

PUBLIC MEETING NOTICE
MEETING OF THE BOARD OF DIRECTORS OF THE KANSAS CITY
DOWNTOWN STREETCAR TRANSPORTATION DEVELOPMENT DISTRICT

TUESDAY, FEBRUARY 22, 2022, AT 4:00 P.M.
FINANCE SMALL CONFERENCE ROOM, 3RD FLOOR (EAST SIDE), CITY HALL
414 EAST 12TH STREET, KANSAS CITY, MISSOURI 64106

A meeting of the Board of Directors of Kansas City Downtown Streetcar Transportation Development District will take place on Tuesday, February 22, 2022, beginning at 4:00 pm, in the Finance Small Conference Room on the 3rd Floor (East Side) of Kansas City City Hall, 414 East 12th Street, Kansas City, Missouri 64106.

Members of the Board may attend this meeting via Zoom using the link below. Any closed session may be held via exclusive videoconference or telephone conference. Persons desiring to view and participate in the open meeting may attend in person or may participate remotely via Zoom using the link below.

<https://us02web.zoom.us/j/81119401551?pwd=Y2xXbkQ4K3Y5dmFFaW5aOGdtUVIwQT09>

Meeting ID: 811 1940 1551 Passcode: 462004

One tap mobile:

+13017158592,,81119401551#,,, *462004# US (Washington DC)

+13126266799,,81119401551#,,, *462004# US (Chicago)

Meeting ID: 811 1940 1551 Passcode: 462004

AGENDA

- A. Call to Order.
- B. Acknowledgment of Replacement of Director Glynn with Director Hermann by Operation of Law
- C. Consideration of a Resolution Approving Minutes from the Board of Directors Meeting of March 9, 2021 (Resolution No. 2022-1).
- D. Consideration of a Resolution Electing a Chairman and Appointing a Vice-Chairman, Secretary, Treasurer and Executive Director as the officers of the District (Resolution No. 2022-2).
- E. Financial Update.
- F. Consideration of a Resolution Approving a Proposed Annual Budget for the Fiscal Year 2022-2023 (Resolution No. 2022-3).
- G. Discussion Regarding Status of Streetcar Extension Projects.
- H. Other Business.
- I. Adjournment.

Pursuant to Section 610.021.1 of the Revised Statutes of Missouri, there may be a closed session to discuss legal matters, litigation, or privileged communications with attorneys.

This is an open meeting and the public is invited to observe and attend the meeting excluding any portion conducted in closed session. **Any person with a disability desiring reasonable accommodation to attend this meeting should contact the City's 311 Action Center at (816) 513-1313 at least 24 hours prior to the meeting.**

**KANSAS CITY DOWNTOWN STREETCAR
TRANSPORTATION DEVELOPMENT DISTRICT**

RESOLUTION NO. 2022-1

**RESOLUTION OF KANSAS CITY DOWNTOWN STREETCAR TRANSPORTATION
DEVELOPMENT DISTRICT APPROVING MINUTES FROM THE MARCH 9, 2021
MEETING OF THE BOARD.**

WHEREAS, Kansas City Downtown Streetcar Transportation Development District (the “**District**”) was established by Order of the Jackson County Circuit Court on August 2, 2012;

WHEREAS, the Board of Directors of the District (the “**Board**”) held a meeting on March 9, 2021; and

WHEREAS, the Board desires to approve the minutes of its meeting on March 9, 2021.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kansas City Downtown Streetcar Transportation Development District, as follows:

1. The Board hereby approves the minutes of the meeting of the District’s Board on March 9, 2021, attached hereto as **Exhibit A**.
2. This Resolution shall take effect immediately.

PASSED by the Board of Directors of Kansas City Downtown Streetcar Transportation Development District on February 22, 2022.

Hon. Quinton Lucas, Chairman

EXHIBIT A

See Attached

**KANSAS CITY DOWNTOWN STREETCAR
TRANSPORTATION DEVELOPMENT DISTRICT**

**MINUTES OF THE MEETING OF
THE BOARD OF DIRECTORS OF THE DISTRICT
MARCH 9, 2021**

A meeting of the Board of Directors (the “Directors” or “Board”) of the Kansas City Downtown Streetcar Transportation Development District (the “District”) was held on Tuesday, March 9, 2021, commencing at 4:30 p.m., in the Finance Small Conference Room, 3rd Floor (East Side), City Hall, 414 East 12th Street, Kansas City, Missouri 64106, after giving due notice.

The following Directors were present via videoconference open to the public: Mayor Quinton Lucas (who arrived later during the meeting), Matthew Staub, Phil Glynn and Lynn Carlton. Also present via videoconference were Brian Platt, City Manager for Kansas City, Missouri (the “City”), Eluard Alegre, Assistant City Attorney for the City, John Stamm, Chief of Staff of the City (who arrived later during the meeting), Tom Gerend, Executive Director of the Kansas City Streetcar Authority, Mark Coulter, Vice President and General Counsel of Port KC, Doug Stone of Lewis Rice, LLC, Charles Miller of Lewis Rice, LLC, and Denise Goodson of Lewis Rice, LLC. Present in person were Mari Ruck, Commissioner of Revenue for the City, LaShena Graham-Hayes of the Commissioner of Revenue’s office, and Tammy Queen, Executive Director of the District. In the initial absence of Mayor Lucas, Mr. Staub requested Mr. Stone to conduct the meeting. Mr. Stone recognized that a quorum of the Board was present and called the meeting to order.

The Directors first considered Resolution 2021-1, acknowledging the substitution by Port KC of its Designated Director, acknowledging the Oath of Office executed by Ms. Carlton as Director, removing Jeff Krum as Treasurer of the District and appointing Ms. Carlton as Interim Treasurer in Mr. Krum’s stead. Mr. Stone discussed the specifics of the Resolution and upon the conclusion of which, Mr. Glynn moved to approve Resolution 2021-1. Mr. Staub seconded the motion. A vote was held, and the Directors unanimously adopted Resolution 2021-1.

The Directors next considered Resolution 2021-2, approving minutes from the September 30, 2020 Board meeting. Mr. Staub moved to approve Resolution 2021-2. Mr. Glynn seconded the motion. A vote was held, and the Directors unanimously adopted Resolution 2021-2.

Next, Ms. Queen introduced Ms. Graham-Hayes, who then presented a brief financial update. Sales tax revenue is down. The Streetcar Fund will be receiving \$1.6 million in additional Federal funding under the Cares Act to help offset the tax revenue loss. However, the \$1.6 million will not be included in the financials until actually received. Mr. Gerend noted that it is an allocation from a regional grant, and that there is a second grant under discussion that could result in an allocation. Ms. Queen discussed the status of reserves, noting that there are significant reserves which allow for a reasonably comfortable position as operations continue to underperform presumably temporarily. Ms. Queen explained the two reserves built into the Project, and the different uses for such reserves allowed under the Cooperative Agreement. Mr. Stone noted the existing \$6 million - \$7 million budget surplus would be used before the need to withdraw from any reserve account.

At this point, Mr. Stamm then joined the meeting via videoconference.

Mr. Glynn then asked about the Debt Service line item in the financial report as regards possible reserve usage. Ms. Queen responded that the particular line item referenced annual debt service and that the \$1.6 million to be received from the Federal Government should keep the City from having to access the reserves.

Ms. Queen then requested Mr. Stone discuss the current status of the Commerce Tower Place litigation. Mr. Stone reported that the suit is still lingering, and was continued again at the most recent status conference.

Mr. Stone next discussed the need to reduce the Sales Tax Levy Rate, all Special Assessment Levy Rates and the Surface Parking Assessment Rate to zero as part of the transition to the Kansas City Main Street Rail Transportation Development District (the "Extension TDD"), and the Resolutions prepared to effectuate such reductions. Mr. Stone explained the possibility of including language to allow for increasing these rates, should there be a need to do so, if the rates charged by the Extension TDD are reduced from the maximum allowed at a future point.

Mayor Lucas then joined the meeting via videoconference.

Discussion ensued as to whether the language proposed by Mr. Stone should be included in the rate reduction Resolutions, through which discussion it was decided to not include such language in either Resolution. Mr. Straub then moved to approve Resolution 2021-3, reducing the District's Sales Tax Levy Rate to Zero Percent (0.00%), without inclusion of the proposed language discussed. Mr. Glynn seconded the motion. A vote was held, and the Directors unanimously adopted Resolution 2021-3.

Mr. Staub then moved to approve Resolution 2021-4, reducing the all of the District's Special Assessment Rates and Surface Parking Assessment Rate to Zero Percent (0.00%), again without inclusion of the proposed language discussed. Mr. Glynn seconded the motion. A vote was held, and the Directors unanimously adopted Resolution 2021-4.

There being no further business, a motion was made to adjourn the meeting. Mayor Lucas seconded. A vote was held and the Directors present unanimously voted to adjourn the meeting.

Respectfully submitted

Douglas Stone, District Counsel

**KANSAS CITY DOWNTOWN STREETCAR
TRANSPORTATION DEVELOPMENT DISTRICT**

RESOLUTION NO. 2022-2

**RESOLUTION OF KANSAS CITY DOWNTOWN STREETCAR TRANSPORTATION
DEVELOPMENT DISTRICT ELECTING/APPOINTING OFFICERS OF THE DISTRICT.**

WHEREAS, the Bylaws of the Kansas City Downtown Streetcar Transportation Development District (the “**District**”) require the District’s Board of Directors (the “**Board**”) to elect a chairman, and appoint an executive director, secretary, and treasurer, and such other officers or employees as it deems necessary; and

WHEREAS, the Board desires to elect a chairman, and appoint a vice-chairman, secretary, treasurer and executive director as the officers of the District in accordance with the Bylaws who shall have the powers and duties described in the Bylaws.

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kansas City Downtown Streetcar Transportation Development District, as follows:

1. Quinton Lucas is elected Chairman of the District;
2. Matthew Staub is appointed Vice-Chairman of the District;
3. Deb Hermann is appointed Secretary of the District;
4. Lynn Carlton is appointed Treasurer of the District; and
5. Tammy Queen is appointed Executive Director of the District.
6. Each officer of the District shall exercise those powers and perform those duties as set forth in the Bylaws of the District.
7. Each officer of the District elected or appointed above shall serve for a term of one year and until his or her successor has been duly appointed.
8. This Resolution shall take effect immediately.

PASSED by the Board of Directors of Kansas City Downtown Streetcar Transportation Development District on February 22, 2022.

Hon. Quinton Lucas, Chairman

**KANSAS CITY DOWNTOWN STREETCAR
TRANSPORTATION DEVELOPMENT DISTRICT**

RESOLUTION NO. 2022-3

**RESOLUTION OF KANSAS CITY DOWNTOWN STREETCAR TRANSPORTATION
DEVELOPMENT DISTRICT APPROVING PROPOSED ANNUAL BUDGET FOR THE
FISCAL YEAR 2022-2023.**

WHEREAS, the Kansas City Downtown Streetcar Transportation Development District (the “**District**”) is required to adopt an annual budget for the operation of the District;

WHEREAS, the Executive Director of the District has prepared a proposed annual budget that has been reviewed by the Board; and

WHEREAS, the District desires to adopt the proposed annual budget for the operation of the District with respect to the District’s fiscal year 2022-2023 (ending April 30, 2023) (“**FY 2023**”).

NOW, THEREFORE, BE IT RESOLVED by the Board of Directors of the Kansas City Downtown Streetcar Transportation Development District, as follows:

1. The District hereby adopts as its annual Budget with respect to FY 2023, the Budget attached hereto as **Exhibit A**.
2. The Executive Director of the District is directed to provide to the City Clerk of Kansas City, Missouri a copy of the District’s Budget with respect to FY 2023.
3. The District hereby appropriates all District Revenues received by the District during FY 2023 to pay to the costs and expenses reflected on the District’s Budget with respect to FY 2023.
4. This Resolution shall take effect immediately.

PASSED by the Board of Directors of Kansas City Downtown Streetcar Transportation Development District on February 22, 2022.

Hon. Quinton Lucas, Chairman

EXHIBIT A

See Attached

Transportation Development District



CITY OF
KANSAS CITY,
MISSOURI

FINANCE

FY 2022-23 Proposed Budget

	FY 2022-23 Proposed Budget	
Cash on Hand at Beginning of Fiscal Year	\$	535,000
Revenue		
Special Assessment Receipts - Prior Year*	\$	55,000
Total Revenue	\$	55,000
Expenditures		
Net Transfer to City Special Revenue Fund	\$	55,000
Legal Fees		7,500
Accounting Fees		2,500
Miscellaneous Administrative Costs		-
Total Expenditures	\$	65,000
Cash on Hand at End of Fiscal Year	\$	525,000

* Presented net of collection and assessment fees

FINANCIAL UPDATE

Transportation Development District



3 Year Results

	Actual FY 2019-20	Actual FY 2020-21	Projected FY 2021-22
Cash on Hand at Beginning of Fiscal Year	\$ 550,524	\$ 432,946	\$ 174,779
Revenue			
Sales Tax Receipts*	\$ 6,905,760	\$ 3,272,407	\$ 1,664,161
Special Assessment Receipts - Current Year **	4,929,583	4,101,897	-
Special Assessment Receipts - Prior Year***	302,381	255,316	284,818
Parking Lot Assessment Receipts	119,178	121,886	-
Interest Income	32,190	35,097	-
Total Revenue	\$ 12,289,092	\$ 7,786,603	\$ 1,948,979
Expenditures			
Net Transfer to City Special Revenue Fund	\$ 12,365,900	\$ 7,955,871	\$ 1,570,750
Legal Fees	37,540	83,454	13,000
Accounting Fees	3,230	5,349	4,900
Miscellaneous Administrative Costs	-	96	108
Total Expenditures	\$ 12,406,670	\$ 8,044,770	\$ 1,588,758
Cash on Hand at End of Fiscal Year	<u>\$ 432,946</u>	<u>\$ 174,779</u>	<u>\$ 535,000</u>

* Sales tax revenues declined significantly in FY21, due to the Covid-19 pandemic. In July 2021, the Downtown TDD ceased its 1% sale tax. The KC Main Street Rail TDD imposes a 1% sales tax for the streetcar districts.

** Special assessments are billed and collected by the KC Main Street Rail TDD.

*** Special assessments are presented net of collection and assessment fees

KC Streetcar Fund



CITY OF
KANSAS CITY,
MISSOURI

FINANCE

FY 2020-21 Results

	Budgeted FY 2020-21	Revised Estimate FY 2020-21	Actual FY2020-21
Beginning Fund Balance	\$ 7,985,805	\$ 10,253,582	\$ 10,253,582
Revenue			
TDD Sales Tax	\$ 6,666,000	\$ 2,666,400	\$ 3,493,984
TDD Special Assessments	4,646,000	4,945,000	4,489,238
TDD Parking Assessment	127,000	115,000	120,305
Advertising Revenue	240,000	240,000	100,000
Interest on Investments	200,000	200,000	319,181
Transfer (Bond Fund)	-	-	93,031
Federal Stimulus	-	-	1,600,000
City Contribution	2,039,000	2,039,000	2,039,000
Total Revenue	\$ 13,918,000	\$ 10,205,400	\$ 12,254,739
Expenditures			
Authority Operating Budget	\$ 1,328,331	\$ 1,302,630	\$ 1,328,331
Authority Operating Expenses	4,543,998	4,781,635	4,543,998
Authority Capital Expenses	825,000	435,000	825,000
Dedicated City Employee Costs**	200,000	325,000	235,454
Streetcar Vehicle Procurement*	-	795,568	319,420
Lease Payment	577,195	577,195	574,194
Debt Service	4,721,831	4,587,987	4,584,235
Total Expenditures	\$ 12,196,355	\$ 12,805,015	\$ 12,410,632
Ending Fund Balance	\$ 9,707,450	\$ 7,653,967	\$ 10,097,689
Unrestricted Fund Balance	\$ 9,707,450	\$ 7,653,967	\$ 10,097,689
Reserves			
Coverage Fund (.5x AADS)	\$ 2,365,594	\$ 2,365,594	\$ 2,365,594
Appropriation Stabilization Fund (1.0x AADS)	\$ 4,731,188	\$ 4,731,188	\$ 4,731,188

*Letter Agreement dated April 12, 2017, Streetcar Purchase

**Letter Agreement dated February 1, 2018, Public Works Employees

KC Streetcar Fund



CITY OF
KANSAS CITY,
MISSOURI

FINANCE

FY 2021-22 Budget

	Budgeted FY 2021-22	Revised Budget Estimate
Beginning Fund Balance	\$ 7,475,903	\$ 10,097,689
Revenue		
TDD Sales Tax***	\$ 3,500,000	\$ 4,600,000
TDD Special Assessments***	5,130,000	8,450,000
TDD Parking Assessment	115,000	136,000
Advertising Revenue	150,000	200,000
Interest on Investments	228,700	228,642
City Contribution	2,039,000	2,039,000
Total Revenue****	\$ 11,162,700	\$ 15,653,642
Expenditures		
Authority Operating Budget	\$ 1,302,630	\$ 1,677,630
Authority Operating Expenses	4,773,765	4,773,765
Authority Capital Expenses	435,000	735,000
Dedicated City Employee costs**	325,000	325,000
Streetcar Vehicle Procurement*	-	210,163
Street Car Lease Debt Service	577,195	577,195
Debt Service	4,612,095	4,828,423
Total Expenditures	\$ 12,025,685	\$ 13,127,176
Unrestricted Fund Balance	\$ 6,612,918	\$ 12,624,155
Reserves		
Coverage Fund (.5x AADS)	\$ 2,365,594	\$ 2,365,594
Appropriation Stabilization Fund (1.0x AADS)	\$ 4,731,188	\$ 4,731,188

*Letter Agreement dated April 12, 2017, Streetcar Purchase

**Letter Agreement dated January 21, 2021, Dedicated and Additional Support Costs

***Revised budget based on current results

**** Revenues do not include potential federal grants

KC Streetcar Fund



CITY OF
KANSAS CITY,
MISSOURI

FINANCE

FY 2022-23

***Budget
FY 2022-23**

Beginning Fund Balance	\$	12,624,155
Revenue		
TDD Sales Tax	\$	15,000,000
TDD Special Assessments		9,340,000
TDD Parking Assessment		115,000
Interest on Investments		160,000
Advertising Revenue		150,000
City Contribution		2,039,000
Total Revenue	\$	26,804,000
Expenditures		
Authority Operating Budget	\$	1,338,975
Authority Operating Expenses		4,884,931
Authority Capital Expenses		480,000
Dedicated City Employee costs**		325,000
Reserve Funding****		7,291,000
Debt Service***		12,271,330
Total Expenditures	\$	26,591,236
Unrestricted Fund Balance	\$	12,836,919
****Coverage Fund (.5x AADS)	\$	4,796,594
****Appropriation Stabilization Fund (1.0x AADS)	\$	9,591,188

*Finance Department estimates are subject to the approval of the City Council

**Letter Agreement dated January 21, 2021, Dedicated and Additional Support Costs

***Based on current estimates and will be revised subsequent to the debt issuance

**** Reserves increased by approximately \$7.3M as result of the new bond issuance