

CITY OF KEARNEY, MISSOURI
TAX INCREMENT FINANCING COMMISSION
PUBLIC HEARING
TRANSCRIPT OF PROCEEDINGS
6:30 P.M.
November 9, 2009

Kearney City Hall
100 East Washington
Kearney, Missouri 64060

COMMISSIONERS/TAXING ENTITY REPRESENTATIVES:

Mr. Lee Meyer, Chair
Mr. Jim Brown
Mr. Ken Meinert
Mr. Ron Reckrodt

Mr. Wade Maupin
Mr. Steve Potter
Dr. Bill Nicely
Mr. Brian Thomas
Mr. Larry Larson
Ms. Alexa Barton

STAFF:

Mr. Jim Eldridge, City Administrator
Mr. Jeff McCarroll
Mr. Rich Wood
Ms. Molly McGovern
Mr. David Pavlich

DEVELOPMENT REPRESENTATIVES:

Mr. Chase Simmons
Mr. Scott Cargill
Mr. John Davis
Ms. Kristin Skinner

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1 HEARING

2 (Starting time of the Meeting: 6:30
3 p.m.)

4 MR. MEYER: I would like to announce that
5 Chuck Davis has resigned from the Commission, his
6 resignation goes to the Board of Aldermen upon
7 their receipt, and so Dr. Bill Nicely? All others
8 are present, rather than go through the formality
9 of calling the role.

10 MR. ELDRIDGE: Ed Quick is not here.

11 MR. MEYER: Ed Quick is not here also.
12 Since Chuck Davis has resigned from the Commission,
13 we also need to go through the nomination of a vice
14 chairman, who was the vice chairman elected at the
15 last meeting, so I'd like to open the floor for
16 nominations for vice chairman for the TIF
17 Commission.

18 MR. MEINERT: I'd like to nominate Wade
19 Maupin.

20 MR. MEYER: Do I hear a second?

21 MR. BROWN: Second.

22 MR. MEYER: Wade has been nominated. Is
23 there any discussion? All in favor, say aye.

24 (All said aye.)

25 MR. MEYER: Opposed?

1 (None opposed.)

2 MR. MEYER: Let's move on to the
3 approval of the minutes from our November 3rd
4 meeting, 2009. Are there any corrections,
5 additions, deletions that need to be made on the
6 part of any of the Commissioners that have read the
7 minutes? I assume that you have read them?

8 MR. LARSON: Yes. I think you have the
9 minutes as me seconding a motion made by Jim Brown
10 to nominate Chuck Davis and somebody else seconded,
11 not me.

12 MR. MEYER: We need to reflect back and
13 make that correction to the minutes. Any other
14 corrections or additions to the minutes? Okay,
15 with that correction to the minutes, do I hear a
16 motion for approval of the minutes?

17 MR. MAUPIN: So moved.

18 MR. POTTER: Second.

19 MR. ELDRIDGE: It's been moved and
20 seconded. All in favor, say aye.

21 (All said aye.)

22 MR. MEYER: Opposed?

23 (None opposed.)

24 MR. MEYER: Thank you. We will move on
25 now to the public hearing associated with our

1 agenda this evening and the first part of this is a
2 presentation by the developer, by Star Acquisitions
3 and so I'd like to ask that their representatives
4 come forward to make that presentation.

5 MR. DAVIS: Good evening everyone, we
6 appreciate your time. My name is John Davis, I'm
7 Vice President of Star Development. Star
8 Acquisitions is part of our subsidiary companies
9 who is trying to tackle projects of this nature. I
10 just want to make a brief introduction.

11 COURT REPORTER: I can't hear you.

12 MR. DAVIS: Just a brief introduction
13 about our company. Mr. Tim Harris is President of
14 Star Development, who has been very active in the
15 development in the Northland for a couple of
16 decades now. I will turn this presentation over to
17 Mr. Chase Simmons, but we will be around this
18 evening if you have any questions.

19 MR. MEYER: Since we have a number of
20 people here tonight, please speak up.

21 MR. SIMMONS: Will do. I'm Chase
22 Simmons with Polsinelli Law Firm representing the
23 proposed developer here. John introduced Tim and
24 himself. Kirk Peterson with my firm is here as
25 well as representatives of Lutgen, who are the

1 traffic planners and the site planner.

2 What I'm going to do is a quick overview
3 of the planning aspects of the development. I'm
4 going to turn it over to the folks from Lutgen to
5 get it through a little more detail on the
6 engineering, the buffering, talk a little bit about
7 the traffic, and then we'll come back and go
8 through the particulars of the TIF plan. By my way
9 of thinking, I think the most important thing
10 before you this evening are the findings that are
11 required by the TIF statute on the But For Test,
12 the blight finding and going through determining
13 whether or not you want to designate this property
14 as possible for TIF and send it onto the Board of
15 Aldermen.

16 That touches in some ways on some
17 planning issues and some traffic issues, but this
18 won't be the early decision making or the last time
19 that anyone gets to weigh in from the City on how
20 storm water is handled and how traffic is handled,
21 so we're going to give you a preview on it tonight
22 and I know there will be a lot of interest in those
23 site planning issues, but if you'll forgive us,
24 most of our comments are at least initially focused
25 on the economics and the TIF process and obviously

1 we're here to listen to everything everyone's got
2 to say, but from the TIF Commission as well as from
3 the audience and take your comments and hopefully
4 act on.

5 I would ask if it's okay with the
6 Chair, that after we go through our presentation, I
7 imagine there will be a number of things that are
8 brought up in the public hearing. If we could have
9 a few minutes to respond, if you think it's
10 appropriate at that time, we will kind of save our
11 rebuttal comments, so to speak, the explanation
12 comments until after everyone in the audience has
13 had a chance to talk about it.

14 The project size is approximately 37
15 acres. It's at I-35 and 92, and Regency Street
16 here. The developer is Star Acquisitions, LLC,
17 which is a single purpose entity, but it's Tim
18 Harris, and Star Development is well known in this
19 area for doing a lot of quality developments in the
20 north part of town.

21 The proposed project costs for the
22 entire development is 39 million. And what we're
23 planning on the overall acreage is about 170 - a
24 little under 170 thousand square feet of commercial
25 uses, anchored by a grocery store and then your

1 other typical private commercial type uses that you
2 would find in an area like the pharmacy, gas
3 station, some hotels, restaurants, in line retail,
4 the sort of thing that is really contemplated on a
5 property by the zoning and master plan. Do you
6 want to go to the next slide.

7 Here's the comprehensive plan for this
8 area and you can see the arrow pointing to the
9 commercial. It shows up in deep red. The area
10 under consideration this evening for your
11 development exactly matches the current commercial
12 zoning for this area. Now, the infrastructure is
13 not there, certainly we'll talk about the road
14 network is not there and the access isn't there for
15 commercial, but since 1992, the City has designated
16 this particular corner as a highway commercial
17 area. And so everything that we are showing you
18 this evening is in our mind, consistent with that.

19 Again, 1992 is the date to which the
20 zoning dates, I believe that predates most of the
21 residential housing in the area, and so as this
22 area has built up, again, there are some
23 infrastructure concerns, really some serious
24 infrastructure concerns that we're having to solve,
25 but the overall development of the area has always

1 contemplated as commercial at this intersection.

2 What I'm going to do is ask Scott
3 Cargill to come up, walk you through the site plan,
4 talk a little about storm water and utilities and
5 turn it over to his colleague to talk about
6 traffic, and then I'll come back up and talk about
7 the economics and the findings that are required
8 under the statute.

9 MR. CARGILL: My name is Scott Cargill
10 and I'm with Lutgen, Inc. As Chase had mentioned,
11 this is a 36 acre parcel, I imagine everybody knows
12 where it's at, but just for the record, it's at the
13 southeast corner of I-35 and 92 Highway.

14 We first started taking a look at this
15 piece of property about six months ago and as Chase
16 had mentioned, it is planned for neighborhood
17 commercial. Obviously that's what we looked at as
18 we were going forward. The property has frontage
19 along both I-35 as you can see, as well as 92
20 Highway.

21 When we first started looking at the
22 site, obviously access was a concern. We looked at
23 providing direct access off of 92 Highway, but all
24 you need to do is look across the interstate as to
25 what you'll see if you provide direct access to the

1 signal on 92 Highway, so we again looked at the
2 extension of Regency Road, which again, Kris will
3 talk about in a little bit more in detail, a little
4 bit later in the presentation. But we are looking
5 for the extension of Regency is what I'm going to
6 call a commercial collector, extending through the
7 site down to the south end of the property,
8 hopefully looking at providing more of a frontage
9 road, if you will, that extends not only onto this
10 piece but ultimately on further to the south all
11 the way down to 19th Street at some point in the
12 future, with a system, with some master planning
13 that have been looked at previously.

14 The site from a topography standpoint
15 gradually falls from I-35 back to the residential
16 development here. I think we've got about 30 foot
17 of fall between basically where the highway is at
18 clear down to what I'm going to call the east
19 property line. It's currently a bean field, being
20 farmed. We are looking at a secondary access, if
21 you will, and a round-about centrally located
22 within the development providing for limited
23 movements off of 92 Highway to take a little bit of
24 pressure off this particular intersection.

25 Site planning you see here, well,

1 approximately 160,000 square feet, and again, it's
2 neighborhood retail. We have an anchor tenant
3 that's identified as a grocery tenant. I think
4 this particular box is 55,000 square feet with a
5 potential for expansion. You can basically see
6 pads along the 92 Highway as well as drop offs
7 along I-35. Restaurant pads on the interior, strip
8 retail, and again, just the neighborhood use. That
9 is the type of use that we're probably going to
10 find within this particular element.

11 From a grading standpoint, the site
12 falls fairly well. We'll be able to make cuts
13 within this vicinity and bring this material back
14 over here to balance the site, so we don't
15 necessarily have construction equipment running
16 over the road, we can do all of that work onsite.
17 We do have utilities on the site, again, so we
18 don't have large offsite extensions that we need to
19 make. Both sanitary sewer and water are available
20 onsite. I think we'll have cuts in the
21 neighborhood of ten feet here, unfills in the
22 neighborhood with ten feet on this side.

23 With this particular site plan, you can
24 see at the round-about location, we have a planned
25 retention facility. I think this site is broken up

1 by two contributing watersheds. One of them is a
2 400 acre watershed in areas north of 92, as well as
3 actually west of I-35 that extends all the way up
4 to the Missouri Conservation Park. Again, that's
5 approximately 400 acres. We are limited by a
6 couple of crossings at I-35 as well as 92 Highway.
7 I've got a drainage map over here I can show you
8 and talk a little more specifics about that, if you
9 wish.

10 But we have a 400 acre watershed that
11 basically crosses 92 Highway at this location. We
12 have another watershed that totals approximately
13 100 acres that basically picks up area on the west
14 side of I-35. Both of those tributaries emerge at
15 this location for a total of about 600 acres
16 grading to the crossing at Regency. The existing
17 crossing at Regency is a twelve by six blocks. We
18 will - are looking to basically extend and enclose
19 storm sewer to the site and basically take that
20 discharge through the site. The increased runoff
21 or and/or the runoff is generated from the site
22 specific will be contained by the detention
23 facility before discharge is going to be enclosed
24 systems.

25 The theory behind that is, you collect

1 your site water, you hold your site water in it,
2 and release that water in much slower rates so the
3 peak flow from these watersheds bypass the site and
4 you don't end up increasing peak flow. So that's
5 the theory behind storm water detention. Behind
6 detention here, we've also got some detention along
7 I-35 that extends to the location.

8 Again, utilities are to the site, so no
9 large offsite extensions. I'm going to turn it
10 over to Kris Skinner to talk just a little bit more
11 about the traffic related issues and then Chase
12 will answer your specific questions. With respect
13 to storm water and site planning, I'll be more than
14 happy to answer those questions after the
15 presentation.

16 MS. SKINNER: I'm Kristin Skinner with
17 Lutgen. For those of you who aren't familiar with
18 traffic studies, I want to--

19 MR. MEYER: Kris, speak up, please?

20 MS. SKINNER: I want to give just a real
21 brief overview of what we do when we do a traffic
22 study. One of the first things we do is get a
23 traffic count. The reaction goes out to the
24 intersection that we're looking at and counts how
25 many cars turn in each direction and go straight in

1 each direction. Based on those counts, we assign a
2 level of service rating at each intersection, A
3 through F, just like in school. A is good, F is
4 not so good. After that, we look at the size of
5 the development, it's about 160,000 square feet in
6 this development. And I go to the trip generation
7 manual, and based upon other similar developments
8 of that size that have been already constructed, it
9 will calculate approximately how much traffic this
10 development is going to generate.

11 Those trips are added to the existing
12 volumes and we look at it again, improvements are
13 added as needed and then we go back through and
14 assign each intersection we are going to level
15 service under those conditions.

16 There's a table showing levels of
17 service. The seconds that are shown there are the
18 average seconds that each person waits at the
19 intersection, so if you're coming up to the
20 signalized intersection, somebody may get the green
21 light and never have to slow down. Somebody else
22 may come up to the signal just as it turns red and
23 have to wait 60 to 70 seconds. What we look at is
24 the average delay.

25 At northbound ramp at I-35, coming off

1 I-35 and onto 92, currently there's one left turn
2 lane and one right turn lane. As most of you
3 probably know, the right turn lane, especially
4 during the peak hour, can back up. This
5 development, the construction of this development
6 will be adding an additional right turn lane so
7 there will be two right turn lanes going onto 92
8 Highway.

9 Under the proposed conditions, that
10 movement will have a level of service at C, it's
11 currently at an E, so it's quite a bit of
12 improvement.

13 MR. MEYER: Did you say D or B?

14 MS. SKINNER: It will be a C. It's
15 currently an E. There's going to be a new entrance
16 onto 92 Highway, this is across from the gas
17 station on the north side. As we get into talking
18 about Regency and some of the concerns on Regency,
19 a lot of you may be wondering why we don't just put
20 a signal at this entrance and make this the main
21 entrance into the development. The development
22 entrance is a little over a tenth of a mile from
23 the signal to the ramps and a little over a tenth
24 of a mile from the signals at Regency. We don't
25 typically like to put signals closer than a quarter

1 of a mile apart. If we put a signal here, it would
2 affect the direction off 92 Highway and that's not
3 something that would be good for westbound traffic.

4 We will be adding an eastbound right
5 turn lane onto 92 Highway to turn right into the
6 development. The proposed Regency, the names can
7 get a little confusing on this. The signal at
8 Regency and 92 Highway, Platte Clay Way to the
9 north is Regency to the south and goes past Pour
10 Boys gas station and the car wash into the
11 residential area.

12 What we're proposing is Regency and
13 Nostalgia Drive will curve to the west and south of
14 Pour Boys, so proposed Regency is a residential
15 Regency will feed in the development drive. That
16 portion of Regency has your feeding the residential
17 area. It will have one left turn lane and one
18 right turn lane with a stop sign. So you'll come
19 up to that stop sign and have two ways to choose
20 from.

21 Going south to get into the residential
22 area, there will be a left turn lane and there will
23 also be a through lane that goes to the development
24 and those southbound movements - I can't get the
25 pen to work. Those southbound movements right

1 there will not have a stop sign, so you'll have a
2 stop sign here on Regency, and that does make a
3 through movement into the development and then
4 that's the gas station there and the car wash
5 there.

6 Coming back to levels of service. If
7 you're southbound turning into a conventional
8 portion of Regency, the proposed Regency, your
9 level of service is an A. You will have an average
10 delay of about 9 seconds. If you're going north
11 back to 92, turning right from those stop signs,
12 your level of service will be a B, an average of
13 about 11 seconds delay.

14 MR. MEYER: Is that under current
15 conditions?

16 MS. SKINNER: That's proposed conditions
17 with the development and improvements, with Regency
18 realigned with the stop sign at the development
19 drive. In back of it, at 92 Highway and the
20 existing signal there, we would be adding an
21 eastbound right turn lane and then the south way
22 here, we will have five lanes instead of the
23 existing three, so there will be two lanes going
24 south and one of those ends in a left turn onto the
25 residential portion of Regency and then there will

1 be three lanes going north. Two center sections
2 will operate at the level service D under proposed
3 conditions.

4 The City of Kearney hired Transystems
5 to conduct an additional study independent of the
6 study he did on behalf of the development. The
7 existing traffic counts that they did were simply
8 the same as the ones we got and I think taken on a
9 different day, there might have been a little bit
10 of a difference, but you know, the same, the
11 development trips were the same, our recreations
12 were very similar. We had a slightly different
13 opinion on what exactly the lanes are used for,
14 averaging C at 92, and ultimately it will be MODOT
15 that probably reviews both of those studies before
16 the final plan.

17 MR. MEYER: So that traffic study did a
18 projection of future traffic as well, versus just
19 the current conditions plus the condition of the
20 development?

21 MS. SKINNER: Yes, we did as well, those
22 results were--

23 MR. MEYER: Are the service levels
24 maintained as you go around--

25 MS. SKINNER: They will decrease slightly

1 in the future with increasing traffic on 92
2 Highway. Also the future conditions assume that
3 some improvements are made to the interchange that
4 were outlined in the Missouri 92 corridor study
5 that was completed also by Transystems for MODOT.

6 DR. NICELY: Did part of the traffic
7 study review expectations from residential Regency
8 room subdivision to 19th Street?

9 MS. SKINNER: No, we have not looked at
10 that.

11 DR. NICELY: You're just talking about
12 the intersection?

13 MS. SKINNER: Right. We're just talking
14 about the modifications that this development will
15 be made to Regency.

16 MR. SIMMONS: Okay, Chairman, we'll spend
17 a few minutes and go through some of the economics
18 and the required findings for you to consider this
19 evening. I'll do a quick overview of the TIF
20 process. I know you had a primer on it by your
21 count there last week, so I won't spend too much
22 time on it, but a couple of key facts right up
23 front.

24 The two requirements for you to
25 consider this evening are the legal standpoint and

1 then of course there's plenty of things that you
2 consider at your own discretion are whether the
3 property is blighted as that is defined under the
4 Missouri Statutes on TIF. That's one of the
5 prerequisites for improving a TIF District. And
6 then secondly, a determination after you look at
7 the numbers and read the TIF plan of whether this
8 property would develop without utilization of Tax
9 Increment Financing.

10 If you find that what's being planned
11 here, the infrastructure, the tenants that will
12 come in, that they will all locate on this site and
13 this will build out without the use of TIF and
14 you're bound essentially by law to vote against
15 this. If you find that you need TIF in this
16 instance at some level in order to move forward
17 with a development here, then you can choose to
18 vote to move forward with the TIF District. So
19 those are the two findings, we'll talk a little bit
20 about the merits of those as we go through.

21 The particulars of what it is that TIF
22 needs is essentially a redirection of future taxes
23 that will be created by the development and would
24 otherwise without TIF being in place, go directly
25 to the taxing jurisdictions as a an enjoyable

1 development. Instead, under a TIF plan, some of
2 those taxes are redirected back through the City
3 and ultimately to the developer to help pay the
4 developer back for some of the improvements that
5 we'll be talking about here this evening, mainly
6 infrastructure and masquerading of properties.

7 The two types of taxes are property
8 taxes and essentially 100 percent of new property
9 taxes over the term of the TIF will be redirected
10 back to assist with paying on the expenses. And
11 one half of the City and County sales taxes will be
12 redirected back to help pay for the improvements.
13 Those are the types of taxes we are talking about.

14 The maximum duration of a TIF District
15 is 23 years and we've got some projections that
16 we'll talk about this evening. The City has also
17 agreed on our projection. We believe that these
18 taxes will be - the TIF will be paid off before 23
19 years so we won't be going out from that, but that
20 is a possibility when you create a TIF.

21 As we start talking about the
22 particulars, one thing to keep in mind is after
23 this evening, after you all make whatever decision
24 you may and we hope that it is directing an
25 approval, that will go forward to the City Council

1 and if they approve the TIF, then there will be a
2 development agreement. And within that development
3 agreement, the City will have performance standards
4 so that we only get TIF if we do certain things and
5 meet our conditions that you all come up with this
6 evening. Those will be put into the development
7 agreement.

8 So what we're talking about tonight is
9 kind of the wide parameters, and then the City
10 attorneys and their finance council gets together
11 and we work on development agreements so that we
12 have everything spelled out and know exactly what
13 the developer is expected to do and the tenants
14 know what they are expected to do in order to
15 benefit from financing that it can offer us.

16 As I indicated, one of the requirements
17 to set up a TIF District is a finding of statutory
18 blight under the Missouri Tax Increment Financing
19 Law. In this case, we did a preliminary blight
20 study that my firm prepared, and then we had Shaner
21 & Associates Appraisers go out and review that and
22 also indicate whether to not they agreed or
23 disagreed or had some comments with respect to our
24 study. Both studies came back and found statutory
25 blight on the property.

1 Now, let me talk a moment about that
2 and the blight studies that are in the TIF
3 financing that you all should have. This is not,
4 as the slide showed, I think initially, it's not
5 Webster's definition of blight. We don't need to
6 have falling down buildings, we don't need to have
7 vagrants living on the property. It is really, in
8 this case, mainly about economic blight.

9 Now, there certainly are areas,
10 typically as you get into the urban core, that
11 would fit both the Webster's definition of blight
12 and also the Missouri TIF statute's definition of
13 blight. But in this case, it's really more about
14 looking at what are the City's plans for this
15 property, and are there certain things that stand
16 in the way of the City reaching those plans. In
17 this case, the property is designated for
18 commercial development and yet, when we go out to
19 the site and actually is how we started with the
20 property, was not the thought of a TIF, it was to
21 develop the property for commercial based on
22 interest from a grocery store.

23 You go out the property and you find
24 that infrastructure is lacking, that the grading
25 expense in this case with respect to this property

1 versus many other properties, is extraordinary.
2 And the wide study details those costs out, and as
3 you go into our budget which we'll talk about a
4 little bit later, we're asking for about \$10
5 million in TIF and that pretty well matches up with
6 the public improvements that will be required to
7 put in place for the access improvements and the
8 utility infrastructure and the masquerading that's
9 required to direct storm water through the site,
10 deal with the waters of the US that was have to
11 permit around and move forward on that basis.

12 What we're not utilizing is TIF to
13 build buildings vertical or to pay tenants to stock
14 their stores or developers to do things like that
15 are all allowed under the TIF statute but are not
16 what we are proposing here. So in this case, the
17 blight finding primarily focused on the
18 infrastructure, the street network and all the
19 things that really take what would be a kind of a
20 normal development, it's a pretty standard layout,
21 but raise the cost of it to a level where we need
22 to start.

23 The next question that needs to be
24 considered is, even if there is blight out there,
25 is it still economically feasible for a developer

1 to go out, to develop the site for the tenants that
2 we are talking about that are contemplated by the
3 City's master plan and by their zoning, is it still
4 feasible to make all that happen without use of TIF
5 or a subset of that would be, yes, we need TIF but
6 maybe only need half of what you're asking for. To
7 come to that conclusion, what we've done is spent
8 many months working with the City's staff to go
9 through performance and to go through the costs
10 that it takes to develop the property, the build
11 out that we can expect from the tenants and either
12 the land purchase prices that they are willing to
13 pay or the lease payments that they are willing to
14 lease the property if we build buildings for them.
15 We have done that. I think there are some people
16 from the City that will be able to talk about this
17 evening.

18 But what we've found as we went through
19 this process, and of course we knew this before we
20 started the process, that's why we began to go down
21 the road of asking for TIF, is that without use of
22 redirection of some of these future sales tax
23 dollars and property tax dollars, that there's very
24 little or no return on the development, so no one
25 would move forward to do that. If we are able to

1 utilize the TIF and the CID, which is another
2 future component of this that we will talk about,
3 the performance should be ultimately, if everything
4 built up according to plan, the return in the 14
5 percent internal rate of return for the developer,
6 which is on the low end of an acceptable return.
7 Certainly if you were trying to finance this, maybe
8 starting last year, you wouldn't get it financed.

9 We think as we move into next year,
10 we'll see a little bit of an improving market that
11 a 14 percent return with the type of build out and
12 assistance that we have will be seen by the
13 underwriting or if it has an acceptable rate of
14 return. Again, at 14 percent, we believe that
15 that's right in the acceptable range. We'd like
16 for it to be a little bit higher. If you got too
17 high, you'd be able to show that you didn't need
18 TIF and if it got too low and this was one of the
19 concerns of the City Planner with the City finance
20 people was we don't want you to come in here and
21 show a 10 or 11 percent return with TIF because
22 that's really setting us up for, if anything goes
23 wrong, then you're down to a really low rate and we
24 don't have a lot of confidence that the development
25 will build out that way that you're promising.

1 Again, those numbers were set forth in
2 the TIF plan and the City staff is here to talk
3 about those. Another piece of the puzzle that
4 we've added in is a community improvement district.
5 That is a one cent add on sales tax, so across the
6 street at McDonald's, and I don't know right off
7 the top of my head, the sales tax rate, I've got it
8 somewhere in my materials but it's escaping me
9 right now. There will be one rate tax rate across
10 the street and you come on over to our property,
11 the tax break for buying a hamburger or a loaf of
12 bread will be one cent higher. Half of that one
13 cent collected on all sales will go back to the
14 development to assist with building the
15 infrastructure or paying off the infrastructure.
16 Half of it will go to the City to assist with
17 financing the community center that they've been
18 planning for sometime and again, I think they'll be
19 able to talk about that this evening. So those
20 revenues will be split between the City and the
21 developer.

22 Once the community center is paid for
23 and the infrastructure on the property is paid for,
24 then the CID tax is proposed to stay in place and
25 now we're talking many years into the future and

1 basically it will be utilized to help with common
2 area maintenance with keeping the center up to
3 speed so that we don't have to completely redevelop
4 it in 15 or 20 years, that it's in a position to
5 move forward as a sustainable center over time.
6 And that's one of the permissible tools that are in
7 the community improvement district statute.

8 We talked a little bit about this and I
9 talked about the 14 percent, but the breakdown
10 between the TIF and CID, it's a total 14 million
11 dollar request of TIF and CID and about 4 million
12 of that is the CID and about 10 million of that is
13 the TIF. That will be first off in the plan that's
14 capped. Once we get that level of reimbursement,
15 we can't have any more than that even if we feel
16 like we need it or things aren't going very well.
17 That will also be reflected in the redevelopment
18 agreement that was signed with the City. Really,
19 the cornerstone of this development is a proposed
20 grocery store.

21 CHAIRMAN MEYER: Just to be clear, the 14
22 million plus the finance costs associated with it.

23 MR. SIMMONS: That's what I would call a
24 present value number. Back when there was a bond
25 market a few years ago-

1 CHAIRMAN MEYER: I just wanted to make
2 sure everybody was clear on that.

3 MR. SIMMONS: Yeah, and I will dwell on
4 that for a second and maybe later in my materials,
5 but just to be clear with everybody. Ordinarily
6 when you talk about TIF, at least until recently
7 until Lehman Brothers went under, people talked
8 about TIF bonds. And so what would happen is, we'd
9 come in, we'd go through this process. Hopefully
10 we'd get it approved. We have a development
11 agreement and we have our leases in place and we
12 would go out to the market and generally
13 simultaneously we'd close on the property, we'd
14 take out our private construction loan and begin
15 construction, and we have leases in place that we
16 could show to the municipal bond market that those
17 leases, those tenants were going to come in and
18 they were going to occupy the property, they were
19 going to pay sales - property tax and generate
20 sales tax and that those revenues over a period of
21 years would produce, in this case, 14 million
22 dollars plus interest.

23 And so you would sell - really the City
24 is the one that issues the bonds, but they were
25 secured solely by the developer guarantees or by

1 the revenues from the project. Typically you
2 wouldn't ask the City be on the hook for that,
3 you'd sell that in the municipal bond market and
4 you'd get what I call a lump sum up from payments.
5 So you take your revenues from your TIF bonds, you
6 take your private revenues either out of your
7 pocket or a combination of out of your pocket with
8 a bank loan. You put those together and you build
9 a development.

10 Since the financial crisis, that side
11 of the equation doesn't exist. Now, it's starting
12 to slowly come back and perform that most of the
13 smart people on Wall Street say that it is going to
14 come back is now once the centers are built and
15 they've got an operating history, you might be able
16 to say okay, we've had two or three or four or five
17 years of this and we can expect another ten or
18 fifteen years and therefore you can sell those
19 revenues. Where you stand now is the developer has
20 to fund that money in cash or a combination of cash
21 and bank debt and that's why when I talked about
22 being reimbursed, that's what we're proposing here,
23 also call it pay as you go.

24 Now, the TIF plan is written that if
25 the municipal bond market improves, we have the

1 opportunity to go to the City and ask them to
2 consider issuing bonds. They would just be what we
3 call special obligation bonds only payable from the
4 project revenue, the developer revenue received and
5 be liable if there was any sort of problem. We've
6 got the opportunity to ask the City for that. They
7 are under no obligation to grant that. It would be
8 a case by case basis.

9 The cornerstone of the development, or
10 really what started us on this is a proposed
11 grocery store. I'm not prepared this evening to
12 talk about who it is and when they're going to open
13 and all those sorts of things. That will be
14 something we've talked at great length with the
15 City. We understand before we move forward with
16 the development agreement that we'll have to show
17 them some commitments from tenants, but there is a
18 grocery store that has been very interested in the
19 property for a number of years and so that's really
20 the big driver of this development.

21 It drives in some ways the tax
22 generation, but what it really does is it attracts
23 the other tenants that we'll need to make the
24 development work. The reason that restaurants and
25 drug stores and things like that want to be here

1 will be because of the grocery store, so that's a
2 very important component. There's a wrinkle in
3 Kearney because I think most people look and say,
4 okay, there's already a grocery store in Kearney,
5 it's got a certain level of sales and we're
6 concerned that if a new store opens, that it will
7 either be a relocation of the existing grocery
8 store or something might happen to one of the
9 existing grocery stores. And so there's a pretty
10 unique component of this TIF plan that holds the
11 first 18 million dollars of sales from the grocery
12 store that would go onto the site, completely
13 harmless from the TIF.

14 So the County sales taxes and the
15 City's sales taxes that are collected by the TIF,
16 they start at 18 million and one dollars and
17 everything below that just is collected. So if one
18 of the existing grocery stores that maybe we've
19 talked to the staff that they think it will either
20 be a relocation or maybe its sales will be hurt, if
21 it stays in business and still does what it's
22 always done and this new store comes in and does
23 over 18 million, then it's all good for the City
24 and the County, but if it does impact the existing
25 store, the City and the County is protected from

1 the standpoint of sales tax collection.

2 I say that's a unique component. State
3 law requires that if there's a relocation within a
4 county, you've got - I'm going to - you've got a
5 barbecue restaurant and you're on one side of town
6 and you're not in a TIF District and then a TIF
7 District opens up on the other side of town and you
8 can move over there and you shut down your old
9 restaurant, well, the law requires that you don't
10 get to do that without the City and the County
11 being held harmless. We're taking it one step
12 further here and not just relying on the law which
13 can get a little bit tricky sometimes. We're
14 setting the base for the grocery store at 18
15 million to make sure that we can really minimize
16 any adverse impact to the City and the County.

17 Back to the details of the financing
18 plan. It's a 38 million dollar project. You can
19 see the breakdown here. About 64 percent of it
20 would be funded by private funding. That's just
21 developer cash, bank debt and then some
22 contributions from tenants if they build their own
23 facilities, things like that. As I indicated
24 before, the pure TIF side of this is between 10 and
25 11 million and then there's an additional about 3

1 million dollars of that add on sales tax that would
2 not proportionately go to the community center, but
3 proportionately will help with development costs.
4 Again, most of those private costs or all of those
5 private costs are for things like building the
6 building, the parking lot, things like that and the
7 TIF is utilized for infrastructure access that's on
8 the master agreement.

9 We talked earlier about the bond pay as
10 you go versus special obligation bonds and I'll
11 just - I won't go back into all that again but I'll
12 just leave you with this one thought on that issue.
13 The way this is set up, all of the financial risk
14 of this development lies firmly on the developer.
15 We're not asking for the City to front any money.
16 We're not asking for the City to stand behind any
17 bonds and if you all approve this and we go through
18 the process and have the development agreement
19 approved and we go and we move forward but nothing
20 ever happens, there's no financial hardship to the
21 City. Now, that's not to say that there's not
22 political risk and people didn't waste their time.
23 I'm not trying to minimize that, but from a
24 financial standpoint, all of the risk will be on
25 the developer.

1 The developer will plug whatever
2 incentives are approved into their pro forma and
3 they're going to move forward, and if the
4 incentives are not as powerful as they thought they
5 were or the sales taxes are not as powerful as they
6 thought they were or the property taxes don't come
7 in as quickly as they thought they would, that is
8 the risk of the developer, not of the City or any
9 of the other taxing jurisdictions.

10 I talked a little about this at the
11 outset of - just for everyone to be clear and most
12 of your experience in this, but with respect to the
13 taxing jurisdictions. All of the taxing
14 jurisdictions will continue to get any base taxes
15 that they get from the property. Now because it's
16 undeveloped, it's pretty low, but you will continue
17 to get those taxes.

18 The taxing jurisdictions that don't
19 have a sales tax will not receive additional taxes
20 until the TIF is retired and then you'll begin to
21 receive taxes. In the TIF plan is a cost benefit
22 analysis for each taxing jurisdiction, and that is
23 based on the TIF paying off about four or five
24 years early and so most of the property tax payoff
25 comes in that end of the TIF.

1 With respect to the City and the County
2 portion, it's much more immediate than that. First
3 of all as we indicated, the 18 million is held
4 harmless, I can't really call that a new tax from
5 this particular development, but I think it's worth
6 mentioning. But for every dollar of new sales
7 taxes that's produced on this site, half of it will
8 continue to go to the taxing jurisdictions, to the
9 City and the County.

10 So if the City got a portion of U
11 Sales, half of it will go to the developer to pay
12 back the infrastructure, et cetera, and half of it
13 will go to the City coffers just as it would. Same
14 with respect for the County. The additional
15 component with respect to the City is that that
16 half cent CID will be utilized by the City to
17 ultimately finance part of the community center.

18 MR. POTTER: Mr. Simmons, I represent
19 other taxing entities, which one of the other
20 taxing entities is the fire department. Now, going
21 back on pilots, you were saying that all other
22 taxing entities will receive what their base is.
23 My understanding of the TIF law is, that the fire
24 district would actually receive 50 percent.

25 MR. SIMMONS: I misspoke, that is

1 correct.

2 MR. POTTER: I just wanted to get that on
3 the record because I am representing the fire
4 department in this as well.

5 MR. SIMMONS: I apologize for that.

6 MR. POTTER: Thank you.

7 MR. SIMMONS: We are not seeking to
8 change state law on that.

9 MR. POTTER: Thank you.

10 MR. SIMMONS: Going to this next slide.
11 We've talked about this issue but just to give you
12 a sense, we're projecting new grocery store sales
13 from this area in conversation with the experts in
14 the grocery market to be about 33 million and you
15 can see that 55 percent of that will be held
16 harmless based on what I discussed a little bit
17 earlier.

18 This next slide is an explanation of
19 over the life - the possible life of the TIF in 23
20 years, that City sales taxes will be over 14
21 million, the County sales taxes will be over 6
22 million and then just under 6 million would be
23 collected by the TIF. Just so to give you a
24 breakdown of the new sales taxes that will be
25 produced by the grocery store over that period of

1 time.

2 CHAIRMAN MEYER: Excuse me, would you
3 describe the methodology that you use in developing
4 your estimates for the new revenues coming from
5 this particular project, so that we have some
6 appreciation for that too?

7 MR. SIMMONS: Yes, we've created a number
8 of - let me tell you what we've done and then
9 there's some future work to do in the future.
10 Number one, Star Development owns and develops a
11 lot of retail facilities. So with respect to a
12 number of the tenants they are talking to, or
13 considering, they know what they do around Kansas
14 City, and particularly in what I would call the
15 Northland.

16 With respect to the grocer, with
17 respect to the pharmacy and a few of the other
18 users, we actually had specific conversations about
19 what they would expect to do in this location. We,
20 quite frankly, discounted those just a little bit
21 to be safe and then what we did is we went back and
22 checked them against a tool that's published by the
23 Urban Land Institute which is dollars and cents of
24 shopping centers and that's a document that comes
25 out every year so that you can look on a year by

1 year basis and kind of compare them over a period
2 of time to look in a certain geographic area with
3 certain demographic surroundings, so in this case,
4 it would be a ex-urban highway commercial center of
5 a certain size. And we can go into that document
6 and look and begin to get a range of what various
7 types of retailers, what various types of hotels
8 will do in a certain area.

9 Then we took all that information, gave
10 it to the City, the City has their own financial
11 consultant and she's certainly here to talk this
12 evening, but she went through her own analysis on
13 that and I think also asked us to change some
14 things.

15 CHAIRMAN MEYER: So you drove it off of
16 actual, if you will, experiences that are
17 experienced elsewhere, not only by you but by other
18 TIF projects, not off of actual market studies or
19 anything of that sort?

20 MR. SIMMONS: Right. We have not and
21 that's the part I was going to get to, to say what
22 we'll do later. Typically we will then go out,
23 before we finance the project and certainly before
24 any TIF bonds were sold and we'd go out and do an
25 actual market study.

1 What we've found, as far as site
2 planning and really putting together the initial
3 pro forma the direct contact with the proposed
4 tenants belong with just the overall experience
5 that the team has is really more accurate than
6 doing a market study. So that's what we've done,
7 and then we've had the benefit of the City having a
8 very experienced team as well, to take a look at it
9 and make some changes to what we proposed.

10 Let's go on all the way to the chart of
11 taxing jurisdictions. This is in the - part of
12 this is in your TIF plan but we've expanded it out
13 and consolidated some additional information and
14 you can just see under each of the taxing
15 jurisdictions as set forth on what their cost
16 benefit will be over the period of time. And as I
17 indicated, with respect to the taxing jurisdictions
18 of the City and the County, would have sales taxes,
19 there's a more urgent increase in revenue with
20 respect, except for the fire district, but with
21 respect to the other taxing jurisdictions, most of
22 that revenue is coming in the later years of the
23 TIF.

24 With that, we've gone a long time
25 already and know there's a lot of people that have

1 a lot of questions and comments. We are prepared
2 to talk about all manner of things, including the
3 budget, timing, phasing build out, all those sorts
4 of things. We can answer questions now, we can
5 wait and hear some of the public comment and answer
6 questions later. Whatever you'd like to have us
7 do.

8 CHAIRMAN MEYER: Is anyone going to speak
9 from the group on the blight study that was done,
10 just the specifics of it or anything else?

11 MR. SIMMONS: I'm prepared to.

12 CHAIRMAN MEYER: More in terms of
13 addressing questions or--

14 MR. SIMMONS: Yes, we're here to - now,
15 we didn't have Shaner come, they did a review on
16 the blight study, but we prepared the initial
17 blight study with the engineer and the developer,
18 so we're prepared to talk about that on questions.
19 I wasn't going to go into any more details as far
20 as the presentation.

21 CHAIRMAN MEYER: Would the Commissioners
22 like to hear the rest of the presentation before
23 questions are raised or would you prefer to ask
24 questions at this point? What's your desire?
25 Let's continue with the presentation and then we'll

1 come back, call people back for additional
2 questions.

3 MR. SIMMONS: Well, we're essentially
4 done. I guess what I should have said is, we can
5 talk about it. If you feel like there's something
6 else, we can spend more time on it, but I need a
7 drink of water and I'd really like to hear from the
8 people in the audience.

9 CHAIRMAN MEYER: I do have some questions
10 with regards to the blight study that was done.
11 With regards to the blight study, does every
12 element of the study need to be met in order to
13 qualify under the TIF regulations?

14 MR. SIMMONS: No. In fact, there's -
15 it's pretty clear under the statute, but there's
16 also some clear case law on that. You could have
17 just one component of the various criteria and if
18 it is severe enough, and in this case, we really
19 think it's the infrastructure that it is on its
20 own. If it's severe enough, you have the legal
21 authority to determine that, okay, I'm paraphrasing
22 here, I see what's going on, there's nothing
23 particularly wrong with this property, perhaps I
24 don't think it's endangering anyone, but it is not
25 being utilized up to the potential that the City

1 plans for it. It's not being utilized up to the
2 potential as set forth in the master plan and the
3 zoning plan.

4 CHAIRMAN MEYER: Well, let me tell you
5 why I asked the question. The reason I asked the
6 question is, as you read through it, there are some
7 of the things that are referred to there that could
8 be - we could require the landowner to remediate
9 without limiting expense.

10 MR. SIMMONS: Right, right.

11 CHAIRMAN MEYER: Which would - and so
12 that's why I asked the question because I knew some
13 of it you referred to in this study.

14 MR. SIMMONS: Yes, some building - you
15 know, there was some trash, some building, some
16 inoperable vehicles, things like that that you see
17 on a lot of properties. First of all, in some
18 areas, that would just be fine, especially if you
19 get into rural areas.

20 CHAIRMAN MEYER: So let me go off with
21 another question then. If the landowner were able
22 to remediate those things that are reasonable to
23 remediate in terms of the trash, dealing with some
24 of the fire hazards and even some of the areas,
25 that could we make them look better along 92, for

1 example. Would it still be considered a blight
2 area on the basis of these other factors that are
3 there?

4 MR. SIMMONS: Well, if I understand the
5 question, I think the answer is yes. And let me -
6 if your - it's my opinion based on what we went
7 through with the engineers and the Shaner, if you
8 were going to make a finding of blight on this
9 property solely because there was some trash and
10 things like, then I think maybe you'd be pushing
11 it, as far as the blight's concerned.

12 I think if you don't believe us that
13 the infrastructure is not adequate or you just
14 don't find it persuasive, maybe not believing us is
15 a not very nice way to put it, but you don't find
16 it very persuasive, then I think that's where if
17 you read the study and certainly if you look at
18 what we're spending money on, you look at the
19 City's master plan, I think that's the crux of the
20 matter in this placement.

21 Now, when we go through the studies, we
22 do need to at least have the answer yes or no on
23 each of the criteria, and so that's what we've
24 done. But are we hanging our hat on some and not
25 on others? Yes. And in this case, it's the

1 infrastructure and it's the economic blight.

2 CHAIRMAN MEYER: Any other questions the
3 Commissioners have? Go ahead.

4 MR. RECKRODT: I notice the financing
5 plan is in reference to the community center. I
6 don't see that on the site plans. Is that in phase
7 2, or where is that at?

8 MR. SIMMONS: I'm going to let, if it's
9 okay, I'm going to let the City address that. It's
10 not on our site plan and they'll be able to give
11 you details on what they've asked from the very
12 beginning of our discussion was that we utilize the
13 community improvement district, part of those
14 revenues, to create a fund to partially fund the
15 community center and I don't know that they've
16 decided exactly where it's going to be, but we
17 don't show it on our site plan and it's not onsite.
18 We'd like to have it onsite.

19 MR. RECKRODT: But just based on these
20 documents, it says it's onsite. That's why I asked
21 the question because I know there's a separate
22 parallel path going on right now for that.

23 MR. SIMMONS: That's a mistake if it's in
24 the documents.

25 MR. RECKRODT: Okay. Another question.

1 Going to the traffic study that was done, I
2 apologize if this was already covered. It's looks
3 like there's improvements to the ratings at those
4 intersections. What was the increase in traffic,
5 or was it the same traffic levels for those
6 improvements, question is, the additional ramp
7 coming off of I-35 caused it to go from a D to a C?
8 Do I have that right? Is that the same level of
9 traffic, was that an increased level based on your
10 vibe, or what was that?

11 MR. SIMMONS: I'm going to try to answer
12 this and if it's - and certainly we have those
13 traffic engineers here that can - in fact, we have
14 two because the City also hired a traffic engineer
15 to review it. As I understand it, from a D to a C
16 is full build out of this center, of this proposed
17 center which will increase the traffic. And then,
18 putting in the improvements. So in that case, I
19 hope that answers your question.

20 MR. RECKRODT: It gets pretty close.
21 What is it today?

22 MR. SIMMONS: It's an E today. So it's
23 not - so maybe another way to answer the question
24 is, we didn't say what would it be with the
25 development without the traffic improvement. We

1 just compared it today versus development plus
2 improvement and that's what we presented to you.

3 MR. RECKRODT: Okay, that's all I have.

4 CHAIRMAN MEYER: I have a couple of
5 questions with regards to the traffic study.

6 MR. SIMMONS: Yes.

7 CHAIRMAN MEYER: What about the
8 properties that are to the north of 92? This is
9 going to increase traffic down 92 in both
10 directions, I believe, and is it going to create
11 more issues and congestion? For example, like at
12 the McDonald's and at the Shell Station entrances
13 versus what we already have today.

14 MR. SIMMONS: That's in the traffic
15 studies, but it wasn't in the presentation, so I'm
16 going to ask that Kris maybe come back over here
17 and Jeff McCarroll is the City Engineer. If he's
18 waiting in the wings somewhere maybe he can also
19 comment that one.

20 UNKNOWN MALE: Mr. Chairman, could you
21 ask that they speak up. It's very difficult to
22 hear back here.

23 CHAIRMAN MEYER: Yes, could you speak up?

24 MS. SKINNER: Based on good answers, it
25 is going to delay a little bit leaving McDonald's.

1 CHAIRMAN MEYER: Do you know what the
2 service levels are at those intersections today for
3 McDonald's?

4 MS. SKINNER: Right turns are typically a
5 B, left turns are typically an F.

6 CHAIRMAN MEYER: Okay. That's out of-

7 MS. SKINNER: Right, getting into them
8 typically an A to a B. Having to make a left turn
9 into them is not that hard, making a right turn out
10 is not that hard, making a left turn is the
11 challenge.

12 CHAIRMAN MEYER: Is the City's study-

13 MR. McCARROLL: Good evening, Jeff
14 McCarroll, Transystems, I think Chase stole my
15 thunder that we were retained by the City to
16 perform an independent study. To simply answer
17 your question that it would be more difficult to
18 exit the properties on the north. Yes, if this
19 side generates a few hundred vehicles and it will
20 be more difficult to turn out. To quantify that,
21 for instance, from the McDonald's drive today,
22 their main entrance in the peak hour, on average we
23 estimate about 80 seconds delay for a vehicle to
24 make that left turn onto Route 92. With the
25 proposed development, that would increase, could

1 potentially increase 20 to 30 to 40 seconds, it's
2 difficult to tell, but it would get worse. That's
3 not, however, necessarily uncommon. If you think
4 about turning left onto any busy road in a peak
5 period, it is congested. One of the factors we
6 look at in additional delay is just the overall
7 capacity, what we call the volume to capacity
8 ratio, where you get a 1.0, it would be about-

9 CHAIRMAN MEYER: Excuse me, the reason I
10 raised the question is I only heard the level of
11 delay but also heard the concern of safety
12 associated with being trying to get out of spots
13 creates pressure in that regard and you know, has
14 the study been done in such a way to understand
15 whether this creates an issue in that respect? I
16 mean, the traffic in that part of 92 is one of the
17 reasons a light went in down there at Regency and
18 Platte Clay Way and 92 was because of all the
19 accidents that were occurring in that area. Will
20 this create another situation in that respect?

21 MR. McCARROLL: I don't know if we have
22 enough information to say for certain whether or
23 not we will see an increase in accidents there at
24 McDonald's. Ten is when you see accidents or
25 crashes occurring at a location. There tends to be

1 an issue other than delay that's causing that. It
2 tends to be an issue, perhaps a sign, perhaps the
3 travel speeds on the major roadway. A lot of times
4 it's more physical reasons that are really
5 promoting that.

6 If you take there at Platte Clay Way
7 and Regency Drive where you have a single today,
8 you have some restricted sight distance if you're
9 looking back towards the east with that railroad
10 crossing, so that was a contributing factor, I'm
11 certain, in that location. Here, we've got pretty
12 good sight distances in that location. I won't say
13 there won't be an increase in accidents, you'll
14 have more traffic, but as far as a substantial
15 increase in risk, I don't think we have the
16 information to draw that conclusion.

17 MR. POTTER: I'd like to follow up on
18 that. If I heard you correctly, you said the
19 current condition was about what again? What was
20 the current condition in order to make a left hand
21 turn?

22 MR. McCARROLL: I think at that location,
23 is was about 80 seconds of delay.

24 MR. POTTER: Eighty seconds of delay and
25 then you said after development, it was going to be

1 another 20 to 30 seconds of delay; correct?

2 Something in that ballpark?

3 MR. McCARROLL: Yes.

4 MR. POTTER: Okay. Here's what I'm
5 getting at. Generally speaking, I don't fight
6 blight. I mean, I believe that I can get any piece
7 of property in the state of Missouri to find as
8 blight based on how broadly the statutes are
9 written, so that's not my issue; okay? My issue is
10 that when you hang your hat on something being
11 blighted, then you'd better address the blight as
12 part of the development. Now, what I just heard
13 you say was the condition is this and after
14 development, it's going to be worse.

15 MR. McCARROLL: For the projects on the
16 north turning left onto 92, yes. So it's not from
17 the site itself, but it's from the existing
18 businesses on the north side of 92.

19 MR. POTTER: Understood. But what you're
20 saying is that the road, 92, the inadequate layout
21 of 92 makes that property blighted, in part, but it
22 feels like you're not addressing the issue of
23 blight.

24 MR. ELDRIDGE: He is our City Engineer
25 and not really here to address the blight question.

1 MR. MCCARROLL: Yeah, I'm not--

2 MR. POTTER: Okay, so everything I said
3 directly to you, I'm saying to you.

4 (Laughter.)

5 MR. MAUPIN: Before you go into that, I'd
6 like to add another element into his comment and
7 that has to do with growth. One of the things that
8 was reflected with regards to the studies that were
9 done is that this community has grown significantly
10 and of course, that's what you're counting on for
11 this development - we're all counting on it if this
12 development is to go forward as to growth, if you
13 aren't going to grow, you don't really need the
14 development. But if you are going to grow, you
15 need to have the things that you need in the area.

16 Traffic's going to go up on the basis
17 of not only the magnet associated with this
18 development but also with regards to the growth of
19 the community. And by the way, if you're anybody
20 that's wondering, I don't have flu or anything
21 else, I got this from yelling at the Nebraska
22 Oklahoma football game this weekend, so my voice is
23 really bad. But in any event, the future traffic
24 on 92 is going to be importantly higher than what
25 it is today and I think this is one of the things

1 at least that myself as a commissioner is concerned
2 about, is we're looking at this particular project
3 and thinking it through.

4 MR. SIMMONS: Well, I asked about this,
5 and maybe I'll start with the more specific side.
6 The finding of blight really goes not to
7 necessarily what we can fix in an existing bad
8 condition across the street, but the lack of
9 infrastructure to this particular parcel that is
10 designated as a commercial parcel. And so I
11 disagree with you, but if you want to draw the line
12 that we need to go out and make sure that anything
13 around us that we don't make it worse, that we make
14 it better, then certainly that's something that you
15 can consider in your decision making.

16 But I would ask you as you go through
17 that analysis, we are making improvements to the
18 ramps here which as I understand are things that
19 can be fixed. That is something right now that
20 people making a right hand turn, it backs up to
21 something that with money, we can easily fix. It
22 only takes money.

23 There are some other things that take
24 more than money to fix in this area. One of them
25 was this, where we had to finally had to sell the

1 property to bring the road through because this
2 area right here is really too close for a lighted
3 intersection, which is what you need for this type
4 of development.

5 So between this and this movement here,
6 there's just a tremendous amount of infrastructure
7 costs. Obviously, there's also some turn lanes on
8 92. Even with, as I understand it, we've got
9 plenty of traffic as it is here, but even with more
10 money, we're just simply restricted on what we can
11 do to assist on the north side of 92 because
12 there's a lot of site driveways. The way it's
13 developed up there is not like a shopping center
14 but more strip - what I would call strip retail,
15 where you've got all those site driveways and so
16 it's quite frankly, from my experience in the
17 developer world, is it will be a number of years
18 where you're trying to clean that up and live with
19 making sure that the existing businesses still can
20 do the business that they want to do and that they
21 can continue to operate as good businesses, but
22 living with the overall growth and traffic, not
23 just from this development, but from others.

24 You know, there's a lot of good traffic
25 engineers here. No one saw really a solution where

1 you could both make sure the McDonald's keeps the
2 access that they've always enjoyed, that the gas
3 station keeps the access it's enjoyed and then get
4 rid of those F left hand turns.

5 So if that's where you draw the line, I
6 tend to disagree, but it's certainly something that
7 you can consider. What we tried to do was make
8 sure that the infrastructure to this particular
9 site was available. That's really where I think
10 the blight finding comes and then taking a step
11 further, it's just a general development issue. We
12 tried to fix the things that we could fix with
13 money within our budget and that's one of the
14 reasons we ended up coming for a TIF because those
15 dollars got larger and larger, but then we started
16 to run into things that you just can't change with
17 money, and the ramps already involve MODOT, but.
18 They involve MODOT, they involve access to existing
19 businesses, so we feel like we've done the best we
20 can.

21 We are always open to suggestions, but
22 I think the traffic engineers are probably backing
23 me up on that.

24 MR. LARSON: I have a more conceptual
25 question. Do any of your studies take into effect

1 or take into account the effect upon local business
2 and how many businesses will be closed as a result
3 of your development?

4 MR. SIMMONS: The City has hired Molly
5 McGovern and she will be doing a report. She's up
6 after me, I think. Our particular proposal did not
7 take that into effect. Now, with respect to the
8 grocery store, I've addressed that, but as to going
9 in and looking at individual businesses and saying,
10 well, if we put another restaurant or a hotel or
11 something like this in this area, how will those
12 other business be impacted, we didn't address that.

13 But I do want to a couple conceptual
14 levels. A, what we're not seeking to do - and you
15 can look at and Molly can comment on this as well -
16 what we're not seeking to do is provide your run of
17 the mill businesses out here, businesses that would
18 be the strip centers, the hotels, things like that
19 with below market. What we're really trying to do
20 is get the property in a top economic environment
21 to a level playing field so that we can go build
22 buildings and they can have, enjoy - the businesses
23 can enjoy really markets rents for the area.

24 What hasn't gone down over the last
25 five or ten years is construction prices. They're

1 starting to a little bit. But what we find in
2 markets like this is typically that there's a lot
3 of businesses that are paying in the low double
4 digit rents and then when you build new buildings
5 for them, you're up around \$20, and that's what
6 we've really got with this development.

7 So this is not necessarily about a
8 specific tenant or giving them a one up on the
9 competition. It's more about taking a property
10 that's got some infrastructure and access
11 constraints and creating a level playing field. As
12 to specific impacts, Molly may have more info on
13 that, but we haven't done a study specifically on
14 that.

15 MR. LARSON: Well you have to take into
16 account the time delay here, as well. You imply
17 that the development will start producing almost
18 immediately upon, upon approval. And and we all
19 know that they do not start to generate any money
20 for a number of years, and probably five or more
21 before you start to see any impact.

22 The impact upon local businesses,
23 though, will occur almost immediately because of
24 the perception that they're going to be in
25 competition with the retail businesses or the four

1 restaurants that you've got proposed, as well as
2 the four retail stores that you've got proposed.
3 How do you address such a question?

4 MR. SIMMONS: Well, I certainly don't
5 mean to necessarily imply that anything will happen
6 in this market as far as retail. It is, there are
7 a number of tenants that have been interested in
8 the site for well over a year, so we expect
9 portions of it to go pretty quickly. But I,
10 personally, don't see that if nothing develops, the
11 negative impact on existing businesses.

12 What we believe is that there's a
13 market in this area, especially on the highway, to
14 grow the retail pie so to speak, rather than it
15 being a zero some game. That's a decision that the
16 TIF Commission and the City will have to make.

17 But again, this is not about making -
18 about setting up a below market competitive edge
19 for any particular retailers. It's about just
20 trying to get the property to a level so that we
21 can attract retailers with rents that quite frankly
22 are going to, probably going to be higher than what
23 you find in most places in Kearney at the current
24 time.

25 Now, I haven't done that study. Maybe

1 there will be people that will stand up and say
2 that they pay 28, \$29 rents in the area, I don't
3 know. We'll find out. But I think what you'll
4 find as our rent structure will not undercut the
5 market. It is probably going to be at the high end
6 of the market.

7 CHAIRMAN MEYER: Commissioners have any
8 other questions for this gentleman?

9 MR. POTTER: I do have some. Just two
10 finance questions. One of them involved the
11 internal rate of return. You were saying that
12 you're expecting 14, 15 percent internal rate of
13 return. What's the average internal rate of return
14 of a commercial or retail development in Kansas
15 City? Well, I'll tell you what the Kansas City
16 Star says it is.

17 MR. SIMMONS: Well, I'm not going to
18 argue with the Kansas City Star.

19 MR. POTTER: In this case, they're
20 current. I mean the Kansas City Star says between
21 9 and 10 percent.

22 MR. SIMMONS: I don't know if that's
23 correct or not. I don't know how the Kansas City
24 Star would know.

25 MR. POTTER: I would say, based on the

1 six TIF Commissions that I sit on, 9 to 10 percent
2 is usually seen as a benchmark of what a non-TIF'd,
3 regular retail development is. Now, you're
4 projecting a 14 to 15 percent return on investment
5 with public assistance.

6 And so what I've got to ask is why do
7 we want to give you 4 to 5 percent additional money
8 to increase your return on investment, beyond what
9 a normal individual would do? And understand - I
10 understand the But For Analysis and I believe that
11 you are right. In order to go forward with this,
12 you must have some form of assistance. I'm just
13 not comfortable with the level you're asking for.

14 MR. SIMMONS: Okay. I really need to
15 look at that article from the Star, but let me say
16 this. Today, any shopping center or retail
17 building that's for sale within five miles of where
18 we stand right now, with no construction risk and
19 no tenant risk, I'm going to bet that I could go
20 out and buy it for a return that is well over 10
21 percent. That's just where the market is right
22 now.

23 If you went to any lender and showed
24 them a deal with an internal rate of return of 10
25 percent or lower, they'd walk you straight back out

1 the front door and they would not finance the
2 project. Now I don't know if we're talking about
3 the difference between a cash on cash - a cash on
4 cost return, in which case we are down around 10
5 percent; or, an internal rate of return where, you
6 know, you're taking as a component how much cash
7 you're putting in and leveraging it and getting
8 some leverage assistance there, and that makes the
9 return go a little bit higher.

10 But cap rates, if I was up here two
11 years ago, retail cap rates for newer centers would
12 have been the 7 to 8 percent. Which just means,
13 that you buy something and you get a 7 or 8 percent
14 return on it once it's already built. Right now,
15 they are somewhere between 10 and 13 or 14 percent
16 on existing centers.

17 So I think - I don't know if there's
18 any appraisers here - I think most people would
19 probably back me up on that, there are bankers that
20 are in the market. That's just where the market is
21 right now. A 14 percent return on something that
22 has this much risk in overall development, I don't
23 think is out of the ordinary and certainly, I don't
24 have a lot of data to back me up on that this
25 evening, but I feel very confident that I could

1 provide that.

2 MR. POTTER: I just want to hear your
3 response on that. The last finance question I have
4 involves the anchor tenants. We've been speaking
5 around an anchor tenant and I know that you don't
6 want to disclose or shouldn't disclose who's
7 involved, but we are talking about potential public
8 financing that we're talking about.

9 So is there a Memo of Understanding
10 that's involved, has there been any sort of any
11 agreement in principle with someone? The reason I
12 ask, again I hate to keep bringing it up, but I do
13 sit on six TIF Commissions. I've seen a lot of
14 TIF's go bad. And so yeah, are there any MOU's,
15 are there any-

16 MR. SIMMONS: There are, there are very
17 mature discussions with a grocer. We don't have a
18 signed MOU. We have - the City's very clear that a
19 prerequisite to hitting some certain stage - and I
20 think in the City's mind, maybe it's not tonight,
21 but certainly in the development agreement stage,
22 where it's a condition of the development
23 agreement, is active that we will have an agreement
24 in place.

25 In this market, or this current

1 financial situation as opposed to maybe some of the
2 ones that you've been involved in and I've
3 certainly been involved in many of them, that's
4 also a private requirement. I mean, if you're
5 borrowing any sort of money, you've got to have
6 that. Where as before, the retail market was seen
7 as so vibrant that there were a lot of people that
8 went out and started things like this and just kind
9 of build it and they will come. And now, we know
10 that that doesn't always work. So absolutely valid
11 concern and I wish I had a better answer for you.

12 The grocer, until we get a little
13 further along here, is not willing to go public and
14 to plant their stake in Kearney, but they've been
15 interested in the site for quite sometime.

16 MR. POTTER: Thank you, Mr. Simmons.

17 CHAIRMAN MEYER: I have another question
18 that was triggered by this. With regards to, if I
19 read the document properly, and we still didn't
20 have a contract associated with the land?

21 MR. SIMMONS: Yes.

22 Mr. MEYER: Okay. Is it on the condition
23 of-

24 MR. SIMMONS: Yes.

25 CHAIRMAN MEYER: Is this the only land

1 that needs to be purchased in this process or is
2 there land - is there additional purchases that are
3 done from Pour Boys and the car wash and that sort
4 of thing?

5 MR. SIMMONS: I don't want to get into
6 negotiations on land purchases out here, but-

7 CHAIRMAN MEYER: But I want to
8 understand-

9 MR. SIMMONS: Absolutely.

10 CHAIRMAN MEYER: I want to understand
11 what comes into play with regards to - I'm going to
12 have some questions for the City later on with
13 regards to eminent domain and things like that and
14 I want to understand what the situations are here.

15 MR. SIMMONS: So there's, I'll call it
16 four parcels that are issues here. One is the
17 Shank's parcel which is where the bulk of the
18 property is. The other is this office building
19 also under-

20 CHAIRMAN MEYER: And that one, you have a
21 contract; right?

22 MR. SIMMONS: So those two - contract
23 here, contract here, and John - discussions with
24 respect to some right of way necessary to Pour
25 Boys, but no contract. And under our desired

1 improvement, this doesn't show up very well, but
2 there are some creek improvements that we'd like to
3 be down in here. And there's an existing easement
4 that was part of the original plat, but it's not
5 quite wide enough for us to get all the way down
6 and put in the improvements in the creek that we'd
7 like to with the storm water that comes from the
8 highway through the property, so we'd like to
9 acquire an easement there.

10 If we cannot acquire an easement,
11 there's a backup, something that we would work with
12 the City Engineers on. There's a way to do a
13 different type of improvement that will not get
14 onto anyone's property, and it's just going to be a
15 decision with the property owners will make. So
16 four properties that we know of; two of them, we
17 have under contract, two of them we don't, and one
18 of them we can avoid if we need to.

19 CHAIRMAN MEYER: I have another question
20 with regards to the business that is currently a
21 property owner or whatever. Is there a relocation?
22 It talks about the relocation plan in the TIF plan.
23 Could you explain that for us?

24 MR. SIMMONS: I believe, and I'll correct
25 myself when I get a chance to come back up after

1 the comments, but I believe that any relocation is
2 handled in the purchase price and that we don't
3 have a specific relocation plan. If that's
4 incorrect, I'll correct the record.

5 CHAIRMAN MEYER: Okay.

6 MR. SIMMONS: I knew you were going to
7 stump me on one.

8 CHAIRMAN MEYER: Okay. Thank you very
9 much. Unless there's any other questions from the
10 Commissioners.

11 MR. ELDRIDGE: Mr. Chairman, I'm Jim
12 Eldridge, the Administrator for the City of
13 Kearney. I'd like to recognize our County
14 Administrators. Alexa Barton is sitting in for Ed
15 Quick tonight and she is a participating voting
16 member of the Commission tonight.

17 City staff has been working the Tim
18 Harris and his development team for the past year
19 and during that time, the elements of the
20 development plan have been revised and modified
21 several times. Traffic and storm water have been
22 significant concerns. The Board of Aldermen has
23 authorized Transystems Engineering Group to
24 complete a separate, a traffic study. Jeff
25 McCarroll was here; he was up here previously. But

1 I'd like you to come up here for a couple of
2 minutes and kind of recap your, starting at the
3 beginning of your study, how you became involved.

4 We did want a separate study with
5 independent counts so we could verify that their
6 study was, indeed, reliant upon existing condition
7 and that their future condition assumptions were
8 correct.

9 MR. MCCARROLL: Thank you, Jim. Again,
10 Jeff McCarroll of Transystems. A little history.
11 We did update some traffic counts. In fact, a few
12 weeks ago, we went out and conducted new traffic
13 counts with school in session, to make sure they
14 were reflective of today's condition and to have a
15 good understanding for what's out there today.

16 We did conclude with similar
17 conclusions of the original traffic study that was
18 done. When you start to take a look, for instance
19 the improvements there at the northbound I-35 exit
20 ramp, a similar conclusion that a second right turn
21 lane would be beneficial and would improve
22 conditions over what's out there today.

23 We did come up with perhaps a slightly
24 different way to handle an option to look at the
25 intersection of Regency and 92 highway; same amount

1 of pavement, same costs, but maybe just a different
2 way to operate the signal which might give us a
3 little longer term life and a little better
4 operation.

5 As we move through the process, this is
6 something we'll work out with MODOT and that
7 development agreement to where we get those tied
8 down in specific, so that we have clear
9 understanding what moves forth.

10 I did want to take a couple seconds to
11 talk about the impact. While we mention that the
12 northbound I-35 exit ramp would actually see a
13 slight improvement over existing conditions, the
14 intersection at 92 and Regency, it will maintain
15 the same level of service. It's a level of service
16 C rated today.

17 And if - one thing I like to explain to
18 people is that when you talk about levels of
19 service, they are graded A through F, but it's not
20 like when you were in high school. A C doesn't get
21 you in trouble, and a D isn't close to failing.
22 C's are pretty much what we look at as the goal for
23 a lot of areas and lot of communities similar to
24 what I'd say Kearney is today. Level of service D
25 is actually accepted in much larger communities,

1 Kansas City for instance. The Missouri Department
2 of Transportation mentions the level of service D
3 has been an acceptable condition.

4 We are able to keep Regency and 92 with
5 the improvements talked about at a level of service
6 C, but it will increase a little bit more delay on
7 the driver out there, but we're still having some
8 good thresholds. I want to take a minute just to
9 talk about some of the - Chase, is there a pointer
10 around? Is that it?

11 MR. SIMMONS: The red thing.

12 MR. MCCARROLL: I want to take a little
13 bit of time to talk about the residential
14 neighborhood to the south, because I know there's
15 been a lot of questions and concerns. What is the
16 impact to this project? I think if I can, let's
17 see how steady my hands are.

18 The first one to talk about is the
19 traffic inbound onto Regency. Today, it's a
20 straight movement once you get off 92. What we're
21 going to ask them to do is take a left turn now.
22 Now, left turns are actually one of the easier
23 movements to make. You do have to wait for some
24 gaps in traffic opposing you, but that movement
25 would operate with less than ten seconds delay by

1 our projections for traffic coming inbound. It
2 would be at a level of service A movement. So
3 while, yes, there is a bit of delay that they don't
4 have today, it's still at a very good level of
5 service.

6 The next movement to talk about is the
7 movement coming out and heading up to 92. So if
8 you're coming up Regency, we're going to ask, this
9 plan proposes to have drivers take a right at a
10 stop sign and travel on, you can see, up to 92.
11 Again, that a movement that, today, is unimpeded
12 for drivers; but with this project, they will have
13 some delays in the morning, which is when the
14 majority of traffic is leaving a residential
15 neighborhood. And that delay is going to be just
16 under about ten seconds per vehicle. It's still a
17 good level of service; a level of service A rating.

18 In the evening, well, we're going to
19 have more commercial traffic. Shopping centers
20 generate a lot more traffic in the p.m. That delay
21 will be about fourteen seconds per vehicle for
22 about a level of service B. So there will be some
23 delay that doesn't exist today for traffic leaving
24 the shopping center and turning right, but it's at
25 a very good, what we would call level of service.

1 They are delayed but not significantly by the
2 measurements we have.

3 The one movement that would have more
4 delay would be the residents from the south who
5 want to turn left and enter into the shopping
6 center. Now, these would be the people from the
7 neighborhood, typically moving toward the shopping
8 center doing shopping. In the morning, that's
9 still a pretty easy movement to make, because
10 there's not a lot of retail traffic. It's be a
11 level of service B movement, with just over eleven
12 seconds delay per vehicle. In the evening, though,
13 that would go up to a level of service D by our
14 study, with a little over 30 seconds delay per
15 vehicle.

16 So it's a little longer wait to then
17 turn into the shopping center, but its still a
18 movement that can be made and there would be down
19 for that traffic to allow that movement. So I just
20 wanted to hit on that issue because I know that's
21 been issue of a lot of concerns out there. Do you
22 have any further questions?

23 CHAIRMAN MEYER: Yeah, I have a question.
24 If you look at Regency going south from this
25 development and you travel all the way up to 19th

1 Street, it would seem to me that there's going to
2 be a lot more traffic on Regency because of the
3 development. It would be, if you look at kind of
4 traffic magnet, if you will, in that it will not
5 only bring people in that are coming down 92,
6 you're going to have people who come over to 19th
7 Street. come up through Regency in that process.

8 Regency, for a long stretch, has no
9 sidewalks. In the older part of Regency Drive,
10 there's no sidewalks through that area, so you've
11 got a lot of pedestrian traffic and that sort of
12 thing, as well. I happen to run on that street.

13 MR. MCCARROLL: Do you run on the
14 sidewalk? One of the things to look at Regency,
15 and that is a big concern. It really serves as a
16 defacto collector roadway for that residential
17 neighborhood. However, it's a 25 mile an hour
18 street with several four-way stops as you go down
19 there.

20 It is not - I take - well, a driver
21 might once or twice take that movement and use that
22 as a cut through, if you will, to get down to 19th
23 Street, it will take substantially longer to make
24 that movement than it would be to utilize 33 and
25 92. So while you might see some traffic in that

1 area-

2 UNKNOWN MALE: People drive through there
3 all the time.

4 MR. MCCARROLL: -I don't think you're
5 going to see that-

6 CHAIRMAN MEYER: I do a traffic count
7 every morning.

8 UNKNOWN MALE: People on 19th Street cut
9 through there all the time.

10 CHAIRMAN MEYER: I just wanted to see if
11 you had studied that or not.

12 MR. MCCARROLL: We had looked at it some
13 and there is a possibility, and there are some
14 other options we could explore there, but to calm
15 traffic, if you will, to make it less desirable for
16 cut through traffic, I would discuss with the City
17 staff a little bit about that. But it's not a - it
18 is a direct route, which makes it a little- I
19 think, of course, if you build a street with
20 today's standards, you would probably see it wider
21 with plenty of configuration room with residential
22 properties directly on it, perhaps sidewalks, but
23 that's not a - unfortunately, it's not an uncommon
24 way streets were developed and you can see that
25 throughout the community.

1 CHAIRMAN MEYER: Any other questions?

2 DR. NICELY: You just mentioned that
3 there were some improvements that could be made to
4 the residential section of Regency that would
5 reduce the amount of traffic or make it less
6 desirable for drive through traffic by going to the
7 retail shops. What-

8 MR. MCCARROLL: It's a term commonly used
9 to refer to as traffic calming. And frankly, it's
10 developed over and really become popular the last
11 ten to fifteen years. We haven't had a lot of
12 chance to speak with City staff about that
13 specifically, but there are techniques and physical
14 things you can do to roadways to make it less
15 desirable.

16 Probably the more classic example that
17 you see is what are referred to as speed humps.
18 These are not the old speed bumps you saw at
19 shopping centers a lot of the times, but these are
20 longer, much longer and can be traveled comfortably
21 around twenty miles an hour. But if you hit it
22 about 30 miles an hour, you're going to wreck your
23 car. They're designed now, unlike the old traffic
24 bumps or speed bumps you saw in shopping centers,
25 these can actually now be plowed with snow plows

1 and emergency equipment can travel them comfortably
2 and they're are different design. But what it does
3 is it keeps people from that ability to accelerate
4 and travel faster down that road.

5 There are a number of other techniques
6 that are out there that have the same impact, a
7 little bit low - relatively low cost, frankly from
8 5 to \$15,000 apiece. But those are some tools that
9 can be utilized if you're starting to have a speed
10 or a cut through traffic problem. I think I heard
11 some rumblings, some people think there is a speed
12 and cut through traffic problem.

13 CHAIRMAN MEYER: Are there any other
14 questions from the Commissioners for Mr. McCarroll?

15 MR. ELDRIDGE: Mr. Chairman, we have-

16 CHAIRMAN MEYER: We had a request for a
17 five minute recess by one of the Commissioners, so
18 any objections to taking a five minute recess?
19 We'll be back at 8:05.

20 (WHEREIN, a recess was taken.)

21 CHAIRMAN MEYER: I'd reconvene the public
22 meeting with the TIF Commission. Jim, would you
23 carry on?

24 MR. ELDRIDGE: Mr. Chairman, Molly
25 McGovern is our Economic Development Advisor. She

1 was provided to us by the Kearney Area Development
2 Council, and she did the financial analysis of the
3 plan and she's also prepared some remarks about the
4 overall plan that we'd like to have her speak now.

5 MS. MCGOVERN: One of the first things we
6 looked at when we considered an addition retail
7 plan was could we afford additional retail
8 development in our community. I did put some maps
9 before you. They're a little hard to look at
10 because there's little markings on them. Those are
11 census tract maps and we have data that's presented
12 to us through the census by census tracts. The one
13 map I want to look at looks like this. It doesn't
14 have the hash marks.

15 Kearney is located in the center of
16 21801 and 21802 and that is an area that's bordered
17 by 69 Highway on the east to Williams Creek and
18 then north in Excelsior Springs. On the west, the
19 border is - let me look at that - is Northeastern
20 Street, Queen Road, and Murphy Road.

21 The census show us, based on the
22 disposable income from residents in that area, that
23 we are losing \$43.7 million in sales. So
24 specifically, the resident purchasing power for
25 fifteen out of sixteen categories of consumer

1 spending is 63,258,000. The neighborhood is under
2 served by retail establishments, where residents
3 are purchasing many of the goods outside this
4 neighborhood where they live. The sales leakage is
5 the 43 million point 7 that I mentioned.

6 Because the City has a 2 cent sales tax
7 in place, this leakage is equivalent to an annual
8 loss of \$873,000 in City revenues, representing a
9 significant measure of services that could be
10 provided or taxes that could be reduced.

11 And the next thing I want you to look
12 at is to see, not just what the surplus or leakages
13 were for the area we live in, but what they are for
14 the County. So to the west of us, there's a
15 surplus of a million dollars and to the east of us,
16 there's a surplus of 3 million dollars. Directly
17 south of us, which would mostly be maybe the
18 Liberty area, is \$51 million surplus.

19 Inside 435, to the northern part of the
20 inside of 435, there is a loss of 57 million.
21 Directly below that, where Gladstone is, there's a
22 surplus of 90 million and south of that, there's a
23 surplus of 58 million.

24 The second map I wanted you to look at
25 was just to show hash marks of those block groups

1 that are the surpluses, rather than grouping the
2 tracts that I did in the first map. So this would
3 represent just those block groups that have a
4 surplus and I've listed by million, like Smithville
5 itself is the surplus of 12 million, Excelsior
6 Springs is a surplus of 3 million, and so on. To
7 give you an idea, you know, as opposed to - I think
8 it's much easier to look at data that you have
9 something to compare it to.

10 The next thing we looked at, because we
11 knew this development was significantly about a
12 grocery store, what was the purchasing power for
13 food at home is the category, and that is measured
14 by zip codes. It tells us that in Kearney, the
15 expenditures per square mile for grocery is
16 \$272,000 compared to \$329,000 for Excelsior Springs
17 and \$600,000 for Liberty. The TIF Plan shows that
18 it's proposing that the sales that will come out of
19 a full development will be \$59 million.

20 Some of the things that are mentioned
21 in the plan is a pharmacy. When I look at the
22 report by different consumer spending,
23 specifically, there is a loss of \$3.7 million for
24 pharmacy or personal care. So that represents -
25 I'm sorry, that is actually, the development is

1 providing 3.7 million and the loss by census data
2 is 4 million. So that is confusing.

3 By census data there is a gap of, for
4 food service and drinking places, of \$12 million
5 and the development is showing restaurants
6 generating 10 million. There's a hotel shown
7 generating 2.4 million; I don't have a category
8 specifically showing that there's a gap for hotel.
9 The gasoline, that's 2.3 million by the plan;
10 Kearney has actually a surplus for gasoline as you
11 could well imagine from our placement on the
12 interstate. Our surplus for gasoline is over 45
13 million.

14 Let's see. The other thing is just to
15 give you an idea of other types of retail and what
16 those gaps are. Building material and supplies
17 shows a gap of 13 million; furniture, 4 million;
18 electronics, 2 million; clothing, 10 million;
19 miscellaneous retail, which includes florists,
20 office supplies and gifts, of 3.7 million.

21 Surpluses include gasoline, as I
22 mentioned; sporting goods, 4.5 million; general
23 merchandise of 2.9 million. So from that, we take
24 that based on census data, the consumer disposable
25 income - that there is a market if people will shop

1 where they live if retail is provided.

2 One of the other things that we've
3 looked at, the City believes that as the community
4 has grown, that we could support a community
5 center. There's been a great deal of study and
6 discussion about this for many years. And while
7 there is a desire to have a community center, there
8 hasn't been success in a property tax election to
9 support one. The idea is would this development
10 generate the revenue that would make it possible to
11 afford some portion of a community center. The TIF
12 Plan, as it's proposed, creates a CID. Half of
13 that CID is TIF'd; the part that is not TIF'd would
14 be the portion that would be used to support some
15 portion of a community center, not raising taxes.

16 As Ron had asked, he didn't see where
17 the community center was on the development itself,
18 and it is not to be located on the development. It
19 is to be located elsewhere in the community and
20 there's been discussions around the community as to
21 where might be a good location to support a
22 community center.

23 CHAIRMAN MEYER: So that hasn't been
24 settled on yet?

25 MS. MCGOVERN: We have positive

1 discussions, but it hasn't been settled on. That's
2 all my prepared remarks. If there's any questions?

3 CHAIRMAN MEYER: Commissioners?

4 MR. MAUPIN: Is that a private
5 negotiation?

6 MS. MCGOVERN: Actually, I would say,
7 probably not. It's probably been open discussion.
8 I think there's probably been much talked about in
9 the community. I'd let the City talk about that,
10 about their discussions on land that - I'd prefer
11 not to talk for them.

12 CHAIRMAN MEYER: Ron, did you have a
13 question?

14 MR. RECKRODT: How old's the data, Molly?

15 MS. MCGOVERN: Pardon?

16 MR. RECKRODT: How old is your data?

17 MS. MCGOVERN: It is based on 2000
18 census, so it is quite old.

19 MR. RECKRODT: So I would guess that-

20 MS. MCGOVERN: It is based on population
21 that's much lower than what it is today.

22 MR. RECKRODT: And a lot less retail
23 development in the triangle, I mean like the
24 triangle and also places like Price Chopper and 291
25 and things like that.

1 MS. MCGOVERN: Yes. When I look where
2 the retail developments have occurred around where
3 this development is, it has not occurred within our
4 triangle. It's occurred around 152, around 291 and
5 also I'd say North Oak are the two - are the areas
6 that I have seen developed the most, that are
7 probably not shown in this data.

8 CHAIRMAN MEYER: So it's likely the
9 leakage is higher, then?

10 MS. MCGOVERN: I would say it possibly is
11 higher. One of things, just as a point of
12 interest, in the part of the triangle that is on
13 the east side of I-35, it has a leakage of 25
14 million. That's the greatest leakage in the entire
15 county. On the west side of I-35, it has a leakage
16 of 18 million, the third highest area of leakage
17 for the county. The second highest is around the
18 NewMark area, which is kind of being served by some
19 new development on North Oak.

20 CHAIRMAN MEYER: Any other questions for
21 Molly?

22 DR. NICELY: I might step in here and
23 speak on behalf of the Board of Education of the
24 Kearney School District. We've had some
25 preliminary discussions with the City. We're

1 talking about a community center that's been the
2 descriptor. Our specific conversation has been
3 related to an aquatic center which would be the
4 initial starting foundation, if you will, of the
5 community center. And our conversations have been
6 related around utilization of school district
7 property for that aquatic center, and entering into
8 an agreement with the multi-agency agreement, if
9 you will, the school district and the City and that
10 location would be in the south campus area adjacent
11 to the football field.

12 Again, this is very preliminary. The
13 Board has been receptive to a multi-agency
14 agreement for those improvements to be built
15 elsewhere in communities and obviously there would
16 be a great deal of benefit for the students of the
17 school district to utilize an aquatic center, both
18 for recreational athletic purposes, but also for
19 competition purposes. Obviously, that's something
20 that we don't have right now.

21 MR. RECKRODT: Do you know, Molly, if
22 this is something you can answer? Has anybody
23 looked into job count, the net job count?

24 MS. MCGOVERN: I have looked at the job
25 count and using the traffic generation manuals that

1 the traffic commenters have discussed, I think the
2 job count was about two jobs per 1,000 square foot,
3 and there's proposed 169,000 square foot of
4 leaseable space. So I believe it was in the
5 neighborhood of 335 jobs.

6 MR. POTTER: I have a follow up on that.
7 There are usually two things that happen with a TIF
8 and especially based on what we're hearing tonight
9 that a grocery store could be moved. So based on
10 those numbers, your new job projections have to be
11 much smaller.

12 MS. MCGOVERN: If there would be loss
13 from the grocery.

14 MR. POTTER: Is there any idea of how
15 much potential shifting of jobs there might be as
16 opposed to new job creations?

17 MS. MCGOVERN: That's the only one I
18 believe that could have a shift. We are certainly
19 not predicting there would be a shift in any other
20 retail just because the gaps for most of the
21 retails exist already.

22 MR. POTTER: Now, the east/west gateway
23 study which came out about a year ago or so says
24 that most retail jobs in TIF districts average
25 about \$18,000 a year, so hardly what we would

1 consider a quality job. What's your response
2 relative to this?

3 MS. MCGOVERN: Well, in some cases where
4 people are already traveling, most of the jobs are
5 held in town by people out of town. And if this
6 provides opportunities for employment for our
7 children who now don't have to drive to say, Zona
8 Rosa, for that job, then that's helpful for job
9 experience for younger people, which will likely be
10 tapped for that market.

11 MR. POTTER: Okay. So the goal is not
12 quality jobs, but the goal is really to decrease
13 sales leakage-

14 MS. MCGOVERN: It is.

15 MR. POTTER: -and to give people job
16 experience.

17 MS. MCGOVERN: The goal is to bring
18 retail closer to our community. That is the goal.
19 But we do understand that people do drive past us
20 to work and if this provides that opportunity, then
21 that, although it wasn't our goal, it is a benefit.

22 MR. POTTER: Sure, okay.

23 CHAIRMAN MEYER: Any other questions for
24 Molly, Commissioners? I see none. Thank you,
25 Molly.

1 MR. ELDRIDGE: Mr. Chairman, I have a
2 comment to make about our developer, Tim Harris.
3 We've worked with Tim, dating back to 1980 when he
4 was a home builder in our community. And during
5 his tenure, he has completed many residential and
6 commercial projects that I wanted to share with
7 you. North Grove Apartments, he had renovated and
8 installed maintenance free siding and installed
9 concrete parking; Barrow(ph) Street Duplexes, he
10 conceived and developed; James Point Subdivision,
11 he conceived and completed the plan approval;
12 Kearney Center Square, where Ridge Cross Pharmacy
13 and Pizza Hut are. He raised the old co-op gas
14 station and feed store and removed the underground
15 tanks. He conceived and developed that project.

16 With Craig Porter, as partner, he
17 redeveloped it and revitalize the Kearney
18 Commercial Center where Kramer Hardware and Betty's
19 Hallmark is located. He constructed Kearney West
20 Shopping Center, where John's Super is located.
21 He's rescued and revitalized four downtown
22 businesses - business buildings; 203 North
23 Jefferson where FKC Insurance is located, he
24 acquired it, removed the underground tanks and
25 poured parking lot, remodeled it; 131 East

1 Washington Street, once known as the Roth-Windsor
2 building, he acquired, remodeled and revitalized
3 for professional office space; 100 South Jefferson,
4 acquired, remodeled, and revitalized, developed two
5 loft apartments and currently owns - that's where
6 Balloon Inspirations and Nelson Survey and Studio
7 92 are located. Currently he is working on the Odd
8 Fellows building next to us, where Bea's(ph)
9 Country Flowers is currently located. He has
10 acquired that, remodeled it, revitalized, he's
11 developing five loft apartments on the second story
12 and refinishing the Weber Real Estate space for
13 future occupancy.

14 I want you to know that because he has
15 been a player in our town and we think he's added
16 quality with all of his projects and we're pleased
17 to have him as a developer here; and we can take
18 him seriously and we can gage that what he is going
19 to do is intended to improve the quality of our
20 community, we believe.

21 He's also the developer at the triangle
22 area in the City of Liberty, where Lowe's and Red
23 Robin are, so he has experience in these types of
24 projects. And I don't mean to be an advocate for
25 him, but I want you to know we have a level of

1 confidence with him that gives us good expectations
2 that this will be a successful project.

3 I want to bring up our Community
4 Development Director, David Pavlich, who can
5 briefly explain the commercial site plan review
6 process that will follow if this TIF Plan were
7 approved.

8 MR. PAVLICH: Good evening. My name is
9 David Pavlich, Community Development Director. I
10 would just like to comment that the TIF hearing
11 tonight is primarily the financial arm of the
12 project. Even though we've seen the Site Plan,
13 you've seen road layout, you've seen layout of
14 buildings, things like that, they've still got to
15 go back to the Planning Commission for their
16 preliminary development plan and in that plan, they
17 will show us a little more detail. They'll show
18 buildings, elevations, landscaping, buffering, road
19 layout. There will be engineering plans that also
20 have to be reviewed and approved by our consulting
21 engineer, our traffic engineer. And then they'll
22 follow that up with final platting of each
23 individual lot and the site plans for each of the
24 buildings, as well.

25 We just want to point that out, that

1 it's just not going to end here. We do have to go
2 through other hearings and other reviews so that we
3 can make sure that what they're proposing is good
4 quality and meets our City requirements.

5 DR. NICELY: David, may I ask you a quick
6 question?

7 MR. PAVLICH: Yes.

8 DR. NICELY: We talked a little bit about
9 traffic issues surrounding this area, and so what I
10 have been thinking about in my head is how do we
11 draw, how does this Commission draw a distinction
12 between what our purpose is and what our job
13 function is in determining whether or not this
14 retail area is worthwhile and the responsibility to
15 the City to address some of those traffic issues
16 outside of the retail area?

17 MR. PAVLICH: What we will do when we go
18 through the preliminary plan, they will provide -
19 well, they've got the traffic study prepared
20 already. We'll have our engineers look that over.
21 We will have them on hand whenever we need them to
22 make sure that what we're looking at meets our code
23 requirements, meets some of the conditions that are
24 set forth here today and that are set forth in our
25 other meetings.

1 DR. NICELY: Does that make sense? I
2 guess my question is the lights, the traffic
3 entryway into the new retail area would be a
4 concern, of course, that's apparent. But what
5 about across the street? What about an on ramp
6 getting back out on I-35. How far do we extend our
7 reach here and in consideration of this issue? And
8 how much of it is our responsibility and how much
9 of it the City's to address?

10 MR. PAVLICH: I don't know how to answer
11 that question.

12 DR. NICELY: You could be the wrong guy-

13 MR. PAVLICH: Yeah. I think that Jeff
14 probably commented on that a little bit earlier.
15 We do look at things that are around us. Those
16 improvements are usually onsite improvements.
17 There's a traffic study. A traffic study will name
18 what all those improvements are.

19 As far as our responsibility to go out
20 further, I think that's, you know, we have a Board
21 of Aldermen takes those items into consideration
22 when they consider projects. We have a
23 professional staff. We have consultants that we
24 like to use because they understand that. They've
25 done that in other places, in other communities.

1 So we do look at those and we are concerned about
2 that and that is our position here, to make sure
3 that we review and we monitor projects the way
4 they're supposed to be constructed and installed.
5 Hopefully, I've answered your question.

6 CHAIRMAN MEYER: Any other - go ahead.

7 MR. ELDRIDGE: Mr. Chairman. If what
8 you're asking Dr. Nicely is shall we take these
9 traffic considerations in consideration of your
10 decision tonight, the answer is everything
11 presented at this hearing tonight should be taken
12 into consideration.

13 We do want you to know that we have
14 taken a very high view of, elevation view, of this
15 site plan. What this piece of paper that we're
16 showing everyone tonight of the plan is all the
17 City staff has been afforded to look at this plan.
18 We don't know exactly how those lanes are going to
19 be and how everything is going to work. The
20 improvements haven't been drawn.

21 Until a TIF Plan is approved, the
22 developer is not willing to risk more capital to
23 take the engineering to a level that we would
24 consider site plan level for actual review, so
25 those studies haven't been done. Same way with the

1 storm water calculations. We have not had our
2 expert engineer review their storm water
3 calculations, because I'm not sure they completely
4 are ready for submittal in such a way. But those
5 things will be done as a course of our commercial
6 site plan review process.

7 So to tell you how to make your
8 decision on that, I don't know. You can discuss
9 that together. And we conclude our City report and
10 following me is Jim Goss from the Kearney Area
11 Development Council. Thank you.

12 CHAIRMAN MEYER: Are there any other
13 questions?

14 MR. GOSS: Mr. Chairman, my name is Jim
15 Goss. I'm President of the Kearney Area
16 Development Council. We are a local community
17 group that meets twice a month to discuss economic
18 development in our community. Our mission
19 statement, I think it's important that I read our
20 mission statement, because you need to know who we
21 are and how we evaluated this project. And as the
22 Kearney Area Development Council, our mission
23 statement is "To do any and all things necessary or
24 appropriate to promote economic development within
25 the present and future geographic boundary of the

1 Kearney R-I School District."

2 So we looked at this project from a
3 pure economic development standpoint. We reviewed
4 this project for several meetings. We raised the
5 same questions that have been raised tonight. We
6 discussed those issues. We obtained some
7 information from the City and from the developer
8 and asked some hard questions. And in the end, our
9 Board unanimously offered a recommendation of
10 support for this development at our meeting on
11 October 23rd, 2009.

12 We think it is a plan that conforms to
13 our mission statement, and we want to stand in
14 support and urge the Tax Increment Financing
15 Commission to confirm their support of this
16 proposed plan. Thank you very much.

17 CHAIRMAN MEYER: Any questions from the
18 Commissioners? Okay. Before we go to open the
19 Board for public comment, are there any of the
20 presenters that the Commissioners would like to ask
21 a question of before we open up to the public?
22 Okay. Let's go, then, on to our public comment
23 section. If there's someone from the public that
24 would like to speak, please step forward and state
25 your name, please.

1 MR. CARTER: I'm Dennis Carter, Oil
2 Company. I'm one of few people or I'm one of the
3 people who are going to be directly by this.

4 First, I want to state that Tim is a
5 friend of mine. He's gotten business in the past.
6 I'm not here to downplay what he's got in front of
7 you. What I'm here for is self serving. I look at
8 these numbers and, you know, these numbers just
9 don't compute. I think I'm a better than average
10 convenience store operator. I'm not the best, but
11 certainly not the worst. For Molly to get up here
12 and tell you there's \$49 million of gasoline
13 leakage is erroneous.

14 MS. MCGOVERN: Surplus

15 MR. CARTER: Surplus, okay, excuse me.
16 My gasoline volume is down 15 percent in the last
17 four years. This TIF District will bring an out
18 of state company in to compete directly across from
19 me.

20 And how this affects me is - I'll pass
21 this around. This is my ingress and egress. So
22 you know, you can see here, I've got two nice - I
23 have what traffic study people say A ingress and
24 egress. With this angle, I can see probably, if
25 there's something lower than F, I'm getting it.

1 I've got two entrances now. This shows I've got
2 one, a lot farther south. There will be a stacking
3 problem in front of my business.

4 The other thing, in this plan, it
5 specifically says that the convenience store will
6 generate \$2.5 million worth of sales per year. I
7 don't disagree. What I disagree with is where it
8 comes from. It comes from me, it is going to come
9 from the Shell, it is going to come from the Pilot.

10 So, I took a step further. I consider
11 myself an expert in the convenience store business.
12 I can repute any business when it comes to the
13 convenience store. So I called a buddy that's in
14 the grocery store business. I said, "You know
15 they're quoting that this thing's going to generate
16 \$32.5 million worth of sales." Well that's about
17 what the Price Chopper in Liberty is doing right
18 now. So, so you can do that.

19 I don't think you have enough
20 information in front of you yet. I called a
21 grocery, a guy that does nothing but work with
22 corporate grocery stores, does development all over
23 the City. I asked him to do a demographic and
24 everything. And they said you're roughly going to
25 pull from about 10,000 households in this

1 geographic. And then the average household is
2 going to spend about \$110 a week. So you take that
3 out, that's \$57 million worth of grocery store
4 sales that are available here. They said a good
5 operator will capture 25 percent of that. That
6 comes to \$14.3 million, considerably less than
7 this.

8 Mr. Larson, you're on the - you know
9 that you've got a decrease in sales tax because of
10 these TIF Districts. You're going to generate more
11 in real estate taxes. I'm not here to argue that.
12 I'm strictly arguing sales tax. You guys, the
13 majority of this is going to come from a lot of
14 these people that are in this audience here, people
15 that have been making this City work for years.
16 We've been good stewards here in town, we work
17 hard. I'm not coming here to say not in my
18 backyard.

19 If QuikTrip want to come next to me on
20 an equal playing field, let them come. But for
21 them to get tax increments, tax financing to help
22 put me out of business, that's not right. I've got
23 a large investment here. They're going to have
24 superior ingress and egress, based on what they're
25 showing.

1 I'll try to cooperate with the City if
2 I can. If it means putting me out of business,
3 I'll be, you know, I'll be, "The heck with that,
4 I'm not going to do that." I've got a large
5 investment, as most of these people in this
6 audience do. I don't think you have enough
7 information in front of you, just strictly on what
8 I have said, I don't think these numbers are right.
9 I mean, to give, again, and I'm probably burning
10 bridges with Tim right now, but to give Tim \$14
11 million to put area businesses out of business,
12 that's not right. And for them to say that they
13 won't put people out, that's going to happen. I'll
14 guarantee it.

15 And it's like I said, if there's that
16 kind of gasoline volume out there, my store is for
17 sale because you guys can come and operate it a lot
18 better than I can. That's all I got to say. I
19 mean Brian, you've gone through that where a big
20 out of state company came in and bought your
21 business. They didn't do it with TIF money. They
22 just came in. You had no other choice to do it.
23 It's going to be the same way with me. I'm going
24 to have somebody - not only will that big out of
25 state guy come in and put me out of business,

1 they're going to use tax money to do it. Thank you
2 for your time.

3 CHAIRMAN MEYER: Thank you for input and
4 we will consider it.

5 MR. CARTER: Thank you, sir.

6 CHAIRMAN MEYER: Any other comments?

7 MR. BRANNLUNN: My name is Tim Brannlunn.
8 I'm the property owner at 800 Regency, the first
9 house on the right, and I would like to add a
10 little realism to these traffic studies. First
11 off, they're flawed for the simple fact that we
12 have thousands of open square footage of commercial
13 buildings right now. Traffic is down. Fuel is up.
14 The economy is down. The traffic is down. We fill
15 up the existing business we have, including the
16 Variform Plant, heavy truck traffic. These numbers
17 are just - they're no good. They don't make any
18 sense any longer.

19 Now, I've known about this for a year
20 and I have studied the traffic ever since I found
21 out about this. I sat on my porch in the morning,
22 in the evening counting these cars. Okay. I stood
23 up at the intersections by Shell, I stood at the
24 highway, I've watched the traffic patterns. Now,
25 if I could start coming off of I-35, if you add

1 another lane there, and the way I understand it, no
2 one's required to stop. You can run through that.
3 Well, right now, no one stops. Peak traffic hours,
4 if there's no one coming from the west, everybody
5 just shoots through that. The light doesn't
6 matter. So to suggest that that's going to relieve
7 any of the traffic buildup on 35, very little, the
8 reality of it.

9 Now, if this entrance goes in, what
10 you're going to have is you're going to have those
11 cars that are coming off and heading east. Several
12 hundred feet up you've got the entrance to this
13 development, and if QuikTrip goes in there and
14 whoever, the pharmacy, you're going to have all
15 those cars coming from the west trying to get over
16 to merge to the right to get into that. Okay? Now
17 you've got confusion out there. You don't have the
18 distance for the traffic to merge slowly - or
19 easily.

20 Now, you've got the traffic coming out
21 that wants to go to the right coming out of that
22 main entrance which also creates resistance. Cars
23 are going to have to wait in both directions, slow
24 down. The lane that we've added does nothing to
25 stop that problem.

1 Moving on up, let's take the traffic
2 coming in. Any traffic that's going out of this
3 goes to the roundabout that comes off to Regency
4 that wants to go back to the west has to come out
5 to the Regency light, sit and go back the other
6 way. Now, we were talking earlier about how the
7 people in the north could be affected. Their
8 traffic is affected amazingly because all them cars
9 that are trying to get back that have to come from
10 Regency, all the cars that want to turn in from the
11 left have to sit and wait. That's creating
12 gridlock up there, absolutely gridlock, especially
13 in peak hours.

14 Regency Drive, okay. Although it looks
15 like a country mile between where the line for that
16 road is and my house, it is not very far. Two
17 Corsicas and an F250 with a trailer on it and I'm
18 blocked in, which is disruptive to me. Okay?
19 Another car or two, my neighbors are blocked in and
20 the problem just goes up. If the times that our
21 traffic studies are quoting are right, they blow
22 mine out of the water. We're backed up past the
23 pool in no time, especially in peak traffic hours,
24 and on weekends. Okay?

25 As Dennis said, that traffic coming in,

1 I still don't understand where it stages. I
2 realize now that it runs through without having to
3 stop, but I still don't see how that's going to
4 interact with his ingress/egress and I don't know
5 exactly where that is, but he will definitely be
6 affected. And I see the Quick Lube as being
7 adversely affected, too, from the traffic that has
8 to stage for that light again, with the added
9 traffic coming out.

10 Regency Drive is not going to work. I
11 don't care how you slice it or dice it. It does
12 not work. 92 will be gridlocked. The only time I
13 see this working is 2 a.m. to be quite honest with
14 you. But other than that, it's just gridlock.

15 We haven't even talked about heavy
16 truck traffic, the radius needed for big trucks to
17 pull into this development back here. How much
18 area they're going to take up, going in the front
19 entrance, coming out next to my house. As it
20 stands right now, that road coming out next to my
21 house, all those trucks, and a lot of those are
22 city delivery trucks with their exhaust coming out
23 under the truck and off to the right so it don't
24 come up in the cab, as they're exiting, blows in my
25 yard, at my kids and my family. All those cars

1 stopped up through there, that exhaust is coming in
2 on my family in the backyard. So you know, that's
3 unacceptable.

4 So I've got cars all over the front, as
5 does my neighbor, at least up to the pool most
6 times the way I've calculated. I've got cars off
7 to the side. And now, from what I see, I guess
8 I've got water retention for mosquitos in my
9 backyard. You know this plan gets worse and worse,
10 everything I hear about it. I'm not even going to
11 go into what this is going to do to the existing
12 businesses, but I think this is wrong. I think
13 this is expansion with no regard to growth.

14 And these numbers, 43 million, that's
15 Walmart, that's Target. You know, those numbers
16 that's being leaked are not going to be captured by
17 Golden Buffet and all these other places that's
18 going to end up here. It's just not going to
19 happen. We're going to continue to go - if you
20 want to capture those numbers, put Walmart in.
21 That's the only thing that stops that.

22 So I would suggest that everyone take a
23 good look at the traffic. And I'm telling you,
24 Regency Drive - although 92 will be gridlocked and
25 our emergency services - I was up at the Shell all

1 day. I was up there all day. Three times, I heard
2 brakes lock up. A fire truck tried to come down
3 through - I heard him at the intersection for a
4 good fifteen, eighteen seconds waiting for traffic
5 to go through there. What about our emergency
6 services when this is all blocked up with traffic?
7 So, I say with all the traffic that has to traverse
8 from Shell and all the commotion there and
9 everything trying to get in and out, especially if
10 that is a QuikTrip, and everything on Regency that
11 has to go back west, you're going to have no
12 movement. You're just going to have gridlock.
13 Like I say, it's 2 a.m. before it flows freely.

14 So I would just hope that before we
15 take all these traffic studies and all these
16 numbers - I witnessed that last traffic study by
17 the City. I saw when they were doing it. There
18 wasn't very much traffic there, which I don't think
19 they did that deliberately, it was just a slower
20 type day. I noticed that even before I saw them
21 sitting down there taking the pictures and sitting
22 there watching. It just don't work and that's all
23 I can say on that.

24 If my life is disrupted, I'm going to
25 take action. You know, if I've got traffic to

1 where my family's safety and health is affected,
2 I've got cars blowing exhausts in my yard, I've got
3 mosquitos from a water retention system, it ain't
4 going to work for me, at all.

5 So with everything, I would just say
6 that we take a real good look at the traffic
7 situation, along, because I suggest that if this is
8 as cumbersome as I think it's going to be,
9 everybody is just going to go to Liberty and
10 Excelsior anyway to avoid it. With that, I'll let
11 someone else speak.

12 CHAIRMAN MEYER: Thank you for coming.

13 MR. BRANNLUNN: Thank you.

14 MR. DAVIS: My name is Chuck Davis. I
15 have a question on the financing of this. One of
16 the Board members mentioned that several TIF's has
17 failed that he's been with. I'd like to know how
18 the TIF fund is paid when the development fails?

19 MR. POTTER: I'd be happy to answer in
20 the experiences that I know. Frequently, what
21 happens is that it comes out of the City revenue.
22 And in the case of one of them - one of them that
23 I'm familiar with is Mullet Fall Creek in Blue
24 Springs. It was completely - city coffers, just
25 standard city revenues had to repay the bonds.

1 MR. MEINERT: Was that a pay as you go,
2 though?

3 MR. POTTER: Mullet Fall Creek? No, it
4 was bond.

5 CHAIRMAN MEYER: This is pay as you go.

6 MR. POTTER: This one's pay as you go,
7 right.

8 CHAIRMAN MEYER: Other comments?

9 MR. DISCIACA: I've got a couple of
10 comments to make. I'm not going to sound as
11 intelligent as this man.

12 CHAIRMAN MEYER: State your name, please.

13 MR. DISCIACA: My name is George
14 Disciaca. I have Gino's. And you have to realize
15 that I'm not the brains of the business. But what
16 is going on right now with my business, I don't
17 know if I could say this for the barbeque or
18 Sarah's Table or anybody like that. My business,
19 the number of people I'm getting in is pretty much
20 the same. The check prices are a lot lower. We
21 have gone to cheaper, more inexpensive special
22 items. We have to. We're getting the same amount
23 of people, but they're spending less so I'm trying
24 to accommodate them.

25 These numbers that they're coming from

1 2000, you know, the excess money. We're making
2 more but how many people are laid off. How many
3 people are not working right now. We have empty
4 units all over this town, all over here. Every
5 center has empty units, except where Big V's is. I
6 don't know, but I just happen to think that they're
7 going to end up with a big empty unit there, you
8 know. And that's their biggest draw. That's their
9 draw card. When they go, how many empty units are
10 going to go?

11 I knew seven years ago when I came to
12 this town, I said, "Lord, give me five years, give
13 me five years before the highway restaurants came."
14 I've gotten that. I expect new restaurants to come
15 in this town. I expect better restaurants to come
16 in. I expect competition. I'll go to war with
17 them, I don't care. I'll fight with them. I'll do
18 everything I can. I know the barbeque, they're
19 going to do what they can too. We're set. We own
20 our buildings, we're not going nowhere. But with
21 tax money, you're giving them, like you said,
22 you're giving them the money. What are we going to
23 do? What can we do to compete with them?

24 The first thing that's going to come in
25 is a pizza place. We need another one? We got,

1 what, three, four of those already. Then a
2 barbeque comes in? Then another Chinese
3 restaurant, Mexican restaurant? What happens to
4 all of us down here? You know, I know we've got to
5 - there has to be progress, we have to move on, but
6 let's fill up what we've got.

7 You know the congestion on 92; put
8 another thoroughfare through. So when they come
9 out of McDonald's, they don't got to go onto 92,
10 they can come up and go down Washington. I thought
11 that's what was going to be done. Progress - this
12 is beautiful, this is great. Yeah, we need to do
13 something like this, but let's get all of our other
14 ducks in a row, first. Let's do what we said we
15 were going to do. Let's get the park, the
16 industrial park on the other side, let's get that
17 going. We've got buildings for sale over there
18 that are built, plus all the property. There's
19 plenty of places to rent here, now.

20 You do this, we're going to see a lot
21 more empty units all over this town. And like I
22 say, this store comes in - I don't know, I hear
23 things, I listen, that's - if Big V's does go away
24 and this becomes a major store, who's to say they
25 can even compete with one ten miles down the road,

1 you know. Are they going to have all the same
2 stuff. People are funny about shopping. I go to
3 Big V's. I go to Walmart. I go to Price Chopper.
4 You know, different things, I go everywhere. But
5 if this happens to be - I don't know maybe it could
6 be a Price Chopper, maybe it couldn't. But if it
7 becomes a Price Chopper, are you going to be able
8 to compete with one of the nicest Price Choppers
9 ten miles down the road, that like they say, if
10 it's hard to get into? I don't know. I don't know
11 too much. I, you know, you want to hear me sing, I
12 know that.

13 What I'm trying to say, let's fill up
14 what we've got, let's work on what we have before
15 we make something bigger, you know. And then we do
16 this and I'm sure that all these are going to get
17 rented out, like that, but what price are we going
18 to pay to rent them out? We're going to have a lot
19 of empty units all over. That's just the way I see
20 it.

21 I do - there's a lot of people here
22 that do a lot more Kearney business than I do. I
23 have a lot of foreign business, a lot of Excelsior,
24 Platte City, Lee's Summit, Raytown. We're very
25 fortunate in that, that we have a lot of that. But

1 will I survive, I don't know. I really don't know
2 if I will or not. I don't know if I'll survive
3 something like this. I mean, they're liable to
4 come up and put Garozzo's in there. If Garozzo's
5 comes, that a big boy. That's a heavy hitter. You
6 know, I'm minor league compared to him. I could be
7 in a lot of trouble. If they put a pizza place in
8 there, I could be in trouble. That just what I had
9 to say.

10 CHAIRMAN MEYER: Thank you for your
11 comments.

12 MR. DISCIACA: Thank you, sir.

13 MS. HUDSELL: Hi. My name is Linda
14 Hudsell. I'm a 25 year resident of the area and a
15 shopper, locally; and a contributor to the area. I
16 have lots of questions and I'm happy to submit them
17 in writing later. I don't know if you'll be able
18 to answer them all. A big one first is, how much
19 vacant retail place per capita is there currently
20 in Kearney?

21 MS. MCGOVERN: I don't have those numbers
22 with me.

23 MS. HUDSELL: Okay. I would think that
24 would be an important question to answer because,
25 "When retailing becomes over saturated, sales are

1 cannibalized from main street districts and imperil
2 contributions from older malls and main streets."
3 And that's actually a quote from American Planning
4 Association of Planning and Environmental Law,
5 2008, that reviews the advantages and disadvantages
6 of TIF. How long will it take that one-half - is
7 it cent or percent - CID, if the development is
8 full, to build this aquatic center in today's
9 dollars?

10 CHAIRMAN MEYER: What's the time line
11 associated with the aquatic-

12 MR. ELDRIDGE: Well, we don't know how
13 long the aquatic center will take to pay off
14 because we don't know how much the aquatic center
15 will cost just yet. So we do have an estimated
16 cost on how much this will generate over the life
17 of the CID.

18 MS. MCGOVERN: We know that we support
19 about \$3 million in bonds to build a center of some
20 sort. But we have not studied or designed
21 anything, spent the money to do that, until we knew
22 this would be project.

23 MS. HUDSELL: So we don't know how long,
24 if this development is full, it would take to come
25 up with enough money to build the center.

1 MS. MCGOVERN: The \$3 million is
2 something that would be generated over 19 years.

3 MS. HUDSELL: Okay.

4 MS. MCGOVERN: The 19 year revenue stream
5 would support 3 million in debt.

6 MS. HUDSELL: The other thing I would
7 like to look at is the Kearney Economic Development
8 Roadmap To Success. It was a comprehensive
9 development strategy study. One of the largest
10 items in here was maintaining quality of life. I
11 haven't studied the plan, but previous objections
12 really were relating to disrupting quality of life,
13 and I would hope that as you look at the plan to
14 make a decision, that you look at, you know, is it
15 pedestrian friendly, what types of mass transit
16 does it support?

17 It seems to be a great deal based on an
18 old model, before peak oil and climate change and
19 the current economy. So I would ask how is this
20 development different than any of the others that
21 are empty all the way up and down the interstates
22 into Kansas City, Antioch Shopping Center, Metro
23 North Mall. All those communities sold their souls
24 to developers, and huge developments of what was
25 once natural resources are really now blight. Now

1 they're totally closed, probably would qualify for
2 TIF money because they're empty. So I would look
3 at the development study and where in this did it
4 say import retail?

5 Another question I have is really about
6 an elephant in the room and that is what I
7 understand to be the inadequacy of the current
8 waste treatment facility for the City of Kearney.
9 I have a 2005 newspaper article about the
10 postponement of the UV treatment for organisms, and
11 I do note the biosolid dispersion trucks that
12 distribute processed waste around local fields,
13 along the Fishing River. How will this development
14 increase pressure on that treatment facility that
15 isn't currently doing what it needs to do to
16 comply? I understand that building a new one has
17 been postponed to 2015, but UV light or UV
18 bacterial treatment, what the dispensation or
19 whatever, only goes to 2013.

20 I talked to the Department of Natural
21 Resources today and the use of biosolids on fields
22 and crops is really based on the University of
23 Missouri extension practices from 20 and 30 years
24 ago. And that really isn't up with the science
25 about drugs in our water and all the toxics that go

1 down our wastes - down our drains. So that's going
2 to put a lot of burden on the waste treatment
3 facility that needs to be addressed.

4 CHAIRMAN MEYER: Jim, do you have any
5 comments with regards to waste treatment?

6 MR. ELDRIDGE: We have an agreement with
7 the Department of Natural Resources when we renewed
8 our discharge permit that we will install as an
9 upgrade. We are in compliance now in all facets of
10 our operation, but it is a required upgrade for the
11 future that we have UV light which simply kills the
12 bugs in the water and makes it so we have full body
13 contact streams where you can get into the Fishing
14 River and wade if you want without having without
15 having to worry about getting any infection from
16 bacteria. That should be installed within five
17 years.

18 This project, as far as loads on our
19 sewer plant, will certainly decrease our flow but
20 not in any great degree that is going to throw us
21 off balance on our schedule for replacement of our
22 sewer plant. The reason we delayed on our sewer
23 plant was we have been issuing over 100 building
24 permits per year. That had faltered. That changes
25 our whole timeline for wanting to invest in a new

1 sewer plant. If growth starts occurring again,
2 we'll be able to pick up our timeline. Simple as
3 that.

4 CHAIRMAN MEYER: Okay.

5 MR. ELDRIDGE: And I would say also, we
6 do discharge sludge, land apply it, in accordance
7 with the EPA standards and Department of Natural
8 Resource standards that are current today
9 standards. They may be using 30 year old
10 standards, but they are what is in force today.

11 MS. HUDSELL: Right, they are, and he
12 admitted that. He admitted when I talked to him
13 that's what they have, but they're not really up to
14 science.

15 MR. ELDRIDGE: Right. We're in
16 compliance with all of our discharge permits and we
17 have capacity at our sewer plant.

18 MS. HUDSELL: The only other thought I
19 had is I guess I wish the City representatives
20 looked at the development publicly with pros and
21 cons, rather than City residents having to come and
22 talk about the disadvantages of the TIF. That way,
23 it might feel to the residents as though the City's
24 elected officials represented both sides of the
25 possibilities in deciding the issue. Maybe you

1 have done that privately, but it would be something
2 that would be a good public process to take place.

3 I would encourage using TIF money to
4 put in a sewage treatment facility, because that's
5 definitely a need that would benefit all residents
6 and then the City would be ready for the next phase
7 of development.

8 MR. SHUMATE: Ladies and gentlemen, I'm
9 Eric Shumate, a resident on Regency Drive. To
10 start first, I was just getting updates, 21 to
11 nothing, Kearney High School. That's why I'm over
12 here watching texts, it's not that I'm
13 disinterested.

14 Basically, I am by profession an
15 engineer, a civil engineer. I have worked with
16 development and traffic and storm water in all
17 throughout my career. I've been on both sides of
18 this same stuff, sitting over there on meetings,
19 sitting on this side of the meetings too.

20 The question I had, is I hear lots of
21 talk about level of service at the intersection of
22 Regency where it's coming off of this Commercial
23 Drive. Basically, to get on to our street now,
24 you're going to have to go into a commercial
25 development almost and turn off to get into Regency

1 Drive. I hear of the level of service, but I'm not
2 really concerned so much about the level of service
3 at the intersection as I am the number of vehicles
4 that are coming on Regency.

5 As you say, you jog there. I would say
6 it's overwhelmed for the size of the street right
7 now, especially as you get towards the Regency Park
8 end of the street, nearing 19th Street. There's no
9 sidewalks, narrow, cars parking on either side.

10 I was just wondering, do you have the
11 traffic counts or actually ADT, like average daily
12 traffic on Regency?

13 MS. SKINNER: (Inaudible.) We did not do
14 24 hour counts on Regency, we only did peak hours.
15 We can estimate an ADT based on that, it would be
16 really generic-

17 CHAIRMAN MEYER: Why would you not have a
18 count?

19 MS. SKINNER: (Inaudible.)

20 MR. SHUMATE: Well, the reason why I'm
21 asking is because Regency Drive, by the way it's
22 constructed actually with Kansas City Public Works
23 and I think that's what Kearney adheres to.
24 Regency Drive is basically what's labeled as a
25 residential local street. Just by the way it's

1 configured, by the size and also without sidewalks
2 and parking along it; that's recommended for 1,000
3 average - basically ADT is average vehicles in a
4 day - average daily traffic.

5 So 1,000 cars, if you just compress
6 that on a sixteen hour day, that's 70 cars an hour.
7 I would wager that we're well above that right now.
8 That's actually the guidance, what's determined
9 safe. That's a maximum or a desirable maximum on a
10 street. I would be interested to hear what it is,
11 because I know they've already said that the level
12 of service and, ultimately, the safety on 92 is
13 being compromised with people pulling out of the
14 McDonald's or off the north side. I would also
15 wager that they're exceeding the volume of what
16 Regency is considerably because I'd also like to
17 hear with the trip generations are for this
18 development.

19 It's just, we've already got a problem
20 there. I would be pretty certain that the numbers
21 will back it up. The ADT will back it up. And
22 we're just blowing right past what's design
23 standards without any concern to it. I understand
24 the City will be able to review that, later. But
25 by the time they review it and the TIF is allowed,

1 the development is there, the traffic is generated,
2 it's what do you do with it. And that's really
3 what would be in the City's hands after this if
4 it's all approved.

5 And that's my concern, is that we just
6 don't have the structure to handle this yet. We're
7 kind of getting the cart before the horse as far
8 as, you know, there's talk of interchanges at 19th
9 Street, kind of a cut through road there that would
10 almost be an outer road that would carry most of
11 this traffic. And we're just, it's just being
12 neglected as far as the, I mean, the safety of the
13 actual local streets.

14 CHAIRMAN MEYER: What would we do if you
15 have the-

16 MS. SKINNER: I have one thing to
17 consider before I throw this number out there is
18 that this is based on the traffic at the
19 intersection. So that includes the commercial -
20 the Pour Boys, the car wash and the office space.
21 So it's very busy. So this does include some
22 commercial that is not traveling all the way
23 through Regency. So at the intersection, it would
24 be about 3,500. But that is not taking into
25 account - that's what's Regency and that's only a

1 rough estimate.

2 MR. SHUMATE: So it's three and a half
3 times the safe estimate right now. I mean, if
4 that's 3,500, you can't assume 2,500 of those are
5 going into the Quick Lube and the Pour Boy all day.
6 There's a lot of cut through traffic. So what
7 would be the trip generations for the -

8 MS. SKINNER: For the commercial? About
9 900 in the beginning or-

10 MR. SHUMATE: So if you consider 10
11 percent of those, which I think would be a
12 conservative number, turning down Regency to head
13 down, you're already aggravating the problem here.
14 You know, you're sending another 900 cars a day
15 down that street when it's already three and a half
16 times its capacity.

17 MS. SKINNER: I guess in addition to
18 that, approximately one third of those are going to
19 from people who are already passing by on the
20 streets. Some of those cars are already going to
21 be on 92 Highway (inaudible).

22 MR. SHUMATE: So I guess my point is that
23 it doesn't look like - they've looked at the
24 intersection, they haven't looked at the street as
25 a whole, the development as a whole. They don't

1 really have the counts as to what's going up and
2 down Regency. You can tell they just looked at the
3 stoplight right there. It just doesn't seem like
4 it's a full blown, well thought out plan quite yet.

5 Like I said, I'm not against it
6 growing, I just think we don't have the structure
7 right now to handle it. That 19th Street, that's
8 just too desirable of a cutoff for all those people
9 south and east to come through right now. Like I
10 said, there might be a calming method, as I think
11 you mentioned, or something like that, I don't see
12 it. It's a street that, you know, from the
13 numbers, it's already three and a half, four times
14 its capacity. It just seems like any, passing
15 anything that would aggravate an unsafe situation,
16 it would be reckless or irresponsible.

17 CHAIRMAN MEYER: Thank you for your
18 comments.

19 MR. MURPHY: My name is Kim Murphy. I've
20 been a resident of Kearney for twelve years. I
21 have just three brief comments. One, just as a
22 follow up to what was just said. I think, if it
23 were better known in the community that that cut
24 through really doesn't save you time, would help
25 that situation.

1 I live on 19th Street over by the high
2 school. And specifically this morning, I left my
3 home and by the time I got to Highway 33 and 19th
4 at the stoplight there, I had some young man in a
5 little white car come buzzing up behind me at a
6 high rate of speed. I turned right and went down
7 33, turned left onto 92 and was pulling into one of
8 my favorite eating establishments right after
9 Gino's, the Sonic, and I actually was ordering my
10 breakfast before the young man in this white car
11 got through the stoplight at Regency and 92
12 Highway. I think people think that's a shortcut
13 and it's not always. Not relevant necessarily to
14 this other than maybe if that issue were better
15 pursued, it would resolve a lot of issues in the
16 community.

17 Two other items; one, I understand that
18 really your TIF operation is to incentivize a
19 development, potentially. I wonder if you have the
20 ability to offer TIF, which is being requested in
21 order to build this, but asking to place this
22 development on the west side where the City
23 previously had announced an interest in developing
24 some commercial development north off, as if you
25 took North Country north across 92 and put it out

1 there. That would address a lot of the residential
2 area concerns. It would address a lot of the
3 traffic congestion concerns at Regency and 92 and
4 would follow a plan that the City had encouraged.
5 They can't make you develop over there, but maybe
6 you folks can encourage that by saying here's your
7 money, but please put it over there.

8 The other one, and that's just a
9 thought as I said. The other one is related and
10 has grown out of this. I don't want to leave this
11 meeting with everybody thinking that there's not a
12 tax increase involved for the community center,
13 because if that CID tax - if my bill at that
14 grocery store is one cent higher and half of that
15 is going to fund the community center, my taxes
16 have increased.

17 The community has not voted for that.
18 Personally, I'm in favor of it. But I want to make
19 clear that saying that this is not a tax increase
20 is not a genuine comment or a comment about that
21 community center. We would be suffering a tax
22 increase if you shop there and they built the
23 community center with it. I thank you for
24 listening.

25 CHAIRMAN MEYER: Thank you very much.

1 MR. WALDEN: My name is Chris Walden, and
2 I live at 1807 Sunset Drive, and I'm a long time
3 Kearney resident, eleven or twelve years now, and a
4 former member of the Planning and Zoning Commission
5 - Chairman of the Planning and Zoning Commission.
6 I know that at the time when I was on Planning and
7 Zoning, we re-looked at and created the
8 comprehensive plan. At the time, I remember there
9 were several local community members and several
10 business owners who were a part of that and I do
11 remember that that area was definitely zoned
12 commercial and it's approximately, I think, 37
13 acres.

14 I don't remember, when you're zoning
15 that, when you look at that area, even when you
16 look the comprehensive plan as they have it, I
17 don't see where they're telling you specifically
18 how many acres is on the plat. You're just looking
19 at a part of a map.

20 With that being said, I also understand
21 the concept. Nobody has really mentioned this, but
22 this is what it looks like or it reminds me of. I
23 grew up in south Kansas City and where I grew up
24 at, which is around Bannister and Blue Ridge and it
25 wasn't really a ghetto then. I was able to - we

1 could have walked or rode our bicycles to five
2 different grocery stores, two or three different
3 pharmacies, certainly two hardware stores; all of
4 this within walking distance, right there within
5 the neighborhood.

6 A development like this looks like it
7 could be coming up with a concept on what's going
8 on is that it is making most of the businesses more
9 locally friendly. Who wouldn't want to be able to
10 walk to their local grocery store to pick up
11 groceries instead of having to put up with driving
12 through the traffic, turning left, driving, waiting
13 on the semi trucks to go shop at John's or what
14 have you. That's an excellent concept to look at
15 and it really worked. Now, they quit that. Most
16 of the grocery stores are gone down there now.

17 But the timing of this, in my opinion,
18 for - I know we're surrounded by a lot of smart
19 people in here and business leaders, but the timing
20 of this isn't right. This gentlemen over here put
21 it great. We're definitely putting the cart before
22 the horse. We're putting a major development there
23 and nobody's mentioned - we talked about what the
24 traffic count is now. It's three times the maximum
25 level.

1 Well, to the best of my knowledge, that
2 neighborhood isn't even finished built out yet.
3 Right in behind, if you'll look on the map, the
4 next zoning on that is multi-family, which means
5 apartments, so that's going to increase the
6 population density of the area. You have
7 Greenfield Village over there and there's still
8 several hundred being developed. You have, let's
9 see, right, just on the other side of the tracks
10 from Regency on the corner of 19th Street, I
11 believe that was, unless it's been changed and I
12 haven't read this, right between the church and the
13 railroad tracks, it was multi-family. There have
14 been several multi-family discussions back and
15 forth in Greenfield.

16 So we're talking several, several
17 hundred homes that can potentially use, or need to
18 use Regency. I don't live on Regency, but I do
19 take that way. It just depends on the morning.
20 But they'll still use Regency to come out of there
21 because it only makes sense to go that way. I
22 don't care what the others ones tell you, but the
23 shortest distance between two points is still a
24 straight line. Alright?

25 So how long will those take to build

1 out? I don't know. We don't even know how long
2 this will take to totally build out, you know, in
3 the current state. Or maybe he does know.

4 But anyway, I just wanted to put in
5 those two cents. I understand the concept, I
6 appreciate the concept. I just think - the other
7 part I wanted to tell you all was - and I wasn't
8 part of this deal or anything. I guess I shouldn't
9 have said that. They way that the Kearney
10 neighborhood there is built, it was planned and
11 then after the original master plan was well then -
12 you know, basically we just screwed up. And maybe
13 this property here shouldn't be commercial. Maybe
14 most of that needs to be zoned back residential.

15 I mean it is kind of - if we would have
16 had something like this in mind back then in the
17 90's when Shadow Brook, I think it is, was
18 originally platted - the original plat was way back
19 in the 90's I think. Then maybe we should have
20 considered that and said, "Hey wait a minute.
21 There might be a big commercial area if we have 37
22 acres sitting over here at Commercial. How are
23 these going people going to get in it and out
24 without having to run out on I-35 or 92." So they
25 just sigh and seem to hang their head and say,

1 "Look, we screwed up. We need to rezone this."
2 Allow a little bit of commercial right around
3 frontage. Maybe put something at in back of Pour
4 Boys or right behind where that little house is
5 next to where everybody parks their cars in the
6 used cars or whatever. Maybe have a little bit of
7 something in there.

8 But 37 acres of this, personally, I
9 think it's too late. They should have been planned
10 and done before. That's all I have.

11 CHAIRMAN MEYER: Thank you for your time.

12 MS. STAFFORD. I'm Amber Stafford and my
13 husband and I moved here about three years ago.
14 The reason we chose Kearney was because of the
15 size. I grew up north of Kearney and all through
16 growing up, I always wanted to live in Kearney. I
17 love the community, I love the small town feel, and
18 I would really hate to see chain stores come in to
19 town.

20 I don't have a problem with growth, but
21 I would really like to see the small town
22 businesses. If this goes in, we'll suffer. I have
23 no interest in living in a town with a Walmart or a
24 Price Chopper or whatever is coming in. I'm pretty
25 sure that most people that live here probably feel

1 the same or they probably wouldn't live here in the
2 first place.

3 If I wanted to live in a town like
4 that, I probably would have moved to Excelsior or
5 Liberty and I wouldn't have chose Kearney. I
6 really like to be in a store and know a lot of the
7 people there, and if we do a development like this,
8 the population is just going to go crazy and we're
9 going to become a Zona Rosa type area and no one is
10 going to know anybody. That's all I have to say.

11 CHAIRMAN MEYER: Thank you.

12 MR. EATON: I'm going to point the map
13 over here. I'm Roger Eaton. I live in the second
14 house as you come into Regency. I moved here
15 twelve years ago. I look straight out across my
16 front window and it's woods. I use to look out in
17 the back. There was a nice big pond back there
18 that now is gone. There used to be deer and
19 turkey, all the friendly things you used to look
20 at.

21 But now, as I see this concept here,
22 and this cut through road, if you can see this from
23 the distance, that's me. Tim spoke earlier. We've
24 got a cut through road right here, which now it was
25 stated by the traffic people that no one but the

1 people in Chevron use this road, which we all know
2 that's not right. When I first moved here, this
3 area itself - we're going down.

4 When we first moved into Shadow Brook,
5 it was a 70-house unit that didn't cut through to
6 Regency Drive. So whoever came in had to come out.
7 The City, by resolution or decisions or whatever
8 decided to go ahead and cut through to Regency. So
9 in turn, we didn't like that, but at the same time,
10 you had to accept it, so it increased traffic and
11 so on and so forth. Now, what's being proposed
12 here, as Tim stated, well how many Corsicas and one
13 car with a trailer?

14 MR. BRANNLUNN: I'm a car hauler. I can
15 tell you exactly how much space, I'm taking up.
16 You get three vehicles there and you're backed up
17 to my driveway; a fourth, is yours.

18 MR. EATON: How would you like to look
19 out across your front and constantly seeing stacked
20 vehicles, staging to make a right turn or maybe
21 they want to go get a taquito over at QuikTrip or
22 if they want to go back there and go shopping? I
23 may want to come out here and take a left.

24 My other concern is, we all come home
25 at night. Come over to my house about 4:30 and

1 watch what - see what's happening through here.
2 Everybody is coming home. This right turn lane
3 right here; how many cars can we stack right here
4 before we get into the stop light waiting to make a
5 left turn with these proposed people that are
6 coming out of here that were getting groceries? I
7 think we're only talking three to four, four to
8 five cars before we're in trouble, as far as back
9 to the stoplight, back into your driveway. It's a
10 constant concern every time you back out of my
11 house now. Which car am I going to pull out in
12 front of to get out of my driveway?

13 That's a bad way to look at it, but the
14 one's that are usually bouncing the most is the
15 fastest ones, so that's the ones I pull out in
16 front of. They kind of look and we wave and we
17 exchange hand gestures, but - "Hi, hello, good
18 morning." That's my concern.

19 One other point, I don't think, that
20 was brought up. We're talking about this access
21 road right here. Was it ever stated what kind of
22 access this is? When you're coming back this way
23 off I-29, you can turn in right. If you want to
24 come back out of here and you live over here on the
25 other side, where do you have to go to take a left

1 to come out of there after you've bought your
2 groceries? You've got to come back over to
3 Regency. This intersection will not let you take a
4 left. I don't know if that was really, really
5 stated.

6 MR. BRANNLUNN: That's what they said,
7 "Right in, right out."

8 MR. EATON: You can come right in and you
9 can come right out. But anyone wants to go back to
10 the west, you have to come back over to Regency.
11 So there are more traffic concerns here. That's my
12 point and there's something we need to clear this
13 up right through here. There's too many cars.
14 That's just my point.

15 CHAIRMAN MEYER: Thanks for your
16 comments.

17 MR. BRANNLUNN: If I may add to this,
18 with this light holding this traffic exiting here,
19 this traffic is going to back up to here in no
20 time. You're going to have traffic backed up
21 waiting for this light to release it. With all
22 this traffic it has to let flow from here, the time
23 is longer.

24 This backs up to approximately here
25 right now. It is going to shoot across this -

1 while these cars are waiting to go out, these cars
2 are waiting to come this way. Everybody is going
3 to have circle and go back to the Pilot mess and
4 then come back around to get out of there
5 basically.

6 CHAIRMAN MEYER: Thank you for your
7 comments.

8 MR. TATE: I'm probably going to be
9 extremely unpopular here.

10 CHAIRMAN MEYER: Please state your name.

11 MR. TATE: My name is Jim Tate. I moved
12 in here in 2000. I lived in Liberty for 49 years
13 before I came up here. You're going to have the
14 same problem that Liberty had, whether you like it
15 or not, it's going to grow. The developments are
16 around, the people are coming in, the school
17 district is getting larger, big time, even since
18 1988. The town is going to grow whether you like
19 it or not and you need to try to figure out how on
20 earth you're going to make this thing work.
21 There's no sense in saying it ain't going to
22 happen, because it's going to happen. It's a
23 matter of where and when.

24 You're going to live - it's one of the
25 things that I learned over, you know, being an old

1 man. It just is something that happens and you
2 deal with and you live with. The best thing you
3 can do is try to make it work as well as you can;
4 think it out really well. Try to take care of the
5 people that are here, but they're going to have to
6 understand it ain't going to be a small town
7 forever. Won't happen. You wish it would, but it
8 won't.

9 CHAIRMAN MEYER: Thank you. Other
10 comments?

11 MS. JARRAR: My name is Cindy Jarrar.
12 I've lived here for 23 years.

13 CHAIRMAN MEYER: Could you speak up,
14 please.

15 MS. JARRAR: My name is Cindy Jarrar.
16 I've lived here 23 years. I've seen a lot of
17 development in Kearney and I've lived in three
18 different homes here. The one that I'm in now is
19 in Shadow Brook. I just moved in there about six
20 years ago. That's going to be backing up into my
21 backyard.

22 The traffic issue is definitely an
23 issue through there. We're going to have problems
24 with that. Right now, I have to wait at the
25 stoplight at 92 and Regency when I go to work in

1 the mornings, and I'm leaving at 4:15. It's backed
2 up even then. When I come home in the evening, I'm
3 getting stuck on the exit to Kearney, and all the
4 way up to Regency Drive is packed.

5 Coming out of McDonald's and trying to
6 turn left to go towards Regency, it's hard enough
7 to get across right now. There are no lights. I
8 go in there and get a mocha every morning. If I
9 have to come out, it's a problem. If I go into the
10 Shell and I have to come out and turn towards town,
11 it's a problem. It doesn't matter if its during
12 the week or on a weekend.

13 There was mention made it will only
14 increase each car's waiting time 30 seconds, but if
15 you consider the traffic coming in from the east
16 into Kearney, through Kearney, to get to 35, you've
17 got a car sitting there wanting to turn left into
18 this new development, they're waiting 30 seconds,
19 you've got car after car piling up there. When
20 they're finally able to turn, you've still got all
21 of that that's probably going to be backed up
22 through the light, and possibly into the light
23 that's at 33 and 92.

24 As far as the grocery store, we have
25 two grocery stores currently. I'm afraid that that

1 would probably put them both out of business. So
2 when we're trying to figure out what those cash
3 revenue or tax revenue from the new development's
4 grocery store will bring in, we'd have to deduct
5 the revenues that would be coming in from those two
6 grocery stores, because they would not be existing
7 for long, along with several other businesses in
8 town.

9 Another thing that was brought up
10 earlier about so many empty spots in Kearney right
11 now that are for rent. They've been for rent and
12 we've seen some of these ones for years and they're
13 still not being rented out. Now, we're going to
14 have a bunch more. How will that look to people
15 coming into Kearney to look over at our exit and
16 see a bunch of "For Lease" signs? We can't
17 guarantee that those places will all be rented out.
18 It depends on what the prices are for those rental
19 properties. That's why there have been problems up
20 here in the past; too much rent asked. Nobody
21 wants to have their business there.

22 CHAIRMAN MEYER: Do you have other
23 comments?

24 MS. JARRAR: Yes.

25 CHAIRMAN MEYER: Okay.

1 MS. JARRAR: I'm just trying look and see
2 where I was here, sorry. We're not only concerning
3 ourselves with the Kearney traffic that's going to
4 be traveling into this development from both sides
5 of 35, we're also going to be contending with
6 people that are coming in from Holt, from Lathrop,
7 from Plattsburg, because we're going to be the
8 closest thing if it's that big of a grocery store
9 and that many fast food restaurants. Instead of
10 having to go Liberty, they're going to be stopping
11 in here, so that increases it even more. And those
12 are my comments.

13 CHAIRMAN MEYER: Thank you.

14 MS. OUSLEY: My name is Kathy Ousley and
15 I am a School Board member and a realtor, so I can
16 probably argue both sides of TIF here. I will not
17 do that and keep my comments short. My main
18 concern is our students. They are the ones who
19 will be sacrificing educational benefits that they
20 could have from a development without a TIF. I
21 understand that the development probably won't come
22 without a TIF assistance.

23 I know other cities have worked with
24 school districts and developed plans to address
25 this issue. Their plan calls for an annual capital

1 contribution from a special allocation fund in an
2 amount equal to 10 percent of the school district's
3 then existing mill levy multiplied by the increased
4 assessed value of property within each project area
5 during the life of the plan. 10 percent is the
6 starting point for redeveloping TIF's and 22.5
7 percent is the starting point for a green field
8 TIF. This is a green field TIF. This is a
9 requirement of the TIF that the developer has to
10 meet and not the City.

11 Because the school district stands to
12 lose the most revenue due to the TIF, it is
13 important that there is a plan to benefit the
14 school district another way. I am aware of the
15 tentative plans for the aquatic center, which the
16 City and school district would both greatly benefit
17 from. I highly encourage the City and the TIF
18 Commission to insure that the district's students
19 gain the greatest benefit possible rather through
20 an aquatic center or monetary contribution. I
21 appreciate your time and don't think me rude, but I
22 am going home to my kids.

23 DR. HOLTZ: I'm Dr. Julie Holtz, and I
24 moved here about a year and a half ago, opened a
25 practice in December of last year and, again, I may

1 not be a real popular one here this evening. I
2 lived here in the past, left here in '96, came back
3 because I loved Kearney. When we came back and saw
4 Kearney, the growth, this is where we needed to be.

5 I have gotten very, very involved in
6 the community, so I want to see Kearney grow more
7 than it is. I also know that as much as we talk
8 about the retail space that it is empty, it is not
9 suitable for the same type of retail that they're
10 looking for in this center. There's no parking -
11 I'm a small office and parking was an issue for me.
12 So it's apples and oranges when you're talking
13 about retail space. There will be traffic issues.
14 You know, that's just going to have to be dealt
15 with.

16 But we also have to look at - if we do
17 not get commercial development in here, whether
18 it's here or somewhere else, ten years from now
19 will anybody come here, commercially. What are our
20 property taxes going to do if we don't have sales
21 tax revenue, so that's something that needs - we
22 need to deal with that. Kearney can stay just like
23 it is, but I'm - more than likely, the property
24 taxes will go way up. So I, from a business point
25 of view, just look at things a little bit

1 differently.

2 I think that another question that we
3 have to ask ourselves, do we support the local
4 businesses that are here. We talked about the
5 grocery stores closing, but how many of us actually
6 spend our grocery dollars here in Kearney? I know
7 I do because I'm a business owner here, but too
8 many of us don't. That's all I have to say.

9 CHAIRMAN MEYER: Thank you for your
10 comments.

11 DR. HOLTZ: Thank you.

12 MR. ELMORE: My name is Joel Elmore. I
13 live at 807 Regency. My neighbors have seen me
14 tonight. I have a unique issue as well that's -
15 maybe some of the people that live behind me and
16 that - if I may pass that to you. I have erosions,
17 severe erosion due to creek issues that are flowing
18 to and behind the home. By looking at the
19 pictures, the top center is from a viewpoint
20 standing on that log in the middle of the creek.
21 The creek is approximately 10 foot deep. So look
22 to the left, you see one view; look to the right,
23 you see another view. Both show extreme erosion at
24 the fence line as you can see in all those images.

25 The three images below that is just the

1 zoom view. It takes a look at a sight line. The
2 next zoom picture is the same sight line, though
3 its back a little bit further. And then the final
4 zoom is the discharge outlet of the box culvert.
5 So that's one issue. No one can really talk to me
6 about it right now because everything is up in the
7 air and there are no specifics. It is something
8 that I would like to see addressed in the future,
9 however.

10 The second photo that you see attached
11 is a suggestion to a possible solution to some of
12 the traffic congestion that's been cited. I might
13 also add, not only is the traffic to the extent
14 that my neighbors have so graciously indicated -
15 and I've had a year of traffic study myself. We're
16 a residential street. We're allowed to park on
17 either side of the road. That cuts that down to
18 one lane and it causes a large problem. I've seen
19 traffic go down that street. I've seen eighteen
20 wheelers go down that street. That's about all I
21 have to say.

22 CHAIRMAN MEYER: Thank you for your
23 comments. Is there - yes?

24 MS. THOMAS: My name is Sharon Thomas and
25 my husband and I own a business here in Kearney.

1 We opened our business up here almost eight years
2 ago. The type of business we own, we also had a
3 competitor here in town. But, you know, I was not
4 afraid of that, for the simple fact, you give good
5 service, you shouldn't have to worry about another
6 business coming into town. It's just like Mr.
7 Maupin here; insurance sales. He shouldn't have to
8 worry about somebody else coming into town. He
9 gives good service, he's going to have the people.

10 We also bought a house up here seven
11 years ago. I looked at one over here at Silhouette
12 Drive and I looked at the realtor and I said, "you
13 know, this is all farm land out here?" And he
14 said, "Yes, it is." And I said, "Well, you know, I
15 can just picture Walmart building back here." And
16 I said, "I don't think I want this house." So I
17 chose elsewhere.

18 As far as cutting through Regency, I
19 don't do that. I live out in Stone Crest. I don't
20 like all the stop signs out there on Regency Drive.
21 I like the stop lights, I got a straight shot. I
22 just think that - I welcome all new businesses.
23 Maybe the location or the way the entrance and exit
24 is planned for this may not be appropriate. Bring
25 it on up on Country Drive, North Country Avenue up

1 here. I would welcome the development up there. I
2 definitely would. That's where my husband and I
3 have ours. Thank you for your time.

4 CHAIRMAN MEYER: Thank you for your
5 comments.

6 MR. WILSON: My name is Dan Wilson. I'm
7 a resident on Silhouette Drive. I've got several
8 questions here. It's mostly for the City. Do they
9 plan on doing an economic liability study and, if
10 not, why? It's been asked several times what this
11 is going to do to the local businesses. What's it
12 going to do to my taxes if this development fails
13 and it's already sent several shops out of business
14 that do generate taxes for the City. It's going to
15 increase my taxes. It's going to increase the
16 school taxes. I don't think it's been studied near
17 enough.

18 CHAIRMAN MEYER: Jim, would you like to
19 comment on that at all? Are you associated with
20 this general content?

21 MR. ELDRIDGE: No.

22 MS. MCGOVERN: Well, one thing we can
23 comment on is that the City has not agreed to bond
24 these improvements. So the risk is on the
25 developer to make the development go. It's a pay

1 as you go, which means he fronts the entire expense
2 for developing the center and he will be paid back
3 as taxes are generated from within his development.

4 MR. WILSON: I understand that, but what
5 happens if he puts in this development, chases off
6 the existing tax paying businesses, and then those
7 businesses leave-

8 MS. MCGOVERN:

9 MR. WILSON: -that falls upon the
10 residents of Kearney to foot that extra taxes or
11 the City is going to have to decrease services.

12 MS. MCGOVERN: I understand your comment
13 now, I'm sorry.

14 MR. WILSON: And also the school is going
15 to have to decrease services as well. Therefore,
16 the reason why can't we do an economic development
17 study?

18 MS. MCGOVERN: What I understand from the
19 census, the purchasing power of the residents of
20 the Kearney area, and what is currently being spent
21 within the Kearney area, there is a significant gap
22 and retail need in this area. There should be,
23 based on the gaps in the types of categories that I
24 mentioned earlier, that this still does not fill
25 all those gaps. The current businesses are greatly

1 needed to continue to serve this community.

2 MR. WILSON: And you're quoting nine year
3 old census data. And you go and look - go and look
4 at all the hotels-

5 MS. MCGOVERN: Anything earlier, it would
6 be still based on census.

7 MR. WILSON: -go look at the hotels, but
8 you're going to add another hotel to this. There
9 may be three cars in the lot a night. I really
10 don't know how they're making it as it is. You add
11 another one, someone's going to go out of business.
12 You add another grocery store, and I do shop here.
13 John sees me all the time. You're going to put
14 somebody out of business. The community is not
15 growing at the current time. I think it's the
16 wrong time to do it and in a study, you would
17 either prove me right or prove me wrong.

18 Going on, on page seven and eight, it
19 states that the money is being transferred between
20 a soft and non-soft costs. I, personally, don't
21 think that giving a developer a blank check with
22 the City tax money is appropriate. To transfer
23 costs in and out of this is discretion. Going on
24 with that, what assurances does the City have of
25 the developer using a competitive atmosphere for

1 hiring construction crews? Is it going to be his
2 buddy that he is going to give the 10, 15 percent
3 profit to, which in this economic climate is
4 ridiculous. I'd like to invest in - start a
5 development if they get this TIF, because I'd like
6 a 15 percent return on my investment. I really
7 would. I don't think you can get that anywhere
8 right now.

9 So what kind of guarantees does the
10 City have that they're going to have a competitive
11 atmosphere. I don't see that anywhere in the TIF
12 plan for construction. General land use, it says
13 it's vacant. I don't see - I mean, they just took
14 the beans out. It's vacant now because it's not
15 planted again. It's being used. So I think that's
16 an inappropriate use of terms in the blight study
17 and other items there.

18 The independent appraiser for buying
19 somebody out or, again, whose - are you putting the
20 fox in the henhouse, there? Is the City
21 overlooking the appraisal process so that we're not
22 making deals underneath the table to get somebody
23 out? Is an appropriate amount of money to spend on
24 gaining rights and access and things like that. I
25 just don't think the City is doing - it's not, it

1 doesn't have the appropriate ordinances right now.
2 It's not mature enough in its ordinances to take on
3 a development like this.

4 There's no noise ordinance. My father-
5 in-law, he's had a house in communities almost like
6 Chatham. He lives in Chatham, Missouri - is
7 Chatham in Missouri -and it's almost like Kearney,
8 in which they put a strip mall right in the
9 backyard in an open field. They built the building
10 ten feet away from his property line and they put a
11 bar and grill on the other end. At 2, 3:00 in the
12 morning, the band was still playing. I hear - I'm
13 on Silhouette Drive. On a clear, cloudless night
14 when it's calm, I can hear Stables.

15 UNKNOWN MALE: Absolutely.

16 MR. WILSON: If there are noise
17 ordinances in Kearney, they're not being enforced.
18 And you see that everywhere. You see that in sign
19 ordinances and everything else. They do not
20 enforce the ordinances that are out there. If
21 somebody bring it up, the person violating the
22 ordinance is given a waiver. That's an immature
23 city without a mature ability to manage a
24 development like this. So what assurances to I
25 have being on Silhouette Drive that I'm going to be

1 able to get to sleep on Friday night at 10:00.

2 Right now, I don't think I have one.

3 We're talking a lot about MODOT. Has
4 anybody even talked to MODOT? We've all got this
5 pie in the sky, this 19th Street, MODOT has told us
6 several times they're not going to put a 19th
7 Street entrance and exit on it. It's just not in
8 their plan. We all know MODOT is broke. They
9 don't have any money for this. Who is footing the
10 bill for the extra things that MODOT is going to
11 want? They're not just going to go with the
12 developer's recommendations blindly. They may want
13 something totally different.

14 I just don't think that we're at a
15 stage that we can entertain a vote for a TIF right
16 now with what the City has done. You know, we've
17 got all these plans for MODOT property and nobody
18 has talked to MODOT. What - that one was answered.

19 Pavement, pavement codes. They're not
20 up to snuff. You go down Silhouette Drive; it's
21 only five, six years old right now. It's
22 unraveling because the developer put in - it must
23 have been cold or something, or not rolled right,
24 but it's unraveling now. Now the City is going to
25 have to use tax money to repair that. And

1 everywhere the dump - I'm sorry - the trash truck
2 stops, there's a hump there now, because they
3 stopped in the same place where the people put
4 their trash out in the same place. Those streets,
5 obviously were not coded for a trash truck.

6 Again, City ordinances are not mature
7 enough for a development for like this, and we
8 don't have the enforcement for those type of codes
9 either. That's all I've got, thanks.

10 CHAIRMAN MEYER: Thank you for your
11 comments.

12 MR. WILSON: Sorry, I do have one more
13 comment.

14 CHAIRMAN MEYER: Okay.

15 MR. WILSON: Using taxpayer money for
16 this, look at CVS. They're investing their own
17 money in this. They want to come to Kearney. They
18 want Kearney business. So if somebody wants to
19 come to Kearney and do Kearney business, they'll do
20 it if they want it. They don't need tax money.
21 They don't need my money to do it. Thanks.

22 MR. POTTER: Could I answer a question
23 regarding what Mr. Wilson was just referring to?

24 CHAIRMAN MEYER: Sure.

25 MR. POTTER: If I understood you question

1 correctly, and please correct me if I'm wrong, one
2 of the things that you were asking about was
3 competitive nature and competitive bidding and
4 making sure that fairness. Now, one of the things
5 you and I talked about last week during our
6 training session was the idea of prevailing wage
7 and things like that because there are government
8 funds involved. Is that correct? Would this be a
9 prevailing wage job?

10 MR. WOOD: If the improvement is being
11 constructed with TIF revenue, fall within the
12 definition of public projects under the prevailing
13 wage laws, then, yes.

14 MR. POTTER: Okay, so when we're building
15 the road and we're building the sewers and things
16 like that which obviously have a public benefit-

17 MR. WOOD: Correct.

18 MR. POTTER: -those would probably fall
19 under prevailing wage jobs, maybe, probably.

20 MR. WOOD: Prevailing wage does not
21 guarantee competition.

22 MR. POTTER: That's true. You're
23 correct, but I wanted to double check on that part
24 just to make sure that people were-

25 COURT REPORTER: I don't know your name

1 and I don't know who spoke back there, either.

2 MR. WOOD: It's Rich Wood, Gilmore &
3 Bell, the City's Economic Development Counsel.

4 COURT REPORTER: Okay. Thank you.

5 MR. POTTER: I just wanted to verify
6 that. You know, make sure that people were being
7 paid a competitive and an appropriate wage - at
8 least at that - yeah. I just wanted to double
9 check on that issue, though.

10 MR. LARSON: Just one quick question, as
11 well. Eminent domain is not part of this project;
12 is it?

13 MR. WOOD: There's a provision in the
14 plan that states that the City would use eminent
15 domain in the event necessary to apply their access
16 and utility.

17 MR. LARSON: So the door's open on that?

18 CHAIRMAN MEYER: So for a public use,
19 utilities, easements, that sort of thing?

20 MR. WOOD: Any type of public use, yes.

21 MR. WILSON: I think I've got another
22 comment, sorry. The intersection at Regency and
23 the new - where it comes in at an acute angle and
24 an obtuse angle, is very dangerous. You've got the
25 blind spots at the B pillar and the A pillar. The

1 B pillar of your car looking to the left, and the A
2 pillar, looking to the right. It should be a right
3 perpendicular intersection to avoid that type of
4 problem. You've got that problem with Silhouette
5 or with Regency right now at 92. When you try to
6 make a right hand lane, or a right hand turn,
7 you're looking into a blind spot.

8 CHAIRMAN MEYER: Thank you.

9 MR. ELDRIDGE: Mr. Chairman, on behalf of
10 the City, we have conducted two other TIF's in our
11 community, the Platte Clay Electric TIF and Old
12 Church Plaza TIF. On both of those TIF's in the
13 development agreements and when we followed
14 through, competitive bids were taken by Platte Clay
15 Electric for street construction, for their sewer
16 line construction, and water line construction and
17 road widening. Those were reviewed and submitted
18 in evidence before we approved the project. Those
19 come with the development agreement.

20 Also, on the Methodist Church TIF, the
21 Old Church Plaza, there was storm drainage
22 improvements and those were competitively bid. The
23 City reviewed them and signed off on them before
24 contracts were signed. So although we were not the
25 contractor or the overseer, the developer did have

1 to submit evidence of competitive bids. So that
2 will happen.

3 CHAIRMAN MEYER: So this would be-

4 MR. ELDRIDGE: And it will, it might be-

5 CHAIRMAN MEYER: -this would be written
6 into the agreement between the City and the
7 developer?

8 MR. ELDRIDGE: It was in our prior
9 development agreements and I expect it to be with
10 our developer agreement that we would establish
11 pending this TIF approval.

12 CHAIRMAN MEYER: Thank you. Yes?

13 MS. WAITZMANN: I'll keep it brief. I
14 know everybody's getting very tired. My name is
15 Cheri Waitzmann. I live at 904 Regency Drive.
16 I've been there for fifteen years. I am one of the
17 original Shadow Brook homeowners. On this subject
18 of statutory blight, one of reasons is improper
19 subdivision, obsolete planning. Did that have to
20 do with the subdivision of Shadow Brook? Is that
21 the infrastructure from Shadow Brook into that plat
22 of land that's going to be developed?

23 CHAIRMAN MEYER: Do you need to respond
24 now?

25 MS. WAITZMANN: I would kind of like an

1 answer.

2 MR. SIMMONS: Yeah. It's really
3 referring to the fact that - we've listened to a
4 lot of comments tonight. The problem is that this
5 neighborhood and a lot the surrounding development
6 have been platted in as if this parcel doesn't
7 exist. And we are - and I'll have a few minutes
8 after - we are in large part, this whole TIF plan
9 and the money we're spending is fixing that issue.
10 That's really what-

11 MS. WAITZMANN: Okay. I appreciate that
12 answer. I'd like to address another subdivision
13 that Tim Harris developed and planned that wasn't
14 mentioned was Shadow Brook. Why didn't he plan
15 that out, because I bought my home in 1994 and this
16 was zoned for business in 1992. Why are we paying
17 him tax money to develop that now to pay him back
18 to fix the problem that he should have addressed
19 then?

20 Another question I have. This is for
21 my own self. What will the hours of operation be
22 for the grocery store? What is that going to do
23 for my quality of life with it in my backyard?
24 Would this development result in any tax relief for
25 the residents of Kearney? Will another new

1 pharmacy give us additional 3.7 million when CVS is
2 building a bigger and better store right now as we
3 speak? How long will construction take? How long
4 am I going to look at construction in my backyard,
5 and listen to it? I'm trying to sell my house.
6 What's it going to do for my property value?

7 And, also, has a study been completed
8 on the effect of this development for additional
9 crime in the area; specifically, for the
10 subdivision around it? That's all my questions.
11 I'd like for them to be addressed thoughtfully.
12 Thank you.

13 CHAIRMAN MEYER: Thank you for your
14 comments.

15 MR. SCARCELLO: My name is Chris
16 Scarcello. I live at 811 Regency. I'm on the
17 other side of Regency from this proposed addition.
18 I'm somewhat concerned and nervous. I'm somewhat
19 concerned about all the runoff of the water. It
20 sounds like the traffic counts may have been off
21 somewhat, so was there a study by the City of the
22 water runoff and is it all dumped in the creek back
23 in behind?

24 MR. ELDRIDGE: We have not done such a
25 study. We expect to before the plans are approved.

1 MR. SCARCELLO: Okay, because the
2 developer has said he's done spending money on the
3 research. Is that right?

4 MR. ELDRIDGE: Their engineer should be
5 able to absolutely address questions concerning
6 storm water and they're here tonight.

7 MR. CARGILL: We've done a storm water,
8 we've done a preliminary storm water study just to
9 get an idea of what we needed to do with respect to
10 retention and basically keep flows to a preexisting
11 state. We've not made a formal submittal with the
12 drainage study. That's completely done in
13 conjunction with the development plan, not
14 necessarily with the TIF plan, so we have those
15 numbers, we've done that research. We will
16 certainly submit that study when we submit the
17 development plan. We'll be getting ready to
18 understand what we both need to do on the site in
19 order to basically again get those pre-development
20 condition runoff rates. And that's why we've got
21 the detention areas-

22 MR. SCARCELLO: So is your detention, a
23 pond? Is that your definition of detention, is it
24 a pond?

25 MR. CARGILL: Detention facility, yes.

1 MS. BARTON: And your name is?

2 MR. CARGILL: Scott Cargill.

3 MR. SCARCELLO: So with all that asphalt
4 and with the detention and with the water coming in
5 from the north side of 92, everything is going to
6 dump off in the creek, which you guys have the
7 pictures of that Joel gave you regarding all the
8 erosion. That's where-

9 MR. CARGILL: Yes, it will discharge in
10 there.

11 MR. SCARCELLO: What's the proposed
12 change? Because I know when you have those April,
13 May rains, it a toad strangler back there. What's
14 it going to be like-

15 MR. CARGILL: And again, I can address
16 that either here, now. We've got a detention
17 facility set up on the site. This drainage area is
18 approximately 600 acres. Our site is about - so
19 we're about five percent of this overall watershed.
20 There are two tributaries that traverse through the
21 site. The convergence is right there at about the
22 Regency crossing. We will put detention on our
23 site and collect all of the water generated off of
24 our site and basically hold that in that detention
25 facility until the peak from the off site areas

1 bypass our site. We will then release our water at
2 much slower rates so as to not increase peak flows
3 adjacent - in tributaries to the creek.

4 You can see we've actually eliminated a
5 pad on that site. On the overall site, plan you
6 can see a large area in front of the grocery. That
7 is set aside for detention. That is specifically
8 what that is for. We've got other areas along the
9 interstate where we another confluence point for
10 the drainage area coming from the west. Again, the
11 same thing in that area as well, to make sure that
12 we don't increase the flow rates from the site.
13 And we will submit a study with the development
14 plan that the City can review.

15 MR. SCARCELLO: So the City will review
16 it, but the City will also have to spend the money
17 to make sure that it's not an issue. Jamestown, on
18 the other side downstream, I can definitely see
19 some flooding issues there.

20 CHAIRMAN MEYER: The creek runs right
21 past my house.

22 MR. SCARCELLO: There you go. Then you
23 know the toad stranglers, I'm talking about, right.
24 Let's see. The traffic study contractor, is this
25 the same folks that did the study on the other side

1 of 35?

2 MR. ELDRIDGE: Transystems is our
3 engineer who was at the time doing the pilot, but
4 it is not the same traffic engineer. That engineer
5 no longer works for them. Jeff McCarroll is our
6 new traffic engineer.

7 MR. SCARCELLO: We've got an amateur now.
8 Okay, let's see. The gentleman addressed the speed
9 humps. I've lived on Regency not quite as long as
10 Sherri, but ten years now, and it's an Indy 500
11 every now and again. I always give a high five to
12 the police officer who sits down on my street and
13 shoots radar, but I'd like an example. Can you
14 tell where I can go to see some of these speed
15 humps so I can - and has the City approved
16 something of this nature? I mean, I don't even
17 know what we're talking about

18 MR. ELDRIDGE: We've never done such
19 things.

20 UNKNOWN MALE: We've always been told
21 that they could do them because of snow removal.
22 I've asked many times and they said, "No. We
23 couldn't put in speed bumps or humps," or whatever
24 you want to call them. They wouldn't put them in
25 due to snow removal in the winter.

1 MR. MCCARROLL: Jeff McCarroll. I'm with
2 Transystems. Let me look - I can do some research
3 for a more, closer example. The ones that come to
4 mind right off hand are actually in Kansas City,
5 Missouri. If you look on Main Street south of, I
6 think, 63rd Street, there's a great example there
7 of a speed hump. In Lee's Summit, Missouri, by a
8 school, there is a speed plateau.

9 The difference of these, they are
10 designed specifically to accommodate the snow
11 trucks. They are use them in like Canada. There
12 are national standards for how the humps are built.
13 I can't remember a lot of local example right off
14 hand.

15 MS. WAITZMANN: Cheri Waitzmann, again.
16 In Liberty behind the Price Chopper where you turn
17 in that residential area there by McDonald's and
18 across Pleasant Valley Baptist Church, if you go
19 into that residential area, they have two of them
20 on that main street.

21 CHAIRMAN MEYER: Okay.

22 MR. DAVIS: John Davis, with Star
23 Development. That was the example I was going to
24 bring up, sir. Those are kind of a quasi mix of a
25 speed bump and a speed hump that they were - an

1 early attempt to do the exact same thing for Amber
2 Meadows which is right behind Price Chopper.

3 So if you were to go up the new Price
4 Chopper, hang a right on Ash Street, and back in
5 that subdivision, you could go over two of those by
6 the children playing signs. And the only
7 difference in what could possibly be done to
8 Regency and those, sir, is that those are a little
9 more pronounced. They're probably a bit excessive,
10 but they can make snow plowing and things
11 difficult, but there's a close application you
12 could go see.

13 And again, if you ever would drive over
14 that at a high rate of speed, unless you have a
15 pickup truck-

16 MR. SCARCELLO: And they, would they be
17 acceptable-

18 MR. DAVIS: I'm sorry?

19 MR. SCARCELLO: Would that be acceptable
20 with the City? Because you mentioned - I'm sorry,
21 sir, I'm terrible with names.

22 MR. MCCARROLL: Jeff McCarroll.

23 MR. SCARCELLO: Jeff. You said you had
24 several alternatives for Regency or several
25 different options to control traffic flow. I think

1 that's a huge concern with a lot of us here.

2 MR. MCCARROLL: Typically what I've
3 worked with a lot of communities on traffic
4 problems is a process that you engage the residents
5 along the street. There are solutions that are
6 probably a little bit more common ones but there
7 are a few other things that can be explored, as
8 well. I don't believe that effort can be used on
9 this roadway. But there are steps you can take to
10 try to calm traffic (inaudible) some additional
11 studies typically that are done to monitor speed
12 and to monitor volume, so that you base that not
13 just on perception, but actually on hard
14 engineering data (inaudible).

15 MR. SCARCELLO. Okay.

16 CHAIRMAN MEYER: Any other questions?

17 MR. SCARCELLO. Yes, sir, I have a
18 couple of more, please.

19 MR. SCARCELLO: I know some of us that
20 here been there before Regency went all the way
21 through to Regency Park, you kind of feel like
22 you've been slapped in the face once with the fact
23 that the cut through took place and we went from
24 being on an essentially dead end street to now - so
25 with the advent or the idea of this in the

1 backyard, is there any kind of sound barrier or any
2 kind of buffer that's proposed to go along between
3 - and I'm sorry I haven't read whatever was
4 proposed - is there any kind of buffer that is
5 proposed to go between this new shopping district
6 and the residential, any kind of like a tree line
7 or terracing or any kind of walls?

8 MR. CARGILL: Scott Cargill, again, with
9 Lutgen. There will be a buffering plan that's done
10 again in conjunction with the overall development
11 plan. We have set aside about 40 feet between the
12 drive lanes of the shopping center and the actual
13 property lines provide for berming, for actual
14 landscaping, tree masses and basically small
15 retaining walls to break up that basically not only
16 the noise, but give a visual buffering there all
17 the way down that east property line. I think it
18 starts out as a berm and is probably five to six
19 feet tall in the back near the grocer and I think
20 we're approximately twelve feet higher than what
21 the property line is.

22 So within that corridor, we'll be
23 providing landscaping, trees and shrubs and
24 walkways. And again, we will provide a buffering
25 plan with the development plan we submit in

1 conjunction with the zoning application for the
2 development plan.

3 MR. SCARCELLO: Last question and I
4 appreciate the comments. The TIF meeting to vote
5 on this, when does that take place? Will there be
6 another meeting to where we can kind of digest what
7 we learned tonight and ask more questions?

8 CHAIRMAN MEYER: All of the public
9 comments, the Commissioners will talk that over; we
10 may end up making some decisions tonight, or we may
11 end up making the decision to continue the meeting
12 at that point in time.

13 MR. SCARCELLO: I see.

14 CHAIRMAN MEYER: I don't believe that
15 there is any public session associated with that
16 though. I'm not sure.

17 MR. SCARCELLO: Alright.

18 CHAIRMAN MEYER: Rich, I need you to help
19 him on that.

20 MR. WOOD: There's no public hearing
21 required to be had at the Board of Aldermen level.
22 So this is the only public hearing that will occur.
23 Although, I think the City has indicated that they
24 are considering taking public comments at the Board
25 of Aldermen level.

1 MR. ELDRIDGE: Yes. If we have a public,
2 it would have to be discussed. If it goes to the
3 Board of Aldermen, we'll handle that decision in
4 public and the meeting will be open to the public.
5 Our mayor generally encourages participation in our
6 meeting.

7 MR. SCARCELLO: Okay. I thank you all
8 for your time.

9 CHAIRMAN MEYER: Thank you. Let's take a
10 five minute break. We'll be back at five after
11 10:00.

12 (WHEREIN, a recess was taken.)

13 CHAIRMAN MEYER: I'd like to reconvene
14 the public hearing associated with the TIF that the
15 City is considering and, at this time, I would like
16 to open it again for public comment. Sir, would
17 you like to state your name, please.

18 MR. KRALICEK: I'm Bobby Kralicek. I
19 know there was a traffic study done at one time
20 that apparently was favorable for putting the Pilot
21 in, but obviously, people here in town know that
22 really wasn't really effective on the traffic
23 control system that we have over there. I guess in
24 defense of some of the other local business owners
25 that have been up here talking about whether

1 they're opposed or not opposed to competition, I
2 just would like the City to really take into
3 consideration - to keep it on a level playing
4 field.

5 We're on the west side and we've
6 already got a huge traffic problem over there. To
7 have City money to go in to help develop
8 competitors on the other side of the road, I guess
9 I'd like some of that money to help fix what's
10 already a problem on the west side, as well, and
11 just keep it on an even playing field for all of
12 us.

13 CHAIRMAN MEYER: Thank you for your
14 comments.

15 MS. EDWARDS: Hello, I'm Teresa Edwards
16 and I'm like the girl that was in back that laughed
17 and laughed hard. I grew up in Cameron, went to
18 school in Cameron, and I've been here ten years.
19 The main thing is I have two of my daughters - two
20 of my six children live here and seven of my nine
21 grandkids live here. One of my sons is autistic,
22 and we have an amazing elementary school that
23 services that.

24 I just feel growth is inevitable. It
25 really is. You have to have it. When they brought

1 the prison to Cameron, the population of 5,000; the
2 following year, it was 10,000. I said to my
3 parents, "My gosh, did 5,000 people move in in a
4 year?" and she's like, "They built the prison, they
5 have to count the prisoners."

6 So, I know that it is going to be. But
7 I'm a crazy woman coming from Walmart to get off at
8 35. Seriously, the traffic is so bad. I just zoom
9 in my little car, it doesn't bother me. I pray to
10 God to save my car, and me, but we lost business in
11 Liberty. It's six miles up highway, to build our
12 community, use Gino's. I brag about people, we
13 have an Italian, we have a Chinese, we have a
14 Mexican restaurant. We have fast foods, too. This
15 is a great, great community.

16 I want roots here with my kids and my
17 grandkids. You know, the school, like I said,
18 building that. I taught Spencer for eight days
19 because the sub had a baby and they didn't have
20 anybody, and I just found out last week, they
21 nominated him for Homecoming King and he won. That
22 brought tears to my eyes, because that's what I
23 grew up with in Cameron.

24 This is a small town, yes; but we can
25 keep it the size that it is and make it bigger with

1 the community of the people that we have here. You
2 know, build up the restaurants, put another
3 playground, things that will help the community,
4 not make us more crazy. Thank you very much.

5 CHAIRMAN MEYER: Thank you. Are there
6 other comments?

7 MS. MCGOVERN: I have one. I need to
8 read into the record. The City has been in
9 discussion with the school district about
10 compensation for students that would be expected to
11 be new to the school district as a result of
12 development.

13 There is a calculation that has been
14 figured based on the number of jobs that would be
15 created and what that might do to new families that
16 would move into the community and the number of
17 students that would choose to go to the Kearney
18 School District. Based on the cost to educate
19 students as reported to the Department of
20 Education, secondary education, and in reducing
21 what is received from federal and state revenues
22 and from revenues from those new families, that's
23 calculated to be about a compensation of \$18,830 a
24 year for the life of the TIF.

25 That discussion is ongoing and,

1 hopefully, there will be some resolution as to what
2 form that will take. I did need to state that for
3 the record.

4 CHAIRMAN MEYER: Okay. Thank you, Molly.
5 Are there any other public comments that anyone
6 from the community might have?

7 MR. BRANNLUNN: Tim Brannlunn, again.
8 It's my understanding from the TIF meeting that
9 since this is a TIF project, if it passes, there
10 could be restrictions as to what types of
11 businesses go in here, you know, a bar, or I think
12 they mentioned an adult book store, or something.
13 Is that true? Did I understand that right?

14 MR. WOOD: Yes. When you get to the
15 point where the City negotiates the TIF contract,
16 the TIF contract can contain restrictions on
17 certain uses or it can even go the route of pre-
18 approving certain uses. All those type land issues
19 can be addressed in the TIF contract.

20 MR. BRANNLUNN: So the band now until 2
21 in the morning can be quelled at that point. That
22 could be part of the conditions that there would be
23 no live entertainment outside or anything?

24 MR. WOOD: Any use or restrictions to
25 use.

1 MR. BRANNLUNN: That was my question,
2 thank you.

3 CHAIRMAN MEYER: Thank you. Yes?

4 MR. ELMORE: Joe Elmore. One additional
5 question. Has the TIF Commission given any thought
6 to how we should be looking out at this. What if
7 it should fail?

8 CHAIRMAN MEYER: I'm sorry, I didn't hear
9 what you said.

10 MR. ELMORE: What if the shopping center
11 should fail because of inadequate traffic controls?
12 I've seen a lot of shopping centers that don't have
13 good traffic and what happens is people don't use
14 it. They just find someplace else to go. I was
15 just wondering if you have it built and it is not
16 generating the income that was proposed, what would
17 happen there?

18 MR. LARSON: They can fail. Like
19 Antioch, like Metro North.

20 MR. ELMORE: Thank you.

21 MR. LARSON: That's the answer.

22 CHAIRMAN MEYER: Any other public
23 comments or questions that anyone would like to
24 propose before we go back and ask some of our other
25 presenters to address, maybe specifically submit

1 other questions that were raised and then some
2 other points. Mr. Simmons, would you like to?

3 MR. SIMMONS: Mr. Chairman, thank you.
4 I'll just go through a couple of the things that
5 were raised and then John Davis with Star
6 Development is going to come in and address in
7 closing for us really I think what's a key issue is
8 which is his understanding of the market on the
9 competition on other retailers in Kearney. They
10 have a wealth and I put Star Development up against
11 anybody for the Kearney and the Liberty market as
12 far as new developments that they've built and
13 existing centers that they own. So we're going to
14 close with that.

15 I'm just going to go through, without
16 going into every single little thing, because I
17 don't want to stand up here too long. I really
18 hear two things going on. On one hand, we're
19 talking about traffic, storm water, very
20 prototypical planning and zoning issues. On the
21 other hand is this dollars and cents issue and
22 really what's the impact on the existing
23 businesses.

24 On the planning and zoning, as a
25 lawyer, I've been real tempted to say, "Okay, we're

1 crossing that line." Rich and I were kind of
2 looking at each other when someone posed the
3 question of when is it okay to talk about traffic
4 and storm water in a TIF Hearing and then when do
5 you cross the line. In some senses, I feel like
6 maybe we crossed the line a little bit. That's for
7 you all to decide.

8 There is a commercial site plan
9 process, the property's zoned, but there is a
10 process to come through and put the particulars on
11 the storm water, on the traffic. The reason that
12 it's, I think, good and appropriate for us to spend
13 all the time talking about storm water and talking
14 about traffic, not that we're necessarily going to
15 decide exactly how long a turn lane should be or
16 some of the other improvements. That will come
17 through more of a detailed engineering process that
18 goes to Planning Commission.

19 The reason I think it's so important is
20 when you hear everybody coming up here and saying,
21 "Well, there's existing traffic problems, there's
22 existing storm water problems," that's why we need
23 a TIF. All of those things that people are
24 complaining about that are existing out there,
25 those are the things that we are paying for with

1 this TIF.

2 Go through the list and look at the
3 budget. Besides the community center, which is
4 about a \$3 million cost on a self add on tax,
5 pretty much all the other things that are in our
6 budget that we're asking to be paid for, they
7 relate to the things that people are up here
8 talking about today.

9 Look at the surrounding - and we've got
10 an aerial that doesn't pick up everything in the
11 surrounding area - there's not a lot of detention
12 ponds in the area; there's not a lot of
13 developments that have what we would call a modern
14 development layout. It's direct access onto a
15 road; it's a mixing of commercial and residential
16 uses like we have on Regency.

17 We're coming back under the existing
18 zoning, the existing master plan, and really having
19 to pay to solve a lot of these issues. The access,
20 the ramps, taking out businesses to get access into
21 this commercial area.

22 One of the things we talked so much
23 about, or heard so much about, and we agree, it's
24 probably a legitimate issue, is the cut through
25 traffic on Regency right here. Look at this road.

1 That's a public reverse frontage road that will
2 ultimately come all the way down as part of the
3 City's master plan. It's designed to take pressure
4 off of what we're hearing from the neighborhood
5 that there's cut through traffic. So this is not
6 about a one year or two year development that we
7 just go in right now and we decide is there a
8 market, what can we fix, what can we not fix. This
9 should be about an overall master plan for the
10 City.

11 We have studied this thing to death;
12 we're certainly willing to continue with it and as
13 we go into more detailed engineering studies like
14 the commercial site plan. But all of the things
15 that we're talking about, storm water erosion
16 downstream and the overall traffic plan, we are
17 going about this the right way. I don't know what
18 the City necessarily did in the past other than
19 this very prominent piece of property seem to have
20 had it's back turned on it by all of the
21 surrounding development, not just the neighborhood.
22 So there's a process that we're going through.

23 It's ultimately probably not up to the
24 TIF Commission to decide what traffic improvements
25 are made or not made, but I think it's very

1 instructive that there are concerns out there and
2 most of the things that we're utilizing the TIF
3 dollars on are to solve those problems.

4 With regards to the studies, we've -
5 and John's going to talk about it - they have
6 extensive market experience right here. We don't
7 need to go hire third party market analysts when
8 you've got your developer that has developed and
9 owned probably more retail in this area as anybody
10 between Kearney and between Liberty.

11 But Molly McGovern has also done her
12 studies. They are very persuasive that there's a
13 tremendous amount of leakage on everything but the
14 gas stations. We have been talking to the City for
15 over a year on this development. It is not as if
16 we just ran up here tonight, presented all these
17 studies. All of the amounts that you see, the
18 improvements that we're talking about, the
19 community center, all of the per square foot sales
20 in our TIF plan, all of those things are things
21 that are in front of you this evening after a lot
22 of work with the City.

23 So a few people indicated, "Well, we'd
24 sure like to hear a little more skepticism from the
25 City officials," and it's not my job to defend

1 them. I will tell you they have looked at this
2 with great scrutiny for well over a year. So what
3 comes before you is after a lot of work behind the
4 scenes. I hope the citizens can understand that as
5 we go forward.

6 I want to reiterate something that was
7 on one of the slides that we talked about. There's
8 no financial risk to the City the way this is being
9 set up. Rich will make sure in the redevelopment
10 agreement that follows through. There was a
11 question, "What happens if TIF bonds are issued and
12 they are not paid." The one example,
13 unfortunately, or maybe fortunately, was Mullet
14 Fall Creek. I don't know all of the history of
15 Mullet Fall Creek. I wasn't involved in it. I've
16 heard about it certainly every time I've done some
17 thing. Do you know who bought Mullet Fall Creek,
18 turned it around and there's zero liability for the
19 City right now? Tim Harris, Star Development.
20 Call the City of Blue Springs tomorrow. They
21 bought it, they've turned it around, there's no
22 liability on those bonds to the City. I've met
23 with them on this project about sixty days ago. So
24 in a lot of ways it's a good example.

25 Yes, these things can be set up and

1 they're problems. The ones that are problems where
2 the City backs them, typically are the ones that
3 are in the Kansas City Star. This isn't that
4 situation. You've got the right attorneys to make
5 sure that what we're talking gets followed through
6 on. You also have the developer that's got a great
7 track record up here, and has a great track record
8 with TIF developments. He's turned around Mullet
9 Fall Creek. He's also the developer down in
10 Liberty, that did the Liberty triangle and then
11 recently right after that, went across the street
12 and the expansion of Liberty triangle at the Clay
13 County - or the Country Club across the street.
14 Both have been very successful and are kind of a
15 bright spot in a really difficult retail market.

16 I think you've got the right people
17 here. All of these particulars of the traffic and
18 site plan, they're all really important issues, but
19 there is a second stage to this and that is the
20 site plan review process. We will answer - there
21 will be a lot more engineers and lot less lawyers
22 when we get to that stage. We will answer every
23 one of those questions.

24 I think we talked about the cart
25 getting ahead of the horse. I think the first

1 decision is generally are we on the right track
2 here; are you convinced that in order to make some
3 of these improvements, we need TIF, and if so, we
4 would ask that you recommend this up to the Board
5 of Aldermen, articulate the appropriate conditions
6 that you think are necessary and the commercial
7 site plan process will be a public process and it
8 will take care of itself and all of these concerns
9 will be address in a lot more detail when we're
10 talking dollars and cents.

11 So with that, I'm going to ask John to
12 come up here and talk a little bit about their
13 market experience. We can answer more questions,
14 but I know everyone's tired.

15 MR. DAVIS: Thank you, everyone. Sorry
16 the evening is taking a while, but just a few
17 points that we did want to make to clarify with our
18 experience. As Chase mentioned in Liberty - I grew
19 up in Liberty, since I was two years old. I lived
20 right off the square. A lot of concerns were
21 voiced tonight about this development causing other
22 businesses to fail or it can run businesses out of
23 town that's been around for a while and then it
24 fails. We don't believe that will be the case and
25 we have a good deal of experience to back that.

1 For instance, in Liberty, Mr. Tim
2 Harris owns the Liberty Landing Shopping Center
3 which is where the Walgreen's and the Landing Bar
4 and Grill and a few other business, Sherwin
5 Williams Paints, one of the older centers in town
6 that we're actually getting ready to remodel in the
7 near future. We also own Liberty Center which is
8 at the corner of 291 and Liberty Drive across from
9 the old Price Chopper in Liberty.

10 So the point that I'm trying to make
11 here is when we moved forward with both Blue Jay
12 Crossing, which is the former Clayview Country
13 Club, and the Liberty Triangle development, we knew
14 we were bring in new businesses. If we had any
15 reason to suspect that what we were doing was going
16 to cannibalize the basis of our income - I mean we
17 have a lot of properties that are free and clear
18 and the income from those is what helps us to move
19 forward to do these kinds of first class quality
20 developments. We're not out to cannibalize
21 ourselves.

22 We own Kearney West Shopping Center
23 right across the street. Last year we did a
24 remodel to that, a facelift if you will. A few of
25 charges were passed back to tenants under the

1 allowable lease, if you will, replacing the
2 sidewalks, but the entire burden, the whole
3 facelift, in building Stables, everything over
4 there, paid for out of pocket. We made that
5 investment with this development in sight. We
6 wouldn't be throwing our money into these projects,
7 continuing to own property in Kearney, expecting
8 businesses to fail. If we do, we're only hurting
9 ourselves.

10 One other final point. We take a lot
11 of pride in what we do. One comment that was
12 brought up earlier and we certainly do appreciate
13 that you clarified, both the gas station and car
14 wash that Mr. Harris started in Summer Brook. He
15 has done a number of high quality developments all
16 over the Northland. I'm honored to work for him.
17 I'm very proud of what we have done, what we
18 continue to do on a daily basis and simply hope the
19 community and you all will support our efforts
20 tonight.

21 CHAIRMAN MEYER: Are there any other
22 comments that need to be made, other than City
23 staff-

24 MR. ELDRIDGE: Rich Wood needs to go over
25 some-

1 CHAIRMAN MEYER: Okay.

2 MR. WOOD: Just a few housekeeping items,
3 I won't be long. One thing I need to do is enter
4 into the record, Exhibits 1 through 16. I have a
5 binder with the Exhibits here in case anybody wants
6 to review them. I added some of the documents that
7 were handed out tonight into the Exhibits so they
8 would all be in the record.

9 The second thing I want to cover is
10 your required findings. I covered these in detail
11 last week in training sessions, so I'm not going to
12 go through them again. What I did for you, I have
13 put two documents on each of your places; one is a
14 memo from me and the other one is the proposed
15 resolution.

16 If you look at the resolution in
17 Section I, you will see the findings that the
18 Commission is required to make or, ultimately, the
19 Board of Aldermen, but you would make a
20 recommendation to the Board of Aldermen on those
21 findings. The memo that I have put together for
22 you is, what it does is it goes through each of the
23 areas in the TIF plan and the cost-benefit analysis
24 where you can find the supporting data to back up
25 each of those findings. As you discuss your

1 findings and are wondering what supporting evidence
2 do I have that you can make these findings, I've
3 put this memo together to help you with that.

4 I also brought with me an alternative
5 resolution in the event, as you discuss the last
6 item that Molly went through on how we would
7 compensate the school district for additional costs
8 to educate students, I have an alternative
9 resolution that has some language that makes a
10 recommendation that the TIF plan be amended to
11 provide for that compensation of the school
12 district.

13 That amendment to the TIF plan could be
14 accomplished after the TIF Commission's hearing but
15 before we get to the Board of Aldermen. So that's
16 something that's not going to slow down the
17 process, but it's an amendment that will have to be
18 made and I have a resolution where you make that
19 recommendation that that occur.

20 CHAIRMAN MEYER: Anybody else have any
21 questions?

22 MR. ELDRIDGE: If you have any more
23 questions of us-

24 CHAIRMAN MEYER: I'd ask the
25 Commissioners whether you have any questions for

1 any of the other City staff?

2 UNKNOWN MALE: Yeah, and I'll be here as
3 you start your discussion.

4 CHAIRMAN MEYER: Seeing none, we'll move
5 on into the new business section of our agenda
6 which really deals with the resolution that the
7 Commissioners have in front of them.

8 MR. POTTER: Mr. Chairman?

9 CHAIRMAN MEYER: Yes.

10 MR. POTTER: Do we need to close the
11 public hearing?

12 CHAIRMAN MEYER: I guess that's
13 appropriate, yes.

14 MS. MCGOVERN: Do you want to close the
15 public hearing of hearing questions?

16 MR. WOOD: No. I would recommend that
17 you keep the public hearing open up until the time
18 you're ready to vote on the resolution. You will
19 need to close the public prior to voting on the
20 resolution.

21 CHAIRMAN MEYER: Okay. With regard to
22 the resolution that you have in front of you, I'd
23 like to open it up to the Commissioners for your
24 thoughts and considerations with regards to the
25 resolution. I think you've all had an opportunity

1 to review it and read it during the course of the
2 last week and what considerations do I hear from
3 the Commissioners as it relates to this resolution?

4 UNKNOWN MALE: Just to clarify, we can
5 make changes to this resolution I guess tonight,
6 obviously, if we were so inclined?

7 MR. WOOD: If you make a motion to amend
8 the resolution and that motion passes, I can - we
9 can do it a number of different ways. I can hand
10 write in whatever additions or conditions you want
11 to place in the resolution and then get a fresh
12 copy to the City tomorrow for signature.

13 CHAIRMAN MEYER: Ron, do you have some
14 considerations that you'd like to see made?

15 MR. RECKRODT: Well I think it's pretty
16 obvious tonight that we've had a lot of discussion
17 about traffic issues on Regency. You said you ran
18 it and I'm one of the people that drives it and run
19 on that street also, so I think we have to some how
20 include some consideration for that. Of course,
21 this is not the final say, by any means, as we've
22 been made aware tonight. This is just a
23 recommendation to the Board. But I don't think we
24 could really do that after what we've heard tonight
25 without at least discussing that or at least

1 passing that concern forward to the City to be
2 considered.

3 I'm not sure exactly how to do that
4 other than maybe to amend this to include as the
5 gentleman said, so as to somehow include something
6 about traffic calming efforts. Maybe we can
7 address some of those issues and they can become
8 part of this.

9 In my mind, it would be, something
10 would have to be done all the way from 19th all the
11 way up to 92 in some way shape or form or at least
12 to where the new construction starts on Regency
13 Drive. I'll just fill that out as a discussion
14 point because, as I said based on what we've heard
15 tonight, it might be worth considering that.

16 CHAIRMAN MEYER: What about the other
17 Commissioners? What's your thoughts with regard to
18 what Ron has put on the table, basically providing
19 a stipulation of some sort that there be further
20 traffic study-

21 MR. MEINERT: It needs to be looked at
22 further.

23 CHAIRMAN MEYER: -to determine is
24 remediation appropriate associated with this as a
25 spinoff of this project. Maybe it don't fall

1 technically under the TIF concept, but it is a big
2 enough public concern that it ought to at least be
3 looked at in terms of a spinoff of this project, is
4 what I basically heard Ron saying.

5 I don't know that we should specify the
6 remediation process or technique, but at least have
7 a study done that determines what kind of
8 remediation should be accomplished. I think that's
9 - that's what I'm hearing anyway.

10 MR. RECKRODT: That's where I'm going
11 with that. I think we have to address it somehow.
12 Of course, again, it's not for us to make a
13 decision on that. We have professional engineers
14 that do this type of thing. But I think it just
15 needs to be addressed - from our perspective, just
16 needs to be addressed, going forward. That's all
17 we can do at this point. As part of the
18 recommendation, if we make one, I would just
19 suggest that we include that in the recommendation.

20 CHAIRMAN MEYER: Do I hear any comments
21 to the contrary from any of the Commissioners?

22 MR. POTTER: I don't think it to the
23 contrary, I just think its approaching it from a
24 slight different angle. It gets back to the thing
25 that I talked about earlier about a blight study.

1 I'm never going to argue about the definition of
2 blight and all of that, but I am going to argue
3 that a developer should address the issues of
4 blight and that they shouldn't make blight worse in
5 order to do that. They can't just say, "Hey,
6 that's bad and now I'm going to go build my
7 shopping center."

8 CHAIRMAN MEYER: And I agree with you. I
9 think that's really what Ron's getting at.

10 MR. POTTER: And it's the same thing. I
11 think I'm sort of looking at it, I'm talking in
12 relation to the blight issue, I think. Yeah, it
13 sort of comes from a different angle. I agree. So
14 I would agree with that. Should I put that in the
15 form of a motion?

16 MS. BARTON: I have an additional
17 comment. One of the things that you spoke to is
18 with the ultimate plan if you look at the drawing,
19 you can see where the road goes and it stops at the
20 field and that it's going to incorporate into the
21 City's master plan. Is there like a map or an
22 overlay that can show you maybe not from a 10,000
23 foot perspective like this is, but maybe 20,000
24 foot where you can see the further layout of roads
25 and drives so that it gives everybody a visual as

1 to what's going on and everyone living on Regency
2 Drive as to how you're going to circumvent to try
3 to get some of that traffic volume-

4 UNKNOWN MALE: Here's a map right here
5 that basically, I don't know, but basically the map
6 right here that shows where the site is in
7 relationship to I-35. It doesn't quite go far
8 enough to get 18th Street, but you can see where
9 there's frontage road.

10 You can see I-35 here, this is
11 basically subdivision, railroad tracks, 19th Street
12 is about approximately here. The intent is to run,
13 again, a reverse frontage road all the way down
14 along I-35 basically towards-

15 UNKNOWN MALE: I don't think they can see
16 that.

17 MS. BARTON: Well, but it still addresses
18 your-

19 CHAIRMAN MEYER: The issue is coming down
20 to though this frontage road. This is going to be
21 there for how who knows how long.

22 UNKNOWN MALE: A long time.

23 UNKNOWN MALE: It will not get all the
24 way to -it sets in motion basically the parameters
25 of that master plan and it's starting up that

1 frontage road-

2 CHAIRMAN MEYER: I think our
3 considerations here are what's done in the meantime
4 because that would help remediate some of that.
5 It's a matter of what's done in the meantime.

6 MR. POTTER: If ever, because this center
7 is-

8 CHAIRMAN MEYER: It's going to be a
9 traffic magnet-

10 MR. POTTER: I mean, I don't mean to be a
11 pessimist about it, but the City of Kearney made us
12 put in a very nice street on the north side of the
13 library that stretches on and on and on and was
14 supposed to connect to a road that was going to
15 come between McDonald's and the Shell station.

16 The library has been there for twelve
17 years. Where's the road? So I mean, this is what
18 I'm saying. I don't think we can necessarily plan
19 on the road coming there. I think we have to make
20 the decision with the information that we have.

21 CHAIRMAN MEYER: I agree.

22 MR. LARSON: I don't know that you can
23 address this or not, but I am not persuaded that
24 the impact upon the existing businesses has been
25 adequately addressed. I think it's going to put

1 small businesses that are presently existing out of
2 business or reduce their incomes to where, sooner
3 or later, they're going to be out.

4 I think also the comments with respect
5 to you have plenty of space that is available for
6 business right now and it is underutilized,
7 obviously, or you wouldn't be making those remarks.
8 So in substance, I'm just not persuaded that this
9 project will be the best thing for Kearney.

10 CHAIRMAN MEYER: Any other thoughts on
11 that, similar considerations?

12 DR. NICELY: Down here on this wing,
13 Commissioners, you know, our interest is for the
14 education of the students of Kearney, and anytime
15 we look at a TIF situation, we have to take that
16 very seriously because we're talking about a
17 potential decrease in tax revenue that goes
18 directly towards the school district. It's a
19 complicated issue and the But For test - the
20 question is will the district see revenues within
21 the next nineteen years?

22 I'd say with regard to where that's
23 located and the kind of development that's going to
24 be required that within the next ten years,
25 probably not; within the next nineteen, it's hard

1 to say. So then you look if there's other benefits
2 that could enhance the education of the students.
3 That's what we're talking about with this aquatic
4 center.

5 But insofar as we are responsible for
6 the education and the safety and well being of the
7 students within this district, that includes the
8 kids that live on Regency Street. So I really have
9 to be concerned that we need to address that
10 traffic issue before we proceed forward or at least
11 remand that to the Aldermen to address the issue
12 before we proceed forward because I think that's
13 going to become our worst problem. It's very
14 evident.

15 CHAIRMAN MEYER: Anything before we
16 proceed forward, before the TIF, before we as the
17 TIF Commissioner make the recommendation or we-

18 DR. NICELY: You know I think I would
19 concur with Ron with that we, within the confines
20 of the statement here, indicate that there is a
21 desire to address that issue, that there's an
22 expectation that that issue become addressed.

23 CHAIRMAN MEYER: I'd like to address the
24 comments that you made with regards to it. When I
25 came into this Commission associated with this

1 project, I was considering those considerations, as
2 well, what - is there really demand enough to
3 support it. I don't think there's been a market
4 study in total done, but I do - but, here's a study
5 of the information that exists from the economic
6 development and I do know what the developer has to
7 say about that experience level and so on and so
8 forth.

9 I also look at it from the perspective
10 of a business man and business coming into an area
11 and so on and so forth. If this isn't a place to
12 seed a business, businesses won't come in in this
13 process and if the TIF, if you will, will fail as a
14 result of that.

15 I happen to believe that there is a lot
16 of leakage out of the area and so I do believe that
17 it can be successful. I look at the other TIF's
18 that have been done in the area as it relates to
19 that. They've been successful, so the track record
20 with regards to that seems to me to indicate that
21 it would have success. So from my perspective, I
22 lean on the side of the project is persuasive from
23 that perspective. It will never be anything other
24 than empty land, if you will, or farmland, unless,
25 in my opinion, unless something is done to create

1 the infrastructure to develop it. That's really
2 what the TIF is paying for is the infrastructure to
3 develop it.

4 MR. LARSON: And I think the size and
5 scope of the plan proposed is too large.

6 CHAIRMAN MEYER: Again, I think a lot of
7 that, in my opinion, will come out as the plan
8 further develops. That's the way I see it. I just
9 wanted to provide my perspective on that as well.
10 Any other Commissioners?

11 MR. MEINERT: I think we either want to
12 grow and be successful as a town or we want to
13 remain tiny and not expand. I moved here in 1975
14 and I think there was 300 or 400 people here and
15 it's expanded and it's been all, I think, for the
16 good. Look what Kearney has done, which other
17 towns have not done.

18 I think that - I do have some concerns
19 about the traffic and I have concerns about Regency
20 Street, but overall we have to make a decision that
21 I think - do we want to move forward, do we want to
22 help the school district with an aquatic center?
23 People are leaving town and spending their dollars
24 everywhere. At some point, that's going to come
25 back and bite us that we don't have enough tax

1 revenue and as some of the patrons said, their
2 taxes may go up as a result of that.

3 I think - I support the TIF. I think
4 we have some things that have to be ironed out
5 either in the Commission or especially the next
6 step.

7 MR. THOMAS: I have to say I agree with
8 what everybody is saying here, but as being that
9 this is obvious in the group, you look at some of
10 these people that are in the audience that have
11 laid some pretty good groundwork in Kearney. Mr.
12 Davis is one side and Mr. Carter on the other side
13 and the way this all comes in and out, it worries
14 me, it bothers me to affect somebody's business. I
15 don't care if they're selling Tiddly Winks, you
16 know, it's all a part of this community.

17 The residents on Regency and so on and
18 so forth, I sure as heck wouldn't want 30 cars
19 lined up in front of my house with a stop sign.
20 There has to be a way this is going to be a win-win
21 situation for the community and the residents of
22 Regency and the businesses of Kearney to make this
23 work. Whether it's a matter of re-routing traffic
24 or whatever has to be done, we have to look at this
25 as a whole, not "Yes, Kearney needs to grow and

1 will grow."

2 I'm from Liberty. I was born and
3 raised in Liberty. I used to be able to walk
4 across the City Square and know everybody in town.
5 I don't know anybody. It's just a matter of life.
6 That's what happens. But I don't want to see
7 anybody lose their livelihood or not have quality
8 of life in their backyard and I don't blame you for
9 not wanting cars in front of you house.

10 MR. BRANNLUNN: And behind.

11 MR. THOMAS: And behind, and having to
12 worry about runoff and so on and so forth. These
13 gentlemen here, I'm sure they've dotted their I's
14 and crossed their T's, but it all needs to be
15 looked at.

16 CHAIRMAN MEYER: Other comments?

17 MR. POTTER: Going back to another
18 comment that I made. I am still concerned about
19 the internal rate of return on this project. It
20 does seem high to me. I mean especially - I mean,
21 believe me, if somebody's going to do something
22 like this without tax incentives and they want to
23 make the 75 percent return on investment, more
24 power to them and the government should stay out of
25 the way. But that's not what is happening here.

1 What's being asked here, is that one-
2 third of the development cost should be paid by the
3 taxpayers. And as such, I think subsidizing the
4 internal return on investment to a point that it is
5 above the average for the Greater Kansas City area
6 is not a good thing for the taxpayers. What you're
7 doing is you're subsidizing - that's how you get
8 from 9 percent to 14 or 15 percent.

9 I agree with everyone, I really do. I
10 mean, there's no way this project is going to go
11 forward without some sort of assistance. There's
12 just too much infrastructure. The only question I
13 have is does it have to be this large? Does it
14 have be this particular thing? Does it have to go
15 for 23 years> Does it have to be funded at one-
16 third of tax support? Could it be funded at a
17 smaller amount?

18 When I was looking at the TIF
19 reimburseables, there's a whole column of what
20 appears to private roads and it kept saying private
21 infrastructure that was in there. Why should we as
22 taxing entities be paying for the private
23 infrastructure? Let's pay for the public
24 infrastructure and withhold the private
25 infrastructure and just make that part of the

1 development process. I just think that we can get
2 a little bit better deal, is all I'm saying.

3 CHAIRMAN MEYER: Any other comments that
4 anyone has to make during public session? There's
5 one other one that I'd like to make and that is
6 associated with the management of the runoff.
7 We've heard all the discussion about that and so on
8 and so forth. I think there needs to be, as with
9 the traffic, I think there needs to be some
10 consideration made by City, making sure that the
11 proper studies, proper processes and all, are gone
12 through to insure that their expectations are met.

13 Whether that's done through processes
14 whereby there's got to be some sort of performance
15 condition associated with this where given certain
16 circumstances, it has to perform to this level, or
17 something of that sort I think needs to be
18 something that we consider in this process. And if
19 it doesn't perform, the developer, at his expense,
20 is to bring it to that performance level. I'm just
21 throwing out some thought as it relates to thing.

22 MR. RECKRODT: Isn't there a - and this
23 is for Rich, the attorney Rich. Right, Rich?

24 MR. WOOD: Yes.

25 MR. RECKRODT: Isn't there a - I think I

1 read that in the financing plan, actually, where
2 performance had to be met or else the payments back
3 to the developer are withheld. Is that part of the
4 plan I read, or did I just make that up?

5 CHAIRMAN MEYER: I remember that, too,
6 but it wasn't very specific.

7 MR. WOOD: That's not ringing a bell.

8 MR. RECKRODT: Okay. Well maybe I stand
9 corrected.

10 CHAIRMAN MEYER: No, no. I read the same
11 thing, Ron, but it wasn't very specific. Because I
12 do - when development went on in that area here a
13 few years ago, it created significant runoff. I
14 live by this creek and understand the kind of-

15 MR. BRANNLUNN: I'm going to send you a
16 tree real quick.

17 CHAIRMAN MEYER: I'm the only guy that
18 digs them out there and holds them off. Everybody
19 else just sends them downstream. You know there
20 are things that the City can consider as it relates
21 to the contracts in this process and we as the
22 Commission can make those kinds of recommendations.

23 DR. NICELY: If I might add, talking
24 about the water flow rates and traffic flow rates
25 as being two big issues; those will only get worse.

1 There are areas within, just south of, as we get
2 closer to 19th Street that are still not
3 residentially developed that are plotted for
4 residential development and that's going to
5 increase runoff as well. So those are issues that
6 will have to be addressed one way or another,
7 either in part by this plan or certainly by another
8 one.

9 Communities all across this Greater
10 Kansas City Metro area have experienced flooding as
11 the urban sprawl, residential sprawl increases, and
12 if those aren't addressed as that occurs, then it
13 becomes an issue.

14 MR. LARSON: It's kind of a minor matter,
15 but there is a visual impact here that hasn't been
16 mentioned tonight. If you look at where the
17 grocery store is going in, a lot of you are going
18 to be looking out your back door at a huge grocery
19 store.

20 UNKNOWN MALE: Road, brick wall, road
21 lights up there, lights in the parking lot.
22 Pretty.

23 UNKNOWN FEMALE: Delivery trucks-

24 MR. LARSON: Somehow that should be
25 addressed.

1 UNKNOWN MALE: Trash trucks. Trash.
2 Rats.

3 CHAIRMAN MEYER: Yes.

4 MS. EDWARDS: It might not make sense to
5 some of you, but when I lived in Cameron, we used
6 to not have to lock our car doors, we didn't have
7 to lock our house doors and we could just run into
8 town and not worry about it. I'm talking for my
9 daughter who lives in Shadow Brook with my autistic
10 grandson, and a lot of traffic came there.

11 I know my daughter will be looking out
12 her window at 2:00 in the morning to see some
13 strange people walking in the neighborhood that she
14 doesn't know, with vandalism, you know, and car
15 break-ins. It's just bringing that traffic in that
16 you're not really familiar with, and it's more of a
17 comfort zone with just what we have. Our great
18 policemen watch over our City, you know, very well.

19 CHAIRMAN MEYER: Thank you.

20 MR. POTTER: Are there - do you have a
21 question about the slide that keeps coming up, the
22 landscape and adjacent residential buffering? I'm
23 up to my neck in a project in Independence and I've
24 learned all about there buffering guidelines
25 between commercial and residential and so on and so

1 forth. Does Kearney have any such guidelines that
2 says that you have to have to have screening trees
3 above four feet tall or screening bushes above four
4 feet tall or anything like that?

5 MR. ELDRIDGE: No. No such detail as
6 that.

7 MR. POTTER: Okay.

8 MR. ELDRIDGE: A 35 foot green space.

9 MR. POTTER: Okay.

10 MR. ELDDRIGE: So it can't be parking
11 lot.

12 MR. POTTER: Okay. So 35 feet of green
13 space between commercial and residential?

14 MR. ELDRIDGE: Yes.

15 MR. POTTER: Okay, okay. I was just
16 curious what the-

17 MR. ELDRIDGE: I don't think there's
18 anymore detail other than-

19 MR. POTTER: I was just curious what the
20 regulations were, what guidelines that you actually
21 have-

22 MR. ELDRIDGE: Right.

23 MR. POTTER: -beyond the plants. Thank
24 you.

25 CHAIRMAN MEYER: I'm sorry. Go ahead.

1 UNKNOWN FEMALE: I'm curious as to what-

2 COURT REPORTER: Can you stand or speak
3 up or something and tell me who you are and
4 everything?

5 MS. SOEHLIG: I'm Jenna Soehlig. I also
6 live on Regency Drive. I do want to point out
7 exactly where I live, so you can see what I'm
8 talking about. I'm curious about the elevation of
9 this development.

10 I live right here and even though I
11 have trees, which I've already - any of my
12 neighbors know I plant trees every year. I knew
13 that something was going to come in. But no matter
14 if I put bushes in there or trees like in there
15 that are like little trimmed down, what's the
16 elevation of the development?

17 MR. DAVIS: If I could? What we envision
18 there would be very similar to the new - sorry,
19 John Davis, Star Development - would be very
20 similar to the Price Chopper at I-35 and 291. We
21 also developed all of Highland Plaza, most recently
22 that building which we own and have a ground lease
23 with Price Chopper on.

24 If you look at the back of that
25 facility, there was some consideration into what's

1 deemed foresighted architecture. We continued
2 split faced colored stone around the back. There's
3 variations in the patterns of the blocks to give an
4 aesthetic appeal. There's a very large screen wall
5 which is difficult to depict on here, but there is
6 a masonry screen wall that guards the truck
7 entrance, if you will, to help buffer some of the
8 sound experienced from trucks loading and
9 unloading, the dock loader.

10 We actually have a gentleman that works
11 for us - that aside, he's been cleaning our offices
12 for many years and lives behind that Price Chopper
13 right off of a walking trail sidewalk. I'd
14 encourage anyone in the room to go check it out.
15 He's actually commented on how the sound is
16 actually less in his home now because that building
17 buffers a lot of the sound that was coming from the
18 traffic on 291.

19 So consideration is given. Granted it
20 is still the back side of the building, but as far
21 as the lighting and concerns like that, they will
22 use lights that have cut-off shields, i.e., they
23 deflect the glare downwards but you can still see,
24 obviously that there's light on the property. It
25 will not be shining into any of your windows. Yes,

1 sir.

2 MR. SCARCELLO: But didn't you say you
3 were moving about ten feet of dirt from the west
4 side of property over to-

5 MR. DAVIS: Yes, sir.

6 MR. SCARCELLO: So, so the elevation-

7 MR. DAVIS: Yes, sir. A part of the
8 program that we - that are done with these
9 facilities is to insure that there is zero light
10 shed at the lot, so the parking - the lot poles
11 that would be on the back drive will face the store
12 and they will have the cut-off shields that directs
13 this light away from the residences.

14 Since this would address those concerns
15 like that, I really encourage to go check out that
16 facility, not that, you know, it will be anything
17 identical; but those types of elements are what we
18 would expect and I think what the City should
19 expect from us to provide for this sort of
20 facility, you know adequate landscape screen.

21 You'll notice, initially, that there's
22 a lot of plantings that are smaller. Two to three
23 inch caliber trees grow much quicker than a four or
24 five inch tree. So you'll see with a lot smaller
25 landscaping that in matter of five years, it's

1 really going to grow up to give a nice buffer
2 between Amber Meadows and the Highland Plaza
3 Center.

4 So again, just as a point of reference,
5 that development that we've done is adjacent to
6 residential property. You can drive through the
7 streets and see some of the issues that have been
8 addressed as far as the traffic calming. Probably
9 a very similar situation to what you experience
10 here, so anyone with concerns, please check that
11 out.

12 MS. BARTON: Sir, I've got to ask you,
13 what's your name, again?

14 MR. SCARCELLO: Chris Scarcello.

15 MS. BARTON: Okay. Thanks.

16 MR. BRANNLUNN: Tim Brannlunn. Quick
17 question. Can someone elaborate on this, I'm
18 calling it water retention pond, at the southeast
19 corner of that roundabout. Is that an open faced
20 retention? Is that submersible? What's done about
21 odor?

22 UNKNOWN MALE: It is a dry basin as this
23 particular point. It's approximately eight feet in
24 depth. We've got added capabilities to basically
25 maybe put a water feature in it so it does have a

1 normal pool. At this particular point in time, we
2 haven't done that. We can expand on that if we
3 have funds, but at this point it's just a dry basin
4 that's approximately eight feet deep and it has a
5 discharge.

6 MR. BRANNLUNN: So by dry basin, it's
7 open?

8 UNKNOWN MALE: It's open.

9 CHAIRMAN MEYER: Do the Commissioners
10 have any other considerations that we ought to make
11 during the public session before we close it and go
12 into a closed session to make our final
13 deliberations with regards to the resolutions?
14 Okay, seeing no further comments, then we'll close
15 the public session. I thank you for all of your
16 comments this evening and thank you for your time
17 this evening, and we'll go into the closed session
18 at this point.

19 UNKNOWN MALE: This can't be a closed
20 session.

21 MR. LARSON: No.

22 UNKNOWN MALE: It's not a closed session.

23 MR. LARSON: No. You're talking about
24 closing the hearing, closing the public hearing.

25 CHAIRMAN MEYER: Yes, yes, yes, yes.

1 MR. LARSON: But the vote will be taken
2 in public.

3 CHAIRMAN MEYER: Yes.

4 MR. WOOD: But we still continue to
5 deliberate-

6 UNKNOWN MALE: Yes.

7 UNKNOWN MALE: But we've got to shut up.

8 CHAIRMAN MEYER: Okay. We have a
9 resolution before us. Are there - does somebody
10 want to put the resolution, if you will, on the
11 table for consideration?

12 MR. RECKRODT: What's the process for
13 accomplishing this and at the same time, adding
14 amendments?

15 CHAIRMAN MEYER: I think we need to be -
16 yes?

17 MR. WOOD: Let me just suggest that if
18 you want to make additional recommendations over
19 what is already in the proposed resolution, then
20 why don't you make individual motions to add
21 proposed language - make a motion to add that to
22 the resolution-

23 CHAIRMAN MEYER: Before putting the
24 resolution-

25 MR. WOOD: Before you vote on the

1 resolution as a whole. So as an example, under
2 Section 2B, I brought language to deal with the
3 proposed school district compensation issue. Let
4 me read that into the record and if somebody wants
5 to make a motion to add that to the resolution,
6 they can do that.

7 The language would be under 2B,
8 "Approve the TIF Plan conditioned upon the TIF Plan
9 be amended prior to approval by the Board of
10 Aldermen to require annual capital contributions to
11 the Kearney R-I School District in an amount
12 consistent with the formula proposed by the City's
13 financial consultant to provide reimbursement to
14 the District for additional capital costs incurred
15 as a result of the TIF Plan." If somebody would
16 like to make a Motion to add that to the
17 resolution?

18 DR. NICELY: You had indicated previously
19 that that could either be made now or at a later
20 date. Is that correct? Did you say that?

21 MR. WOOD: That what could be made?

22 DR. NICELY: That motion. We could
23 either do that tonight or at another date. Did I
24 misunderstand what you meant?

25 MR. WOOD: Well, the TIF Commission will

1 not have another opportunity to make that
2 recommendation, so if you're going to do it, you
3 need to add it to this resolution. If you don't
4 make that recommendation, then what's going to
5 happen is is the TIF Plan - the developer is
6 probably not going to amend the TIF Plan and the
7 Board of Aldermen could impose that condition on
8 them, but then we would have to amend the TIF Plan
9 at that point and it would delay the project
10 further.

11 DR. NICELY: Thank you. So moved.

12 MR. MEINERT: Second.

13 COURT REPORTER: Who seconded? I didn't
14 see the - I saw lots of seconds. Okay. Thank you.

15 MR. MEINERT: I did.

16 CHAIRMAN MEYER: Is there discussion
17 associated with the motion on the table?

18 MR. POTTER: I just want to explain the
19 vote that I'm about to make, because I will vote no
20 on this, but the main reason that I'm voting no is
21 that generally speaking, the other taxing entities
22 don't like the idea of stripping off taxing
23 entities.

24 We feel like if you're going to make a
25 capital contribution to the school district, you

1 should have talked to making a capital contribution
2 to the library district, to the fire district, to
3 the blind workshop, to et cetera, et cetera.
4 Although I think it's an admirable thing, it's one
5 of the things that several of the other taxing
6 entities have advised me that they would prefer I
7 vote no on. So I just wanted to explain myself and
8 make sure everyone understands that I have nothing
9 against the kids.

10 CHAIRMAN MEYER: Other comments? Any
11 other discussion associated with this motion?
12 Seeing none, all in favor say aye?

13 (All said aye except Mr. Potter.)

14 CHAIRMAN MEYER: Opposed?

15 MR. POTTER: No.

16 CHAIRMAN MEYER: The Motion passes.

17 MR. WOOD: So if there are other
18 additions you want to make to the resolution, you
19 can just follow that same process to add them onto
20 there.

21 MR. RECKRODT: Except for we don't have a
22 prewritten statement by Rich to do that.

23 MR. WOOD: I can help you draft one.

24 MR. RECKRODT: Alright, well, I'm going
25 to hold you to that. I've got a couple of other

1 things. I'm going to try and get this right, but,
2 Rich, we're going to lean on you. The first one
3 deals with traffic. "Investigate the traffic
4 issues on Regency Drive on 19th Street to 92
5 Highway, recommend traffic calming measures as
6 defined by the traffic engineer all along and on
7 Regency Drive that will be provided by the
8 developer."

9 MR. WOOD: Did you write that out by
10 chance?

11 MR. RECKRODT: I did.

12 MR. WOOD: Okay. Can maybe Chase and I
13 look at the change?

14 MR. RECKRODT: Sure.

15 CHAIRMAN MEYER: There is a-

16 MR. RECKRODT: And then I've got another
17 one -

18 CHAIRMAN MEYER: There is a motion on the
19 table, do I hear a second?

20 MR. MEINERT: Mr. Chairman, I just
21 recommend that we give them just a second to look
22 at that change before we - otherwise, we might end
23 up doing this twice for one word.

24 CHAIRMAN MEYER: No changes?

25 MR. WOOD: I'm okay with it.

1 CHAIRMAN MEYER: Okay. Do I hear a
2 second?

3 MR. BROWN: Second.

4 UNKNOWN: I'll second it.

5 COURT REPORTER: Okay, which one? Okay.
6 There were two of you.

7 CHAIRMAN MEYER: I'll open this up for
8 discussion, this particular Motion. Any discussion
9 from the Commissioners associated with this?
10 Seeing none, all in favor say aye.

11 (All said aye.)

12 CHAIRMAN MEYER: Opposed? Motion passes.
13 Okay, Ron, you're on a roll.

14 MR. RECKRODT: Storm water. This is the
15 one I'm really going to need help on. "The City
16 will insure that storm water runoff performance
17 criteria will be met during the redevelopment
18 project life or further pay as you go payments
19 shall be withheld until time as such performance
20 criteria have been met." I didn't finish that yet,
21 but I'll hand this to our counsel and let them look
22 at it. It's the second one.

23 MR. WOOD: Let me say, first of all, this
24 is something that would probably need to be
25 addressed in the TIF contract, and I think the

1 initial concerns on the language would be - you use
2 the words storm water runoff performance, which
3 implies that you're really talking about
4 performance over the life, you know, whatever the
5 life of the improvements are instead of just making
6 sure that the appropriate standards are met up
7 front when it's constructed. So that's one
8 concern.

9 And I guess the other concern, when we
10 say further pay as you go payments, are we talking
11 about withholding reimbursement for just those
12 improvements? Is that the intent of that language?

13 MR. RECKRODT: No. I think the intent
14 was, at least from my perspective in writing that
15 was all pay as you go.

16 MR. WOOD: Just the TIF reimbursement-

17 MR. RECKRODT: The intent there is that's
18 it's never going to be invoked, obviously. The
19 second item to think about is this is a
20 recommendation to the City Council.

21 MR. WOOD: That's correct.

22 MR. RECKRODT: Their language may-

23 MR. WOOD: It would be-

24 MR. RECKRODT: Polish that.

25 MR. WOOD: -fleshed out when we

1 negotiate the TIF contract, so.

2 MR. RECKRODT: I would expect you, as
3 counsel, to let us know if we can't do that. Or if
4 the City can't do it.

5 MR. WOOD: Well, I-

6 MR. SIMMONS: Mr. Chairman, can I say one
7 thing? I don't want to-

8 CHAIRMAN MEYER: Yes.

9 MR. SIMMONS: We'll certainly work on
10 this language. It will have to be in the TIF
11 agreement. Here's the challenge. You may have
12 heard just a moment of this. This property is 5
13 percent of the watershed. And so there is 95
14 percent of what's going on that could change
15 downstream conditions. So it's going to be very
16 challenging for us to draft something that is in -
17 I mean we want to agree with the sentiment and
18 absolutely, we want to make sure that our storm
19 water system is functioning over the life of the
20 project, but taking responsibility, perhaps, under
21 language that is maybe too broad, for the other 95
22 percent of what's going is what we need to - so
23 with that understanding that we're going to work
24 towards that-

25 CHAIRMAN MEYER: Well, I'd suggest some

1 changes to that then and I'd suggest that we write
2 it in such a way that it reflect performance
3 criteria that this runoff management system has to
4 meet and that can be measured, and if that runoff
5 management system doesn't meet that criteria, then
6 the developer is required to bring it up to the
7 agreed upon standard to meet that criteria. It
8 absolutely can be measured from the discharge
9 facility.

10 And I'm not in agreement with it being
11 just something that is just, you know, on day one,
12 because you're going to be developing that property
13 over the course of five or six years.

14 MR. SIMMONS: That part, we don't have
15 any problem with. And maintaining what we put in,
16 that it functions, we don't have any problem with.
17 It's being responsible for the other 95 percent of
18 what might happen, that's-

19 CHAIRMAN MEYER: And I don't think that's
20 what we're asking for.

21 MR. RECKRODT: I don't thinks that's - I
22 know that's not intent, at least by what I offered.
23 It's just what you control, the 5 percent.

24 CHAIRMAN MEYER: Will would you be in
25 agreement that it needs to be a performance

1 agreement. It has to meet certain criteria.

2 MR. SIMMONS: As long as those-

3 CHAIRMAN MEYER: And those-

4 MR. RECKRODT: Objectable, not
5 subjective, but objective.

6 MR MEYER: And if they are not met, the
7 developer has to bring it up to that standard at
8 his own cost.

9 MR. RECKRODT: This is by way of a
10 recommendation for our next step is City Council
11 would have to formalize all this. The City has to
12 formalize this through the contract.

13 CHAIRMAN MEYER: No. I understand, but
14 I-

15 MR. RECKRODT: But that's where I was
16 going.

17 CHAIRMAN MEYER: Yeah, but you were
18 taking all the TIF money away though, basically
19 versus dealing with it from a perspective of
20 bringing it up to that standard.

21 MR. RECKRODT: It's incentive to fix it,
22 if something isn't working.

23 CHAIRMAN MEYER: Exactly. Do you have
24 something that we can read?

25 MR. WOOD: This may be too vague.

1 CHAIRMAN MEYER: Okay. Go ahead.

2 MR. WOOD: How about just, "City will
3 insure that long term storm water maintenance
4 standards are imposed in the TIF."

5 COURT REPORTER: Could you repeat that, I
6 couldn't hear.

7 MR. WOOD: Yes. "City will insure that
8 long term storm water maintenance standards are
9 imposed in the TIF." Is that not going far enough?

10 CHAIRMAN MEYER: I don't think it does
11 due to the fact that the developer isn't required
12 to remediate any deficiencies at his own expense.

13 MR. WOOD: Well, I think the maintenance
14 standards - well, that's what those would be. We
15 can make that more clear.

16 CHAIRMAN MEYER: I just want to be clear
17 on our part what we as Commissioners are talking
18 about and as we address this with the City Council.

19

20 MR. WOOD: Okay. How about, "City will
21 insure that long term storm water maintenance
22 standards are imposed in the TIF contact, including
23 appropriate enforcement provisions."

24 UNKNOWN MALE: I'll go with that.

25 CHAIRMAN MEYER: Read it one more time-

1 MR. WOOD: Okay.

2 CHAIRMAN MEYER: -so that we know what
3 we're considering.

4 COURT REPORTER: Louder, I can't hear.
5 I've got stuff going on over here.

6 MR. WOOD: "The City will insure that
7 long term storm water maintenance standards are
8 imposed in the TIF contract, including appropriate
9 enforcement provisions."

10 UNKNOWN MALE: That's vague.

11 CHAIRMAN MEYER: That's been made in the
12 form of a motion, correct?

13 UNKNOWN MALE: That's very vague.

14 MR. RECKRODT: I will made that a motion.

15 CHAIRMAN MEYER: Okay. Do I hear a
16 second?

17 MR. MEINERT: Second.

18 CHAIRMAN MEYER: Alright. Is there
19 discussion that the Commissioners have with regards
20 to this motion that is on the table? All in favor,
21 say aye.

22 (All said aye.)

23 CHAIRMAN MEYER: Opposed? Okay. The
24 Motion passes. Are there any other motions that
25 the TIF Commissioners want to bring to the table

1 associated with the resolution that we have before
2 us?

3 MR. POTTER: I'm not sure how other
4 people feel about this, but one of the things that
5 we get involved with that certainly has been true
6 with the Liberty Triangle - I've been involved with
7 that since it started - is once a program like this
8 gets underway, we want to get it going and get it
9 paid off and get it back on the tax rolls before it
10 turns into Bannister Mall, if you will. I mean 23
11 years ago, Bannister Mall was brand new and
12 thriving and look at it now. It certainly does me
13 no good in my taxing jurisdiction.

14 So what I would like to do if people
15 are comfortable with this is put in some sort of
16 language obviously in the contract that says that
17 the TIF will last no longer than 23 years, but what
18 I would like to do is encourage the City Council to
19 encourage the developer to bring all the properties
20 on the tax rolls in less than 23 years. And I
21 would ask for guidance.

22 MR. LARSON: Well you're proposing
23 nineteen years.

24 MR. SIMMONS: Our projections are
25 nineteen years; the authorization is 23 and there's

1 a - there's some sort of mechanism. In the plan,
2 there's a cut off of interest payments if it were
3 to go past the nineteen year projection. That's
4 the one little wrinkle that's kind of unusual on
5 this plan.

6 MR. POTTER: I would like to see the City
7 Council ask that this be a nineteen year TIF as
8 opposed to a 23 and, if it's not - I mean, if it
9 looks like it is not going to happen, then, of
10 course, we could back and amend the TIF, amend the
11 ordinance and make it, give them the additional
12 time.

13 MR. SIMMONS: But that's not what was
14 proposed.

15 MR. WOOD: Just so you know, we did look
16 at different ways that we could hold the developer
17 to their nineteen year projections, because they
18 initially came in and said, you know, "We think
19 this is going to be nineteen years, but we'd like
20 to go 23 if we could."

21 We looked at various ways that we could
22 hold them to that and that is what we came up with.
23 We turned the interest repayment off. That creates
24 the motivation to get repaid within the nineteen
25 years or they lose their interest, of course.

1 MR. SIMMONS: One other little piece of
2 history, and I won't go into the fact that there's
3 plenty of motivation to get this done as quickly as
4 possible. Another suggestion that Molly may have
5 made was to add a transportation development
6 district tax to maybe a smaller amount so that it
7 would pay off faster, use that to retire the TIF
8 debt. And obviously, if you look at it on a
9 spreadsheet, great, we would go do that. The
10 question is do we start to get in a tax rate that
11 is not consistent with the surrounding areas.

12 So we haven't completely discounted
13 that, but for now, we're resisting that until we
14 get more feedback from our retailers. So our
15 interest is alive, but the proposal that is in the
16 TIF plan is the interest is paid off - or is cut
17 off after nineteen years, but otherwise, it is a
18 full 23 authorization.

19 MR. POTTER: 23 years is a really long
20 time and I think one of the concerns that we have
21 in some of our other jurisdictions is that - and
22 although Kearney's been great and I've said this
23 many times, the two TIF's that you guys have done,
24 if I were on the Commission, I probably only would
25 have had half of the questions I had tonight and I

1 definitely would have been voting yes on both of
2 them.

3 But we don't know what is going to
4 happen in 23 years. And one of the things that we
5 know from other jurisdictions is that as long as
6 they've got that clock out there - well this TIF,
7 it's all paid off after fifteen years, we've still
8 got 23 years, so let's add something new. And they
9 will amend the TIF. And they keep amending the TIF
10 and the taxing jurisdictions don't get their money.

11 A great example of that is Jackson
12 Drive in Independence. They keep amending the TIF
13 so they can build more of the road. It's just a
14 long time and I'm not sure if all of us will be
15 here sitting around in nineteen years to know that
16 that's what-

17 CHAIRMAN MEYER: We'll be old by that
18 time.

19 MR. LARSON: Somebody else amending it.

20 MR. SIMMONS: One thing to that point
21 that would be consistent with what we had proposed
22 and with that particular concern, maybe your
23 concern is broader, that adding projects that would
24 extend the life of the TIF could be prohibited
25 unless you amend the TIF back to the TIF

1 Commission.

2 That would certainly address that
3 particular concern if the idea is it pays off
4 quickly, we're twelve, thirteen years down the road
5 and then someone view a pot of money being there
6 and let's go to the well again.

7 MR. POTTER: Right, because that pot of
8 money belongs to the taxing entity at that point.

9 MR. SIMMONS: Certainly if they extend
10 the plan, it's not going to-

11 CHAIRMAN MEYER: So do you have a motion
12 to make?

13 MR. POTTER: I like what you just said. I
14 mean, I can-

15 MR. SIMMONS: It is probably in there,
16 but if it's not we-

17 UNKNOWN FEMALE: Can you say that again?

18 MR. SIMMONS: What I was saying was
19 without coming back to the TIF Commission, adding
20 additional project costs that would extend the life
21 of the TIF would be prohibited.

22 CHAIRMAN MEYER: Is that what your motion
23 is?

24 MR. POTTER: So moved.

25 CHAIRMAN MEYER: Do I hear a second?

1 DR. NICELY: Second.

2 COURT REPORTER: Who seconded, again?

3 Okay, thank you.

4 CHAIRMAN MEYER: Discussion associated
5 with the motion that's on the table?

6 MR. POTTER: Thank you very much.

7 DR. NICELY: I believe that's already in
8 there.

9 UNKNOWN: We'll make sure.

10 CHAIRMAN MEYER: Any other further
11 discussion associated with this motion? All in
12 favor say aye.

13 (All said aye.)

14 CHAIRMAN MEYER: Opposed? The Motion
15 passes. Any other motions, considerations with
16 regards to the resolution before we vote on the
17 resolution? Seeing none, does someone want to
18 basically bring that resolution to the floor, which
19 includes the motions that we put into this? Do I
20 hear a motion to bring that resolution to the
21 table?

22 MR. MEINERT: I make the Motion.

23 CHAIRMAN MEYER: Okay. Do I hear a
24 second on the motion?

25 MR. RECKRODT: Second.

1 CHAIRMAN MEYER: Is there further
2 discussion with regards to the motion as presented?
3 Seeing none-

4 MR. LARSON: Mr. Chairman, may I call for
5 a roll call vote?

6 CHAIRMAN MEYER: Okay. Then we'll start
7 over here.

8 DR. NICELY: Yes.

9 MR. THOMAS: Yes.

10 MR. MEINERT: Yes.

11 MR. BROWN: Yes.

12 MR. RECKRODT: Yes.

13 MS. BARTON: Down on this end? No.

14 MR. LARSON: No.

15 MR. POTTER: No.

16 CHAIRMAN MEYER: And then the Chairman
17 votes yes. So the motion is passed. Any other
18 further consideration in terms of new business?
19 Seeing none, do I have a motion to adjourn?

20 MR. RECKRODT: Motion to adjourn.

21 UNKNOWN MALE: Second.

22 (WHEREIN, the Hearing is concluded at
23 11:30 p.m.)

24

25

1 CERTIFICATE OF REPORTER

2

3 STATE OF MISSOURI) ss:

4 COUNTY OF CLAY)

5

6 I, JANET H. WIMER, Certified Court
7 Reporter, the officer before whom the foregoing
8 meeting was taken, do hereby certify that the
9 testimony in said meeting was taken by me to the
10 best of my ability and thereafter reduced to
11 typewriting under my direction; that I am neither
12 counsel for, related to, nor employed by any of the
13 parties to the action in which this meeting was
14 taken, and further, that I am not a relative or
15 employee of any attorney or counsel employed by the
16 parties thereto, nor financially or otherwise
17 interested in the outcome of the action.

18

19

20

Notary Public in and for
the State of Missouri

21

22

23

24 My Commission Expires: 9/29/11

25