80400	Traffic Signals, 128th & State Line	\$366,300				
# 80401	Traffic Signals, College & Brookwood		\$288,100	\$288,100	\$288,100	
# 80502	2009 Accelerated Stormwater Reconstruct	\$1,000,000	\$1,000,000			
# 80503	2010 Accelerated Stormwater Reconstruct	\$1,000,000	\$1,000,000	\$1,000,000		
# 80504	2011 Accelerated Stormwater Reconstruct		\$1,000,000	\$1,000,000	\$1,000,000	
# 80505	2012 Accelerated Stormwater Reconstruct			\$1,000,000	\$1,000,000	\$1,000,000
# 80506	2013 Accelerated Stormwater Reconstruct				\$1,000,000	\$1,000,000
Totals		\$15,630,163	\$20,183,499	\$20,095,600	\$30,264,100	\$16,307,500
Total Project Cost/Design Year		\$3,500,000	\$2,788,100	\$13,807,500	\$2,500,000	\$0
Total City Cost/Construction Year		\$2,726,900	\$14,668,500	\$2,788,100	\$13,807,500	\$2,500,000
Total Project Cost/Bond Year		\$9,403,263	\$2,726,900	\$3,500,000	\$13,956,600	\$13,807,500

COMMITTED
UNCOMMITTED

Capital Improvements Program 2009 - 2013

Special Benefit District Bonding Projections and Total City Cost

<u>Project Number</u>	<u>Project Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
The 2009 - 2013 plan does not include any Special Benefit District projects						
Totals		\$0	\$0	\$0	\$0	\$0
Total Project Cost/Design Year		\$0	\$0	\$0	\$0	\$0
Total SBD Cost/Construction Year		\$0	\$0	\$0	\$0	\$0
Total Project Cost/Bond Year		\$0	\$0	\$0	\$0	\$0

Transportation Development District Bonding Projections and Total City Cost

<u>Project Number</u>	<u>Project Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
# 80450	135th St-Bury Power Lines (TDD)	\$3,375,000				
# 80451	135th St-Add Third Lane (TDD)	\$3,400,000				
# 80453	Park Place-Parking Structure #1 (TDD)	\$8,034,000				
# 80454	Park Place-Parking Structure #2 (TDD)		\$6,966,000			
# 80455	Park Place-Aloft/Element Garage (TDD)		\$6,500,000			
Totals		\$14,809,000	\$13,466,000	\$0	\$0	\$0
Total Project Cost/Design Year		\$0	\$0	\$0	\$0	\$0
Total TDD Cost/Construction Year		\$0	\$0	\$0	\$0	\$0
Total Project Cost/Bond Year		\$14,809,000	\$13,466,000	\$0	\$0	\$0

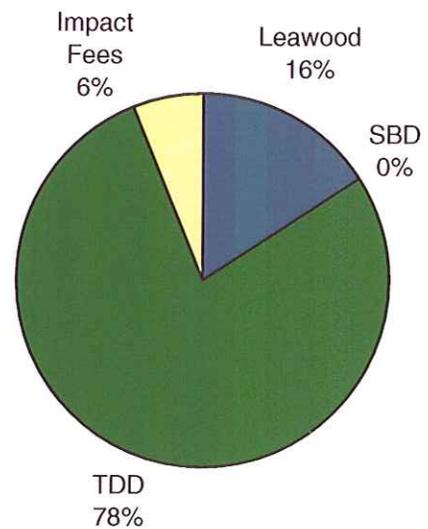
COMMITTED
UNCOMMITTED

Annual Projects

2009

- # 80189 Roe Avenue, S of 135th Street
- # 80209 2009 Residential Streets, Phase II-Yr 1
- # 80454 Park Place-Parking Structure #2 (TDD)
- # 80455 Park Place-Aloft/Element Garage (TDD)
- # 80502 2009 Accelerated Stormwater Reconstruct

5 Project(s)
 \$17,252,900 Total 2009 Project Cost



COMMITTED
 UNCOMMITTED

Roe Avenue, S of 135th Street

2009

COMMITTED Approval by Governing Body at 3/12/07 WSS

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 *	\$923,800
Stormwater	\$0
Design	\$100,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$100,000
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$46,109
Sub-total	\$1,169,909
Inflation	10%
Total	\$1,286,900

Funding Source

Leawood	\$226,900
Impact Fees **	\$1,060,000
Special District	\$0
Johnson County	\$0
Other	\$0
Total	\$1,286,900

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

* Includes \$923,800 for new road.

** A total of \$308,000 has been received to date. The remainder is anticipated to be collected after the development has occurred.

2009 Residential Streets, Phase II-Yr 1

2009

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80209	Design Date: 2008
Location: Various	Construction Date: 2009
Description: Street Reconstruction Program	Project Life: 1 year
	Bond Date: 2010
	Bond Life: 15

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

Estimated Cost

Construction	\$1,330,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$30,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$140,000
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
<u>Group 5 - 2009</u>			
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	

Park Place-Parking Structure #2 (TDD)

2009

COMMITTED Resolution #2267, Ordinance #2084. Amended by Resolution # 2891 (10/15/07)

Project Number: # 80454	Design Date: 2007
Location: Between 117th St & Town Center Drive, E of Nall	Construction Date: 2009
Description: Parking Structure	Project Life: 1 year
	Bond Date: 2010
	Bond Life: 22

Estimated Cost

Construction	\$6,816,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$150,000
Sub-total	\$6,966,000
Inflation	0%
Total	\$6,966,000

Funding Source

Leawood	\$0
TDD	\$6,966,000
State/Federal	\$0
Johnson County (CARS)	\$0
Other	\$0
Total	\$6,966,000

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.

Park Place-Aloft/Element Garage (TDD)

2009

COMMITTED Resolution #2891 (10/15/07)

<p>Project Number: # 80455</p> <p>Location: Between 117th St & Town Center Drive, E of Nall</p> <p>Description: Parking Structure</p>	<p>Design Date: 2008</p> <p>Construction Date: 2009</p> <p>Project Life: 1 year</p> <p>Bond Date: 2010</p> <p>Bond Life: 22</p>
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Estimated Cost

Construction	\$6,350,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$150,000
<hr/>	
Sub-total	\$6,500,000
Inflation	0%
<hr/>	
Total	\$6,500,000

Funding Source

Leawood	\$0
TDD	\$6,500,000
State/Federal	\$0
Johnson County (CARS)	\$0
Other	\$0
<hr/>	
Total	\$6,500,000

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.

2009 Accelerated Stormwater Reconstruct

2009

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80502

Location: To Be Determined

Description: Repair failing curb inlets, junction boxes, and point repairs. Some pipe will be replaced, but these are not significant.

Design Date: 2008

Construction Date: 2009

Project Life: 1 year

Bond Date: 2010

Bond Life: 15

Estimated Cost

Construction	\$0
Stormwater	\$865,000
Design	\$85,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$50,000
Sub-total	\$1,000,000
Inflation	0%
Total	\$1,000,000

Funding Source

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

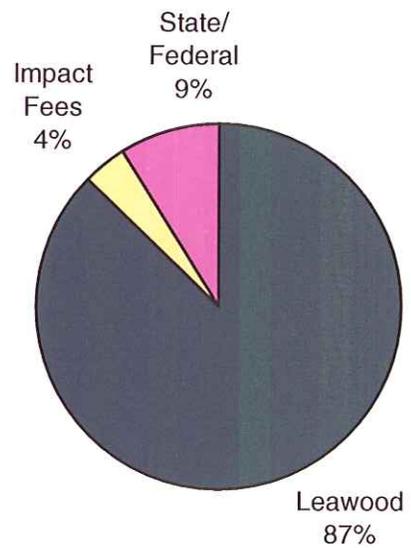
Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Annual Projects

2010

- # 80162 143rd Street, Nall to Mission
- # 80210 2010 Residential Streets, Phase II-Yr 2
- # 80503 2010 Accelerated Stormwater Reconstruct

3 Project(s)
\$16,798,500 Total 2010 Project Cost



COMMITTED
UNCOMMITTED

143rd Street, Nall to Mission

2010

COMMITTED Authorized by Resolution #1684

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	\$7,158,900
Stormwater	\$0
Design	\$945,000
Inspection/Survey	\$560,000
Trails	\$0
Land	\$700,000
Landscaping	\$300,000
ROW/Utilities	\$900,000
Equipment	\$0
Finance/Admin.	\$1,000,013
Sub-total	\$11,563,913
Inflation	15%
Total	\$13,298,500

Funding Source

Leawood	\$11,168,500
Impact Fees	\$630,000
State/Federal	\$1,500,000
Johnson County	\$0
Other	\$0
Total	\$13,298,500

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

2010 Residential Streets, Phase II-Yr 2

2010

COMMITTED Approval by Governing Body at 3/12/07 WSS

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	\$2,320,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$30,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$150,000
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
<u>Group 4 - 2010</u>			
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	
<u>Group 9 - 2010</u>			
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	

2010 Accelerated Stormwater Reconstruct

2010

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80503

Location: To Be Determined

Description: Repair failing curb inlets, junction boxes, and point repairs. Some pipe will be replaced, but these are not significant.

Design Date: 2009

Construction Date: 2010

Project Life: 1 year

Bond Date: 2011

Bond Life: 15

Estimated Cost

Construction	\$0
Stormwater	\$865,000
Design	\$85,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$50,000
Sub-total	\$1,000,000
Inflation	0%
Total	\$1,000,000

Funding Source

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

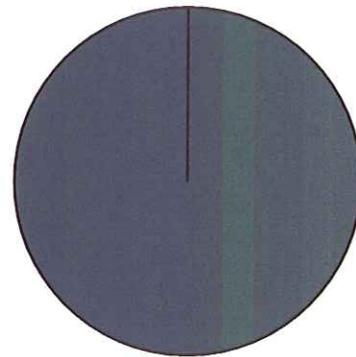
Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Annual Projects

2011

- # 80211 2011 Residential Streets, Phase II-Yr 3
- # 80401 *Traffic Signals, College & Brookwood*
- # 80504 2011 Accelerated Stormwater Reconstruct

3 Project(s)
\$2,788,100 Total 2011 Project Cost



Leawood
100%

COMMITTED
UNCOMMITTED

2011 Residential Streets, Phase II-Yr 3

2011

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80211	Design Date:	2010
Location: Various	Construction Date:	2011
	Project Life:	1 year
	Bond Date:	2012
Description: Street Reconstruction Program	Bond Life:	15
Reconstruction of 7,041 feet of roadway currently at an average PCI of 70.		

Estimated Cost

Construction	\$1,375,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$30,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$95,000
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
<u>Group 1 - 2011</u>			
Wenonga Road (83rd to Somerset)	2225	78	Reconstruction
81st Terrace (W of Wenonga)	976	73	Reconstruction
82nd Street (W of Wenonga)	951	75	Reconstruction
82nd Terrace (83rd St to Wenonga)	1285	78	Reconstruction
	Avg PCI =	77	

Traffic Signals, College & Brookwood

2011

COMMITTED Approval by Governing Body at 1/7/08 WSS

Project Number: # 80401

Location: College Blvd & Brookwood

Description: Add traffic signal to the intersection
of College & Bookwood

Design Date: 2010

Construction Date: 2011

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.	\$25,083
<hr/> Sub-total	\$240,083
Inflation	20%
<hr/> Total	\$288,100

Funding Source

Leawood	\$288,100
Special District	\$0
State/Federal	\$0
Johnson County	\$0
Other	\$0
<hr/> Total	\$288,100

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

2011 Accelerated Stormwater Reconstruct

2011

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80504

Location: To Be Determined

Description: Repair failing curb inlets, junction boxes, and point repairs. Some pipe will be replaced, but these are not significant.

Design Date: 2010

Construction Date: 2011

Project Life: 1 year

Bond Date: 2012

Bond Life: 15

Estimated Cost

Construction	\$0
Stormwater	\$865,000
Design	\$85,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$50,000
Sub-total	\$1,000,000
Inflation	0%
Total	\$1,000,000

Funding Source

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

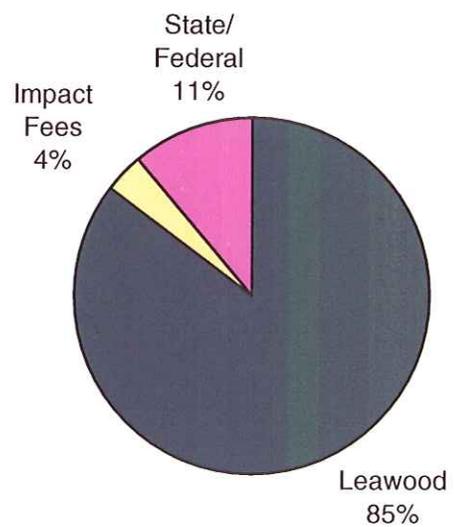
Note: ESTIMATED COST ONLY. Cost subject to change depending upon approved final design and construction bids in construction year.

Annual Projects

2012

- # 80129 143rd Street, Mission Rd to Kenneth Rd
- # 80212 2012 Residential Streets, Phase II-Yr 4
- # 80505 2012 Accelerated Stormwater Reconstruct

3 Project(s)
 \$16,187,500 Total 2012 Project Cost



COMMITTED
 UNCOMMITTED

143rd Street, Mission Rd to Kenneth Rd

2012

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80129	Design Date: 2011
	Construction Date: 2012
Location: 143rd - Mission to Kenneth	Project Life: 1 year
	Bond Date: 2013
Description: Improve existing 2-lane ditch street to a 4-lane undivided street with curb and gutter, storm sewer, street lights, sidewalks, and traffic signal at Kenneth Road.	Bond Life: 15

Estimated Cost

Construction	\$6,000,000
Stormwater	\$0
Design	\$700,000
Inspection/Survey	\$500,000
Trails	\$0
Land	\$700,000
Landscaping	\$250,000
ROW/Utilities	\$1,000,000
Equipment	\$0
Finance/Admin.	\$1,000,000
Sub-total	\$10,150,000
Inflation	25%
Total	\$12,687,500

Funding Source

Leawood	\$10,307,500
Impact Fees	\$580,000
State/Federal	\$1,800,000
Johnson County	\$0
Other	\$0
Total	\$12,687,500

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

2012 Residential Streets, Phase II-Yr 4

2012

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80212	Design Date: 2011
Location: Various	Construction Date: 2012
Description: Street Reconstruction Program	Project Life: 1 year
	Bond Date: 2013
	Bond Life: 15

Estimated Cost

Construction	\$2,320,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$30,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$150,000
<hr/> Sub-total	<hr/> \$2,500,000
Inflation	0%
<hr/> Total	<hr/> \$2,500,000

Funding Source

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

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

2012 Residential Street Reconstruction Program

Street	Length (ft)	PCI	Type of Work
<u>Group 10 - 2012</u>			
Cherokee Place (S of Wenonga)	409	76	Road Recon (no storm)
Cherokee Lane (S of Wenonga)	629	79	Road Recon (no storm)
Wenonga (91st St to 93rd St)	1600	79	Reconstruction
92nd St (Mission Rd to Wenonga)	2200	66	Reconstruction
92nd Terrace (Mission Rd to Wenonga)	1,543	77	Reconstruction
92nd Place (Mission Rd to 92nd Terr)	1,461	74	Reconstruction
	Avg PCI =	74	

2012 Accelerated Stormwater Reconstruct

2012

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80505	Design Date: 2011
	Construction Date: 2012
Location: To Be Determined	Project Life: 1 year
	Bond Date: 2013
Description: Repair failing curb inlets, junction boxes, and point repairs. Some pipe will be replaced, but these are not significant.	Bond Life: 15

Estimated Cost

Construction	\$0
Stormwater	\$865,000
Design	\$85,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$50,000
Sub-total	\$1,000,000
Inflation	0%
Total	\$1,000,000

Funding Source

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

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

Annual Projects

2013

- # 80213 2013 Residential Streets, Phase II-Yr 5
- # 80506 2013 Accelerated Stormwater Reconstruct

2 Project(s)
 \$2,500,000 Total 2013 Project Cost



COMMITTED
 UNCOMMITTED

2013 Residential Streets, Phase II-Yr 5

2013

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80213	Design Date:	2012
Location: Various	Construction Date:	2013
Description: Street Reconstruction Program	Project Life:	1 year
	Bond Date:	2014
	Bond Life:	15

Estimated Cost

Construction	\$1,375,000
Stormwater	\$0
Design	\$0
Inspection/Survey	\$30,000
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$95,000
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.

2013 Accelerated Stormwater Reconstruct

2013

COMMITTED Approval by Governing Body at 3/12/07 WSS

Project Number: # 80506	Design Date:	2012
Location: To Be Determined	Construction Date:	2013
Description: Stormwater Reconstruction	Project Life:	1 year
	Bond Date:	2014
	Bond Life:	15

Estimated Cost

Construction	\$0
Stormwater	\$865,000
Design	\$85,000
Inspection/Survey	\$0
Trails	\$0
Land	\$0
Landscaping	\$0
ROW/Utilities	\$0
Equipment	\$0
Finance/Admin.	\$50,000
Sub-total	\$1,000,000
Inflation	0%
Total	\$1,000,000

Funding Source

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

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

Capital Improvements Program

2009 - 2013

DESIRED, but UNFUNDED Projects

Funding	Description	2009 Priority	Project #	Desired Begin Date	Estimated Total Cost
Unknown	Creek Bank Erosion Protection <i>(Trails @ Tomahawk & College)</i>	1	76017	2009	\$750,000
Unknown	Amphitheater Build-Out, Phase II <i>(Design/Construct Restrooms & Concessions)</i>	2	71005	2009	\$500,000
Unknown	Golf Course Maintenance Bldg Parking Lot	3	49116	2009	\$300,000
Unknown	Pond & Trail Improvements <i>(Northern most lake)</i>	4	76018	2009	\$255,000
Unknown	City Park Restroom/Shelterhouse		76016	2010	\$600,000
Unknown	Amphitheater Build-Out, Phase III <i>(Construct/Complete 3D Stage Structure)</i>		71005	2010	\$857,200
Unknown	Amphitheater Build-Out, Phase IV <i>(Finish Lower Level of Stage/Storage)</i>		71005	2011	\$80,500
PAYG	1/8 Cent - 97th & State Line *		77007	2011	\$350,000
Unknown	SMAC - 91st St to Ensley Ln & Wenonga		73002	2012	\$800,000
PAYG	Leawood Town Center Fire Station		80156	2013	\$2,756,000
Debt	Community Center		80154	2014	\$24,011,000
					\$31,259,700

DESIRED projects represent items which have been submitted for consideration into the CIP, but are currently not funded and therefore have not been included in the 2009-2013 CIP plan or in the financial forecasting plan.

* Funding could be provided by the 1/8 Cent Sales Tax if it is continued after its current end date of June 30, 2010.

Capital Improvements Program

2009 - 2013

ANTICIPATED 2014 - 2019 Projects

CIP Year	Description	Project #	Estimated Total Cost	Bond Year
2014	2014 Residential Streets, Phase III-Yr 1	80214	\$1,500,000	2015
2014	2014 Accelerated Stormwater Reconstruct	80507	\$1,000,000	2015
2015	2015 Residential Streets, Phase III-Yr 2	80215	\$1,500,000	2016
2015	2015 Accelerated Stormwater Reconstruct	80508	\$1,000,000	2016
2016	2016 Residential Streets, Phase III-Yr 3	80216	\$1,500,000	2017
2017	2017 Residential Streets, Phase III-Yr 4	80217	\$1,500,000	2018
2018	2018 Residential Streets, Ph III-Yr 5	80218	\$1,500,000	2019
2019	2019 Residential Streets, Phase IV-Yr 1	80219	\$1,500,000	2020
			<u>\$11,000,000</u>	

ANTICIPATED projects represent neighborhood street reconstruction and major stormwater repairs/improvements that were originally initiated using a phased financial approach. These projects are seen as necessary to address large areas of capital maintenance. The funding of these multi-year improvements are beyond the five-year planning process, but are expected to continue. Since they are funded annually, the projected mill levy does not reflect any funding to be set aside for these costs after 2013.

Capital Improvements Program

2009 - 2013

UNCOMMITTED 2014 - 2019 Projects

CIP Year	Description	Project #	Estimated Total Cost	Estimated City Cost	Bond Year
2014	151st St, Nall Ave to E. City Limit	80163	\$16,000,000	\$7,000,000	2015
2016	Mission Rd, 135th to 143rd St.	80175	\$10,251,000	\$6,000,000	2017
2018	Mission Rd, 143rd to 151st St.	80155	\$10,000,000	\$6,000,000	2019
2019	Kenneth Rd, 143rd to S City Limits	80102	\$9,650,000	\$9,650,000	2020
			<u>\$45,901,000</u>	<u>\$28,650,000</u>	

UNCOMMITTED projects represent repairs/improvements where a desire or need has been identified, however, the project currently does not have an identified funding source and has not been formally agreed upon for inclusion in the CIP. These projects are shown in the CIP document, but are excluded from the financial debt ratios or mill levy projections.

Debt Service Information

Capital Improvements Program 2009 - 2013 Committed Projects

Number	Project Description	Project Cost	Finish Date	GO Bond Issue Amt	Developer/TDD or SBD Amount	Bond Date	Bond Life
# 80171	Creek Bank Stabilization	\$2,218,000	2008	\$1,643,256	\$0	2008	20
# 80172	Ironhorse SMAC Easements (SBD)	\$130,000	2007	\$0	\$130,000	2008	10
# 80206	2007 Residential Streets, Phase I-Yr 4	\$1,500,000	2008	\$1,500,000	\$0	2008	15
# 80403	135th & Fontana Traffic Signals (SBD)	\$825,000	2008	\$0	\$825,000	2008	10
# 83192	Main Entry Water Feature (SBD)	\$1,271,000	2008	\$0	\$1,271,000	2008	15
# 83195	Parkway Plaza Development (SBD)	\$6,000,000	2008	\$0	\$6,000,000	2008	10
# 83196	Park Place (SBD)	\$4,743,322	2008	\$0	\$4,743,322	2008	15
# 83197	Villaggio Project (SBD)	\$4,500,000	2008	\$0	\$4,500,000	2008	15
# 83198	Villaggio Stormwater Project (SBD)	\$2,606,200	2008	\$0	\$2,606,200	2008	15
# 80118	Amphitheater Build-Out, Phase I	\$500,000	2009	\$500,000	\$0	2009	20
# 80143	Nall Avenue, 143rd to 159th Streets	\$19,227,400	2008	\$6,036,963	\$0	2009	15
# 80208	2008 Residential Streets, Phase I-Yr 5	\$2,500,000	2009	\$2,500,000	\$0	2009	15
# 80400	Traffic Signals, 128th & State Line	\$366,300	2008	\$366,300	\$0	2009	15
# 80453	Park Place-Parking Structure #1 (TDD)	\$8,034,000	2008	\$0	\$8,034,000	2009	22
# 80189	Roe Avenue, S of 135th Street	\$1,286,900	2009	\$226,900	\$0	2010	15
# 80209	2009 Residential Streets, Phase II-Yr 1	\$1,500,000	2010	\$1,500,000	\$0	2010	15
# 80454	Park Place-Parking Structure #2 (TDD)	\$6,966,000	2009	\$0	\$6,966,000	2010	22
# 80455	Park Place-Aloft/Element Garage (TDD)	\$6,500,000	2009	\$0	\$6,500,000	2010	22
# 80502	2009 Accelerated Stormwater	\$1,000,000	2009	\$1,000,000	\$0	2010	15
# 80210	2010 Residential Streets, Phase II-Yr 2	\$2,500,000	2011	\$2,500,000	\$0	2011	15
# 80503	2010 Accelerated Stormwater	\$1,000,000	2010	\$1,000,000	\$0	2011	15
# 80162	143rd Street, Nall to Mission	\$13,298,500	2012	\$11,168,500	\$0	2012	15
# 80211	2011 Residential Streets, Phase II-Yr 3	\$1,500,000	2012	\$1,500,000	\$0	2012	15
# 80401	Traffic Signals, College & Brookwood	\$288,100	2011	\$288,100	\$0	2012	15
# 80504	2011 Accelerated Stormwater	\$1,000,000	2011	\$1,000,000	\$0	2012	15
# 80129	143rd Street, Mission Rd to Kenneth Rd	\$12,687,500	2013	\$10,307,500	\$0	2013	15
# 80212	2012 Residential Streets, Phase II-Yr 4	\$2,500,000	2013	\$2,500,000	\$0	2013	15
# 80505	2012 Accelerated Stormwater	\$1,000,000	2012	\$1,000,000	\$0	2013	15
# 80213	2013 Residential Streets, Phase II-Yr 5	\$1,500,000	2013	\$1,500,000	\$0	2014	15
# 80506	2013 Accelerated Stormwater	\$1,000,000	2013	\$1,000,000	\$0	2014	15
TOTAL		\$109,948,222		\$49,037,518	\$41,575,522		

Committed projects are those which have been approved and authorized by a resolution, a development agreement or during the annual review of the CIP with the Governing Body. During the annual review, the Governing Body will review the projects and may make changes from the prior year, provided 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)	\$3,375,000	2008	\$0	\$3,375,000	2009	15
# 80451	135th St-Add Third Lane (TDD)	\$3,400,000	2008	\$0	\$3,400,000	2009	15
TOTAL		\$6,775,000		\$0	\$6,775,000		

GO = General Obligation (city-at-large) Debt
SBD = Special Benefit District
TDD = Transportation Development District Debt

Debt Summary 2009 - 2013

Levy Supported - General Obligation Debt Bond Issuance Year Cost Distribution

<u>Proj #</u>	<u>Project Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
# 80118	Amphitheater Build-Out, Phase I	\$500,000				
# 80129	143rd Street, Mission Rd to Kenneth Rd					\$10,307,500
# 80143	Nall Avenue, 143rd to 159th Streets	\$6,036,963				
# 80162	143rd Street, Nall to Mission				\$11,168,500	
# 80189	Roe Avenue, S of 135th Street		\$226,900			
# 80208	2008 Residential Streets, Phase I-Yr 5	\$2,500,000				
# 80209	2009 Residential Streets, Phase II-Yr 1		\$1,500,000			
# 80210	2010 Residential Streets, Phase II-Yr 2			\$2,500,000		
# 80211	2011 Residential Streets, Phase II-Yr 3				\$1,500,000	
# 80212	2012 Residential Streets, Phase II-Yr 4					\$2,500,000
# 80400	Traffic Signals, 128th & State Line	\$366,300				
# 80401	Traffic Signals, College & Brookwood				\$288,100	
# 80502	2009 Accelerated Stormwater Reconstruct		\$1,000,000			
# 80503	2010 Accelerated Stormwater Reconstruct			\$1,000,000		
# 80504	2011 Accelerated Stormwater Reconstruct				\$1,000,000	
# 80505	2012 Accelerated Stormwater Reconstruct					\$1,000,000
Totals		\$9,403,263	\$2,726,900	\$3,500,000	\$13,956,600	\$13,807,500

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

Bond Issuance Year Cost Distribution

<u>Proj #</u>	<u>Project Description</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>
# 80450	135th St-Bury Power Lines (TDD)	\$3,375,000				
# 80451	135th St-Add Third Lane (TDD)	\$3,400,000				
# 80453	Park Place-Parking Structure #1 (TDD)	\$8,034,000				
# 80454	Park Place-Parking Structure #2 (TDD)		\$6,966,000			
# 80455	Park Place-Aloft/Element Garage (TDD)		\$6,500,000			
Totals		\$14,809,000	\$13,466,000	\$0	\$0	\$0

COMMITTED

UNCOMMITTED

DEBT SERVICE AND LEASE PAYMENTS

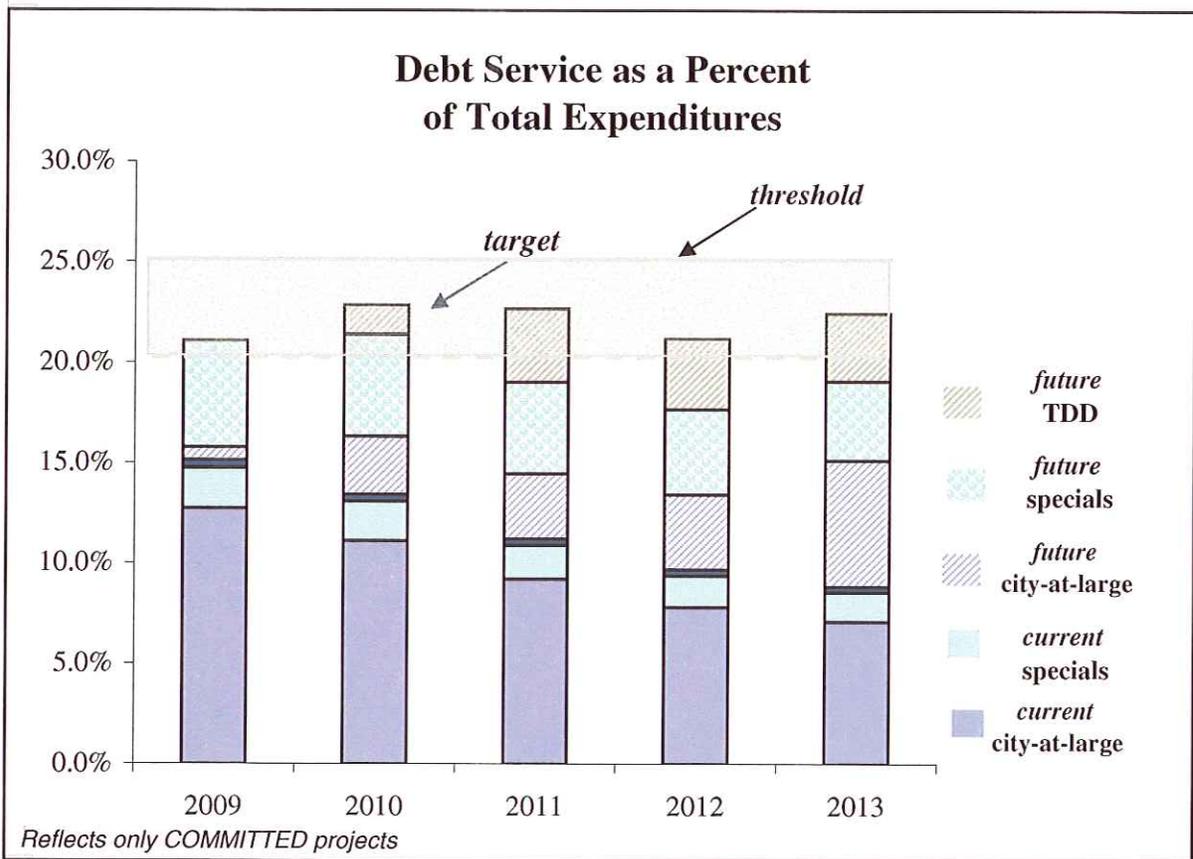
	2009	2010	2011	2012	2013
<i>Current Bond and Leases</i>					
General Obligation					
Property Tax Supported - GO	5,503,058	5,323,936	4,674,891	4,291,983	4,241,847
Special Assessments	1,030,734	1,005,295	935,986	910,900	875,352
Subtotal	6,533,791	6,329,231	5,610,876	5,202,884	5,117,200
Agency Debt					
Transportation District Debt	182,525	176,700	175,875	169,675	168,475
Subtotal	182,525	176,700	175,875	169,675	168,475
Leases					
Property Tax Supported - Leases	567,504	0	0	0	0
Subtotal	567,504	0	0	0	0
Revenue Bonds					
Subtotal	417,488	412,988	412,400	190,550	0
Subtotal	417,488	412,988	412,400	190,550	0
TOTAL Current	7,701,308	6,918,919	6,199,151	5,563,109	5,285,675

<i>Committed Projects *</i>					
General Obligation					
Property Tax Supported - GO	337,754	1,432,421	1,717,198	2,084,559	3,685,748
Special Assessments	2,708,611	2,621,241	2,533,872	2,446,502	2,359,132
Proposed Agency Debt					
Transportation District Debt	0	756,697	2,025,018	2,025,018	2,025,018
Proposed Future Leases					
Property Tax Supported - Leases	0	68,000	68,000	68,000	68,000
TOTAL Committed *	3,046,365	4,878,359	6,344,087	6,624,078	8,137,898

GRAND TOTAL	10,747,673	11,797,278	12,543,239	12,187,187	13,423,573
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**Committed projects are those which have been approved and authorized by a resolution, a development agreement or achieved consensus during the annual review of the CIP with the Governing Body. Financial ratios and benchmarks are calculated using committed projects. During the annual review, the Governing Body will review the projects and may make changes from the previous year provided funding and timina allows.*

The ratios only reflect those projects listed as *COMMITTED* and does not include any projects listed as *UNCOMMITTED, ANTICIPATED* or *DESIRED*.



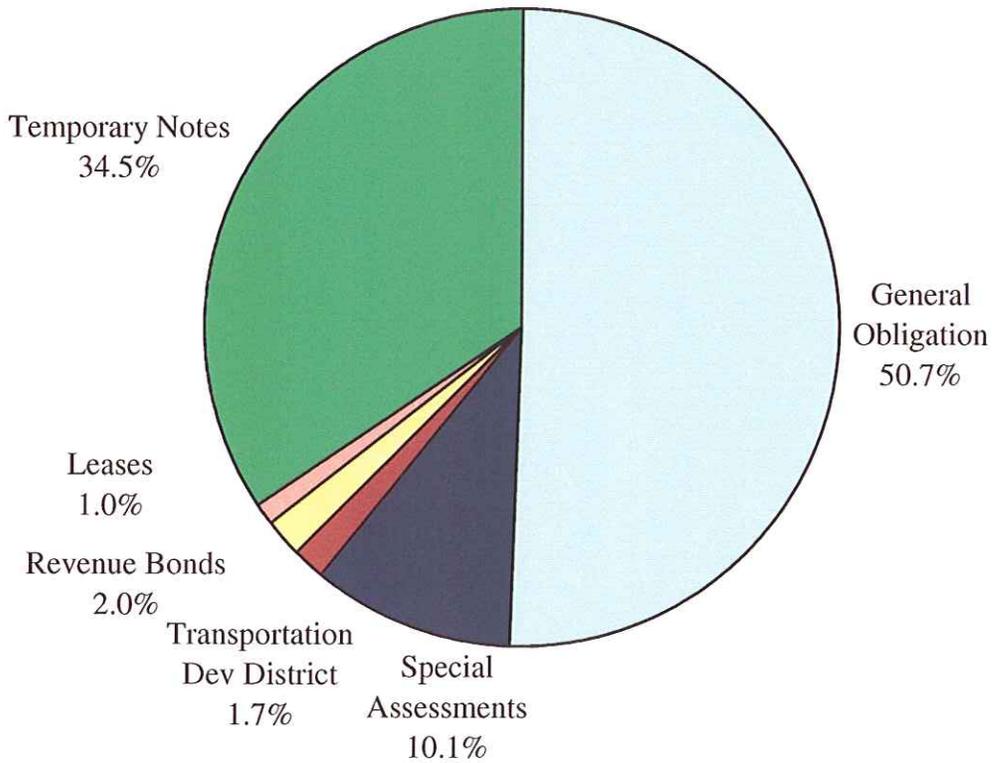
	2009	2010	2011	2012	2013
Debt Service as a Percent of Total Expenditures					
<i>Current Tax-Supported:</i>					
City-at-Large	12.7%	11.1%	9.2%	7.8%	7.1%
Special Assessments	2.0%	1.9%	1.7%	1.6%	1.5%
<i>Current Agency-Supported:</i>					
Transportation District Debt	0.4%	0.3%	0.3%	0.3%	0.3%
<i>Future Tax-Supported:</i>					
City-at-Large	0.7%	2.9%	3.2%	3.7%	6.3%
Special Assessments	5.3%	5.1%	4.6%	4.3%	3.9%
<i>Future Agency-Supported:</i>					
Transportation District Debt	0.0%	1.5%	3.7%	3.5%	3.4%
	<u>21.1%</u>	<u>22.8%</u>	<u>22.7%</u>	<u>21.2%</u>	<u>22.4%</u>
Threshold	25%	25%	25%	25%	25%
Target	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, and TDD. This ratio is projected to exceed the 20% target every year 2009 to 2013, but does not exceed the 25% threshold throughout the planning period.

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

BONDS, NOTES, AND LEASES OUTSTANDING

	Outstanding 12/31/2007	Percent of Total
General Obligation	43,069,522	50.7%
Special Assessments	8,595,478	10.1%
Transportation Dev District	1,455,000	1.7%
Revenue Bonds	1,710,000	2.0%
Leases	822,069	1.0%
Temporary Notes	29,375,000	34.5%
TOTAL	\$85,027,069	100.0%

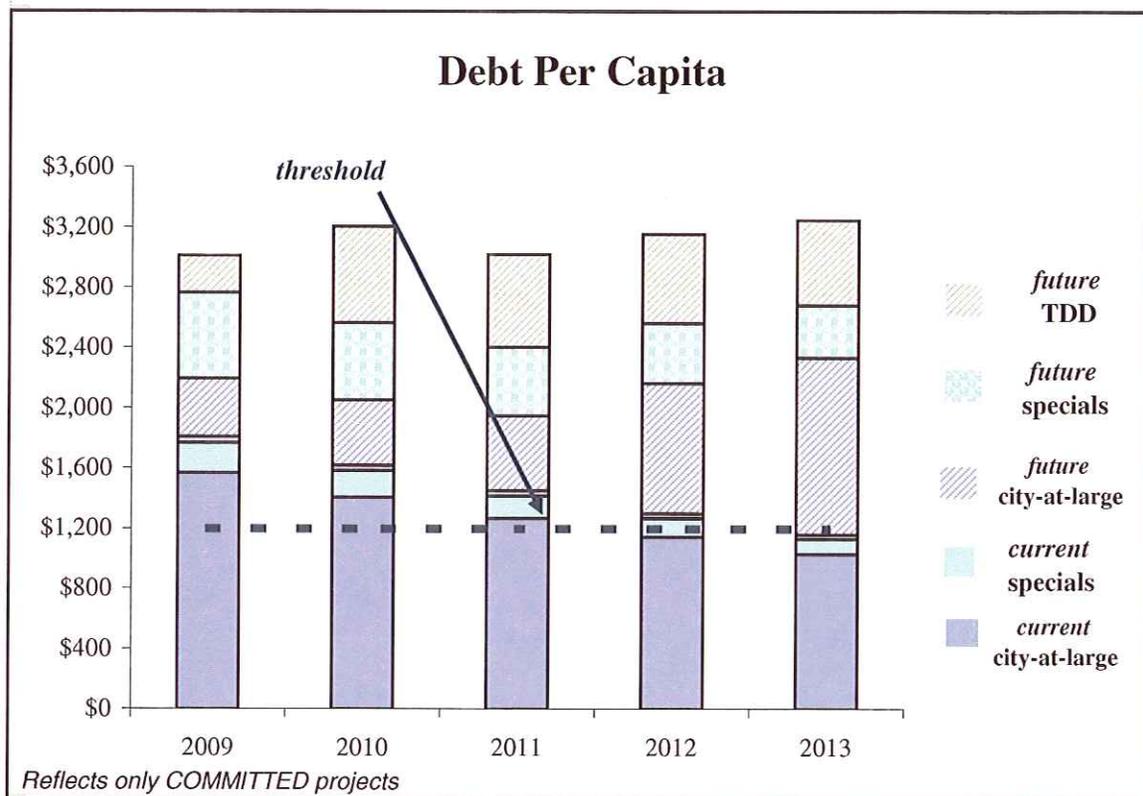


KEY DEBT MANAGEMENT RATIOS

	← Forecast →					Standard
	2009	2010	2011	2012	2013	
Outstanding Debt per capita						
Net Debt (1)	\$1,867	\$1,772	\$1,711	\$1,962	\$2,175	< \$1,200
Direct Debt (2)	\$2,722	\$2,525	\$2,367	\$2,530	\$2,653	
Direct and Overlapping Debt (3)	\$5,843	\$5,983	\$5,743	\$5,824	\$5,866	
Debt outstanding as a percent of full valuation of property						
Net Debt (1)	0.9%	0.8%	0.8%	0.8%	0.9%	< 1.5%
Direct Debt (2)	1.3%	1.2%	1.1%	1.1%	1.1%	
Direct and Overlapping Debt (3)	2.8%	2.8%	2.6%	2.5%	2.4%	
Total debt service as a percent of total expenditures(4)						
	21.1%	22.8%	22.7%	21.2%	22.4%	< 20%
Debt Service Levy (per \$1,000 of assessed value)						
	7.000	7.000	7.000	7.000	8.500	NA
Debt Payout in 10 Years						
Current Debt (2)	63.50%	65.08%	66.11%	65.21%	62.93%	NA
Current + <i>Only</i> Committed Future Projects (2)	32.91%	45.44%	50.17%	58.80%	65.67%	NA
Current + <i>ALL</i> Projects (2)	16.97%	9.22%	15.98%	31.72%	43.89%	NA

1. General Obligation debt and capital leases supported by general tax levy revenues.
2. General Obligation, 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.

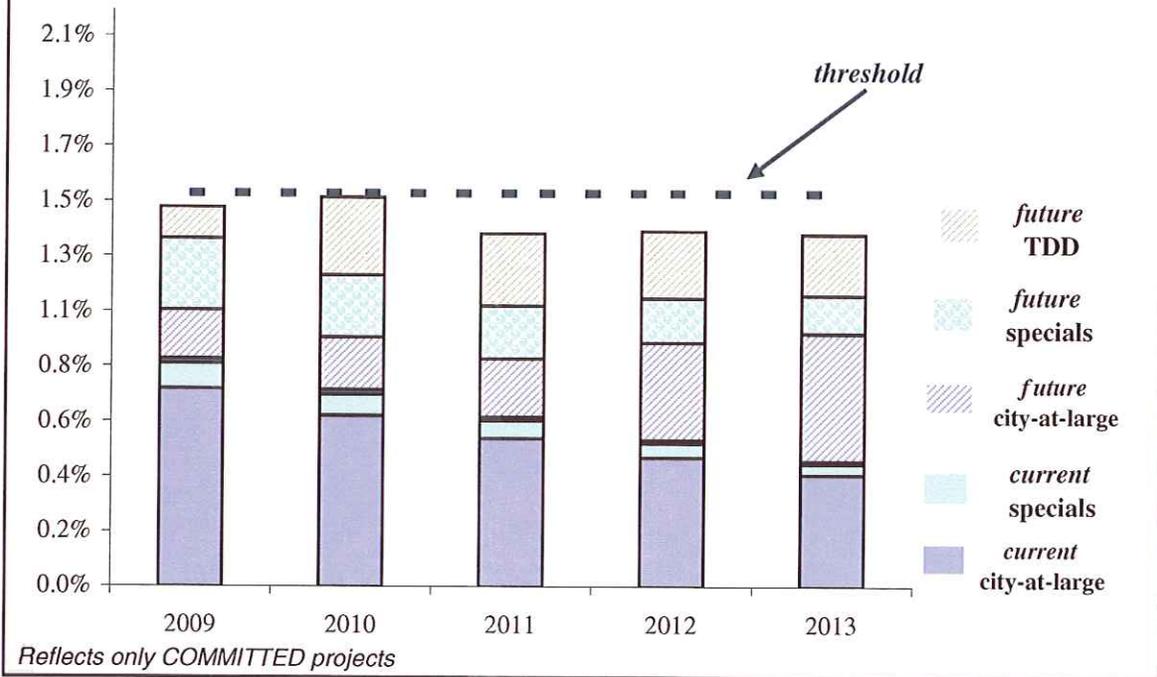
These projections are based on the current assumptions in the City's comprehensive financial planning model.



	2009	2010	2011	2012	2013
Debt Per Capita					
<i>Current Tax-Supported:</i>					
City-at-Large	\$1,566	\$1,405	\$1,264	\$1,142	\$1,027
Special Assessments	\$201	\$174	\$149	\$126	\$103
<i>Current Agency-Supported:</i>					
Transportation District Debt	\$40	\$37	\$34	\$31	\$28
<i>Future Tax-Supported:</i>					
City-at-Large	\$386	\$436	\$500	\$863	\$1,175
Special Assessments	\$569	\$510	\$454	\$399	\$347
<i>Future Agency-Supported:</i>					
Transportation District Debt	\$247	\$643	\$618	\$593	\$567
	<u>\$3,008</u>	<u>\$3,204</u>	<u>\$3,019</u>	<u>\$3,153</u>	<u>\$3,249</u>
Threshold	\$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 2013. Population is projected to increase approximately 2% annually throughout the planning period.

Debt Outstanding as a Percent of Property Market Valuation



2009 2010 2011 2012 2013

Debt as a Percent of Full Valuation

<i>Current Tax-Supported:</i>					
City-at-Large	0.8%	0.7%	0.6%	0.5%	0.4%
Special Assessments	0.1%	0.1%	0.1%	0.1%	0.0%
<i>Current Agency-Supported:</i>					
Transportation District Debt	0.0%	0.0%	0.0%	0.0%	0.0%
<i>Future Tax-Supported:</i>					
City-at-Large	0.2%	0.2%	0.2%	0.4%	0.5%
Special Assessments	0.3%	0.2%	0.2%	0.2%	0.1%
<i>Future Agency-Supported:</i>					
Transportation District Debt	0.1%	0.3%	0.3%	0.3%	0.2%
	<u>1.4%</u>	<u>1.5%</u>	<u>1.3%</u>	<u>1.4%</u>	<u>1.3%</u>
Threshold	1.5%	1.5%	1.5%	1.5%	1.5%

For all years, except 2009, this measurement remains below 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, 2007 Budget	\$691,496,983
Plus assessed value, motor vehicles, 2007 Budget	\$68,791,270
Total assessed value, 2007 Budget	\$760,288,253
New debt limitation percentage	30%
2008 debt limitation	\$228,086,476
Total general obligation debt outstanding at 12/31/07	\$51,665,000

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

2009 - 2013

Street Improvements Fund, 13020 (Includes the Arterial Street Program and Other Street/Signal Repairs)

2009 Program		Project #	Project Type	Est Cost	Funding from		Proposed	Program
					Partner City	CARS Funds	Cost	Cost
Roe Avenue - 135th to 140th	*	72011	Mill/Overlay	\$500,000			\$250,000	\$250,000
Mission Rd, 127th St-135th St	*	72012	Mill/Overlay	\$250,000			\$125,000	\$125,000
State Line Rd, 95th St to 103rd St		72013	Mill/Overlay	\$300,000	\$150,000	KC		\$150,000
Re-saw/Fill joints on 135th St				\$200,000				\$200,000
Annual Total				\$1,250,000	\$150,000		\$375,000	\$725,000

2010 Program		Project #	Project Type	Est Cost	Funding from		Proposed	Program
					Partner City	CARS Funds	Cost	Cost
103rd St, Mission Rd-State Line	*	72014	Mill/Overlay	\$1,000,000			\$500,000	\$500,000
104th Street - Improvements	*	72015	Mill/Overlay	\$125,000				\$125,000
State Line Rd, I-435 Ramp to 119th St			Mill/Overlay	\$500,000	\$250,000	KC	\$125,000	\$125,000
Mission Rd - 95th to 103rd Streets		72016	Mill/Overlay	\$262,000	\$196,500	OP		\$65,500
Annual Total				\$1,887,000	\$446,500		\$625,000	\$815,500

2011 Program		Project #	Project Type	Est Cost	Funding from		Proposed	Program
					Partner City	CARS Funds	Cost	Cost
119th St - Roe to State Line Rd	*	72017	Mill/Overlay	\$425,000			\$213,000	\$212,000
Nall - 119th to 135th Streets		72018	Mill/Overlay	\$1,953,308	\$790,809	OP	\$977,000	\$185,499
Town Center Drive	*	72019	Mill/Overlay	\$150,000				\$150,000
127th St, Mission Rd-Nall Ave	*	72020	Mill/Overlay	\$200,000				\$200,000
Annual Total				\$2,728,308	\$790,809		\$1,190,000	\$747,499

2012 Program		Project #	Project Type	Est Cost	Funding from		Proposed	Program
					Partner City	CARS Funds	Cost	Cost
117th Street - Roe to Tomahawk Ck	*	72021	Mill/Overlay	\$164,000				\$164,000
133rd Street - State Line Rd to Roe	*	72022	Mill/Overlay	\$493,000			\$247,000	\$246,000
114th St-Tomahawk Crk to 115th St			Mill/Overlay	\$194,000				\$194,000
115th St - Roe to Tomahawk Ck	*	72024	Mill/Overlay	\$164,000			\$82,000	\$82,000
Annual Total				\$1,015,000	\$0		\$329,000	\$686,000

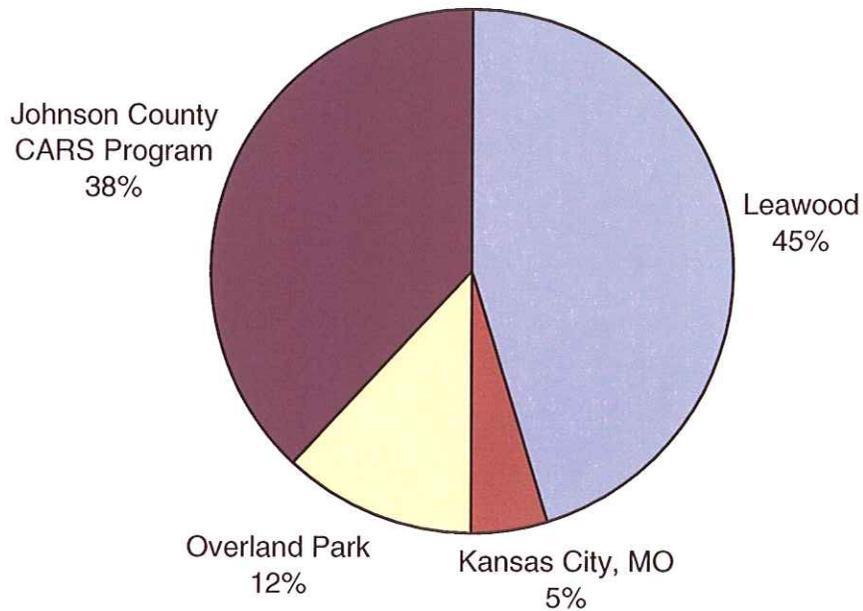
2013 Program		Project #	Project Type	Est Cost	Funding from		Proposed	Program
					Partner City	CARS Funds	Cost	Cost
Lee Blvd-Somerset to Mission Rd			Mill/Overlay	\$1,058,000			\$529,000	\$529,000
137th Street-Nall to Roe			Mill/Overlay	\$247,000			\$123,500	\$123,500
Kenneth Pkwy - 135th to Kenneth Rd	*	72023	Mill/Overlay	\$134,000				\$134,000
Annual Total				\$1,439,000	\$0		\$652,500	\$786,500

* Project administered by the City of Leawood

Pay-As-You-Go Capital Program 2009 - 2013

Arterial Street Program by Funding Source

Leawood	\$ 3,760,499
Kansas City, MO	\$ 400,000
Overland Park	\$ 987,309
Prairie Village	\$ -
Johnson County CARS Program	\$ 3,171,500
<i>Total</i>	<u>\$ 8,319,308</u>



Pay-As-You-Go Capital Program

2009 - 2013

Residential Street Program

2009 Program

Project	Length	PCI	Project Type/Number	Cost
Various			Slurry Seal - #70005	\$400,000
			Mill & Overlay - #70006	\$800,000
			<i>Total for 2009</i>	<i>\$1,200,000</i>

2010 Program

Project	Length	PCI	Project Type/Number	Cost
Various			Slurry Seal - #70007	\$450,000
			Mill & Overlay - #70008	\$800,000
			<i>Total for 2010</i>	<i>\$1,250,000</i>

2011 Program

Project	Length	PCI	Project Type/Number	Cost
Various			Slurry Seal - #70009	\$500,000
			Mill & Overlay - #70010	\$800,000
			<i>Total for 2011</i>	<i>\$1,300,000</i>

2012 Program

Project	Length	PCI	Project Type/Number	Cost
Various			Slurry Seal - #70011	\$500,000
			Mill & Overlay - #70012	\$800,000
			<i>Total for 2012</i>	<i>\$1,300,000</i>

2013 Program

Project	Length	PCI	Project Type/Number	Cost
Various			Slurry Seal - #700xx	\$500,000
			Mill & Overlay - #700xx	\$800,000
			<i>Total for 2013</i>	<i>\$1,300,000</i>

Pay-As-You-Go Capital Program

2009 - 2013

Stormwater Projects

Listed below are both SMAC and other stormwater projects, all financed with Pay-As-You-Go (PAYG) funds in the Capital Improvements Fund. A portion of the SMAC projects will be paid from other sources, i.e., county contributions, federal grants or private contributions.

----- *Committed Projects* -----

<i>Project Number</i>	<i>Project Description</i>	<i>Estimated Total Cost</i>	<i>Estimated City Share</i>	<i>Status</i>
---------------------------	----------------------------	---------------------------------	---------------------------------	---------------

There are currently no projects scheduled for 2009 - 2013.

----- *Desired & Anticipated Projects* -----

<i>Project Number</i>	<i>Project Description</i>	<i>Estimated Total Cost</i>	<i>Estimated City Share</i>	<i>Status</i>
DB-04-19 (#73002)	91st Street to Ensley Lane and Wenonga	\$800,000	\$200,000	Design and Construction in 2012
Total Cost		\$800,000	\$200,000	

Pay-As-You-Go Capital Program

2009 - 2013

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>
2009	#77003 -- 85th St & Reinhardt	Leawood Lanes	Install pipe and inlet system to capture and convey runoff from the 10 year event.	\$400,000
<i>TOTAL 2009</i>				<i>\$400,000</i>
2010	#77005 -- 87th Street & Cherokee	Leawood Heritage	Install pipe and inlet system to capture and convey runoff from the 10 year event.	\$202,000
2010	#77006 -- 12601 Norwood	Royse	Install new storm	\$250,000
<i>TOTAL 2010</i>				<i>\$452,000</i>

		-----	<i>Desired & Anticipated Projects</i>	-----	
2011	#77007 -- 97th & State Line	Leawood Estates	Replace storm		\$350,000

Pay-As-You-Go Capital Program

2009 - 2013

Other Projects

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

<i>----- Committed Projects -----</i>			<i>City Project</i>
<i>Year</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Cost</i>
2009	#76012 -- Park Maintenance Bldg Parking Lot	Reconstruction of the parking lot to reconfigure water flow and comply with NPDES.	\$300,000
2009	#76015 -- Public Works Building Park Lot	Reconstruction of the parking lot to reconfigure water flow and comply with NPDES.	\$100,000
2009	#76008 -- Justice Center **	Construction of a Police and Court Facility between 2009 and 2010. <i>This initiative is funded from the Public Safety Fund.</i>	-
			\$16,000,000
TOTAL 2009			\$16,400,000

*** The project will be cash-financed through several sources including: sale of city-owned property, a .4% city sales tax levy and .250% county economic development sales tax.*

2010	#76019 -- Police Building, Roof Replacement	Replace the current Police Building roof. <i>(May not be necessary - contingent on the timing of the Justice Center construction & possible future use of the current Police building).</i>	\$235,000
			TOTAL 2010
			\$235,000
2011	#76010 -- City Hall Roof Repairs/Roof Top Units	Replacement of the City Hall roof, gutters, roof top air units and an air balance of the system.	\$793,000
			TOTAL 2011
			\$793,000

<i>----- Desired & Anticipated Projects -----</i>			<i>City Project</i>
<i>Year</i>	<i>Project Name</i>	<i>Project Description</i>	<i>Cost</i>
TBD	#71005 -- Amphitheater Stage at Ironwoods Park	Construction of a permanent stage at Ironwoods Park <i>(Phases I-IV)</i> .	\$2,000,000
TBD	#76016 -- City Park Restroom/Shelterhouse	Remove Shelters A & B, rebuild shelters and add a restroom facility.	\$600,000
TBD	#76017 -- Creek Bank Erosion Protection	Creek bank erosion control along Tomahawk Creek & Indian Creek.	\$750,000
TBD	#49116 -- Golf Course Maint Bldg Parking Lot	Replace the parking lot adjacent to the Maintenance Building to comply with NPDES.	\$300,000
TBD	#76018 -- Pond & Trail Improvements	Dredge N Pond/114th & Tomahawk and Trail Improvements, N/S College Blvd.	\$255,000
			TOTAL Desired & Uncommitted
			\$3,905,000

Pay-As-You-Go Capital Program

2009 - 2013

Other Projects

Capital Equipment Purchases, Over \$100,000

(City Equipment Fund, unless otherwise noted)

2009	Fire Service Operations	Fire Pumper Replacement (2)	\$1,200,000
	PW Street Maintenance	Backhoe Replacement	\$115,000
		TOTAL 2009	\$1,315,000
2010	PW Street Maintenance	Street Sweeper Replacement	\$150,000
		TOTAL 2010	\$150,000
2011	PW Street Maintenance	Dump Truck Replacement	\$200,000
		TOTAL 2011	\$200,000
2012	Fire Service Operations	Rescue Unit Replacement	\$100,000
		TOTAL 2012	\$100,000
2013	Fire Service Operations	Fire Pumper Replacement	\$600,000
	Fire Service Operations	Fire Platform Truck	\$1,200,000
	PW Street Maintenance	Street Aerial Body Replacement	\$110,000
	PW Street Maintenance	Street Dump Truck Replacement	\$145,000
	PW Street Maintenance	Street Jet Vac/Combo Unit Replacement	\$150,000
		TOTAL 2013	\$2,205,000

Pay-As-You-Go Capital Program 2009 - 2013 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>
2009	#79010 -- I-Lan Park Art	City Capital Art Fund	\$30,000
2009	#79005 -- Temporary Art	City Capital Art Fund	\$5,000
2009	<i>Annual Art Maintenance</i>	<i>City Capital Art Fund</i>	<u>\$34,300</u>
		<i>TOTAL 2009</i>	<i>\$69,300</i>
2010	#79006 -- Sculpture Garden	City Capital Art Fund	\$50,000
2010	#79005 -- Temporary Art	City Capital Art Fund	\$5,000
2010	<i>Annual Art Maintenance</i>	<i>City Capital Art Fund</i>	<u>\$34,300</u>
		<i>TOTAL 2010</i>	<i>\$89,300</i>
2011	#79003 -- Gezer Park Art (<i>Rita Blitt, Art = \$40,000 + \$10,000 = Site</i>)	City Capital Art Fund	\$50,000
2011	#79005 -- Temporary Art	City Capital Art Fund	\$5,000
2011	<i>Annual Art Maintenance</i>	<i>City Capital Art Fund</i>	<u>\$34,300</u>
		<i>TOTAL 2011</i>	<i>\$89,300</i>
2012	#79006 -- Sculpture Garden	City Capital Art Fund	\$50,000
2012	#79005 -- Temporary Art	City Capital Art Fund	\$5,000
2012	<i>Annual Art Maintenance</i>	<i>City Capital Art Fund</i>	<u>\$34,300</u>
		<i>TOTAL 2012</i>	<i>\$89,300</i>
2013	#79004 -- Justice Center Art (<i>in conjunction w/Justice Cntr construction</i>).	City Capital Art Fund	\$75,000
2013	#79005 -- Temporary Art	City Capital Art Fund	\$5,000
2013	<i>Annual Art Maintenance</i>	<i>City Capital Art Fund</i>	<u>\$34,300</u>
		<i>TOTAL 2013</i>	<i>\$114,300</i>

*Future Art - Yet To Be Determined

Former Leawood City Hall Building Art

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

Capital Leases

Lease Schedule 2009 - 2013

Current Lease Payments (*Principal & Interest*)

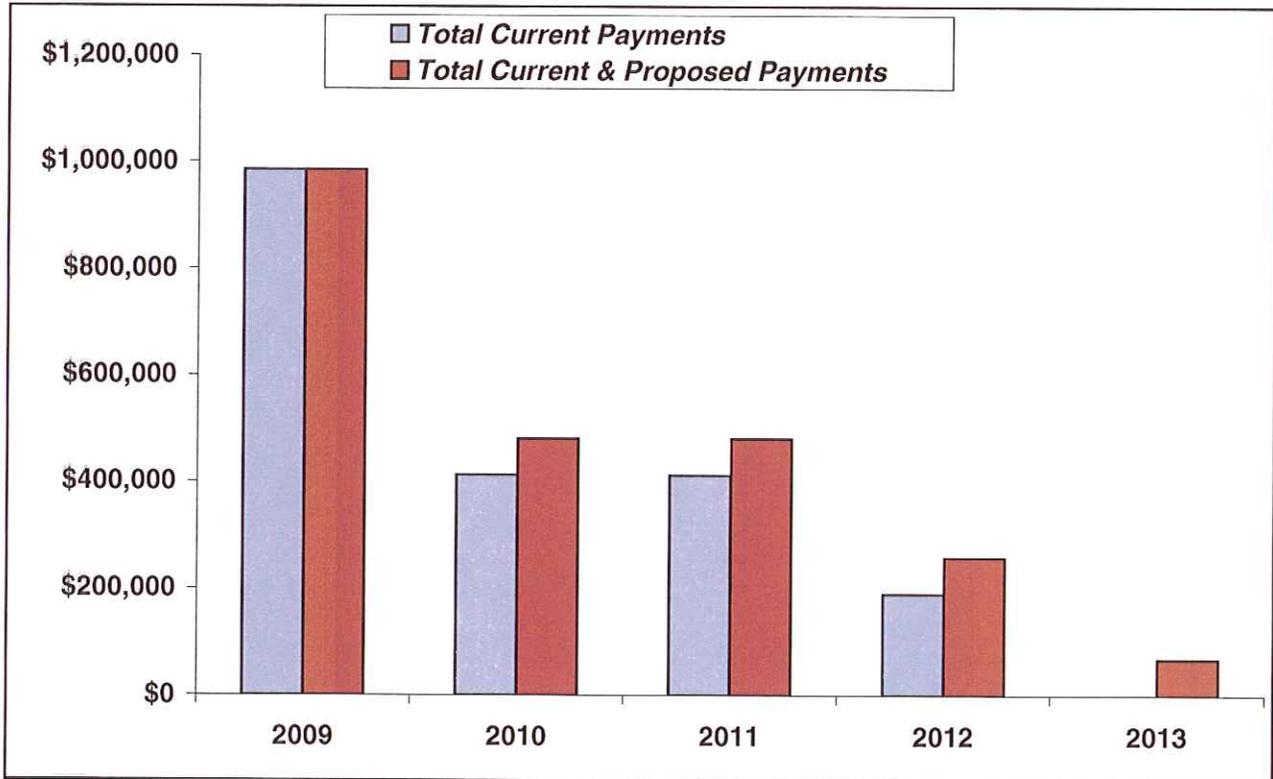
<u>Description</u>	<u>Funding</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Lease Ends</u>
General/City Equipment							
Leawood South Park	Tax Levy	\$508,800	\$0	\$0	\$0	\$0	2009
Fire Ladder Truck 2001	Tax Levy	\$0	\$0	\$0	\$0	\$0	2008
Leawood City Hall Bldg	Rev Bonds	\$417,488	\$412,988	\$412,400	\$190,550	\$0	2012
Golf Carts 2006	Tax Levy	\$58,704	\$0	\$0	\$0	\$0	2009
		\$984,991	\$412,988	\$412,400	\$190,550	\$0	

Proposed Future Lease Payments

<u>Description</u>	<u>Funding</u>	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>2013</u>	<u>Lease Ends</u>
General/City Equipment							
Golf Carts	Tax Levy	\$0	\$68,000	\$68,000	\$68,000	\$68,000	On-Going
		\$0	\$68,000	\$68,000	\$68,000	\$68,000	
		\$984,991	\$480,988	\$480,400	\$258,550	\$68,000	

Lease Payments

*Current vs.
Current and Proposed*



2009 2010 2011 2012 2013

Lease Payments (Current vs. Current & Proposed)

<i>Current Leases:</i>					
General & City Equipment	984,991	412,988	412,400	190,550	0
TOTAL Current Leases:	\$984,991	\$412,988	\$412,400	\$190,550	\$0
<i>Future Leases:</i>					
General & City Equipment	0	68,000	68,000	68,000	68,000
TOTAL Current/Proposed Leases:	\$984,991	\$480,988	\$480,400	\$258,550	\$68,000
Proposed Annual Increase	0.0%	16.5%	16.5%	35.7%	0.0%

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. Crispin 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 _____

V. FINANCIAL RESPONSIBILITY

1. How many years has the applicant been in business?
 2. What is the equity the proposed applicant is to have in the project?
 3. Describe the form of the equity: _____
 4. What is the applicant firm's Dun & Bradstreet rating? _____
 5. Will the applicant pledge any other assets to secure the revenue bonds? if so, please explain: _____
-

VI. MEASURE OF ECONOMIC GROWTH AND BENEFIT

1. What percentage of sales will be sold locally? _____
2. What is the estimated amount of merchandise and services purchased locally, per year?

3. How many people will the-project employ? _____

VII. GENERAL CONDITIONS

The following conditions are understood and agreed to pursuant to Resolution No. 598.

1. There will be no tax abatement during the term of the bonds. The property 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.
2. 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.
3. 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.
4. The applicant must agree to and reimburse the City for the cost 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 qualifications 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 Securities Commissioner as

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