

WORK SESSION MINUTES – WEDNESDAY, JUNE 2, 2021

STATE OF KANSAS)
) SS
CITY OF KANSAS CITY)

The Board of Public Utilities of Kansas City, Kansas (aka BPU, We, Us, Our) met remotely in Work Session on Wednesday, June 2, 2021 at 5:00 P.M. The following Board Members were on the teleconference: Robert L. Milan, President; Mary Gonzales, Vice President; Rose Mulvany Henry, Secretary; Jeff Bryant, Thomas Groneman, and Ryan Eidson.

Also on teleconference: William Johnson, General Manager; Angela Lawson, Deputy Chief Counsel; Lori Austin, Chief Financial Officer/Chief Administrative Officer; Jeremy Ash, Executive Director Electric Operations; Steve Green, Executive Director Water Operations; Johnetta Hinson, Executive Director Customer Service; Dong Quach, Executive Director Electric Production; Jerry Sullivan, Chief Information Officer; Jerry Ohmes, Executive Director Electric Supply; Robert Kamp, IT Project Manager; Dennis Dumovich, Director Human Resources, and Patrice Townsend, Director Utility Services.

A tape of this meeting is on file at the Board of Public Utilities.

Mr. Milan called the meeting to order at 5:00 P.M.

Roll call was taken, and all Board Members were present.

Item #3 – Approval of Agenda

A motion was made to approve the Agenda by Mr. Bryant, seconded by Mr. Eidson and unanimously carried.

Item #4 – Board Updates / GM Updates

There were no updates.

Item #5 – Infill Housing Program

Mr. David Alvey, Mayor/CEO of the Unified Government, furnished a PowerPoint presentation which gave the Board information regarding vacant parcels and effects of redlining east of I- 635 along with the benefits of bringing new construction to the area. (see attached)

WORK SESSION MINUTES – WEDNESDAY, JUNE 2, 2021

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Item #6 – Waiving Water Fees East of I-635

Mr. Johnson gave the Board information regarding Resolution 5261, authorizing the waiving of water fees east of I-635 until December 31, 2023 or until certain conditions were met. He also gave information regarding Resolution 5262, authorizing the waiving of certain fees in support of the Unified Government Infill Housing Program.

Mr. Johnson answered questions from the Board.

Item #7 – Board Discussion on Customer Matters

Ms. Louise Lynch communicated with the Board regarding her request for a meeting.

Item #8 – Adjourn

A motion was made to adjourn the Work Session at 6:01 P.M. by Mr. Groneman, seconded by Ms. Mulvany Henry and carried unanimously.

ATTEST: DocuSigned by:
 Rose Mulvany Henry
732C225A5806456...
Secretary

APPROVED:
 Robert Milan
President

RESOLUTION NO: 5261

RESOLUTION AUTHORIZING THE GENERAL MANAGER OF THE KANAS CITY BOARD OF PUBLIC UTILITIES TO WAIVE WATER FEES EAST OF I-635 UNTIL DECEMBER 31, 2023 IF CERTAIN CONDITIONS ARE MET

Whereas, the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City (“BPU”), Kansas (operates the Unified Government’s electric and water utilities; and

Whereas, the Board of Directors (the Board) of the BPU has determined that it is in the best interest of our community for the BPU to support targeted economic development incentives; and

Whereas, the Unified Government has made it a priority encourage development of land bank residential properties and is encouraging residential construction on said properties so they will increase the tax base of the Unified Government; and

Whereas, the BPU staff will work within the framework established by this Board action to meet these goals.

Therefore, be it resolved by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas:

1) That the General Manager is authorized to waive the System Development and Tap Fees for new single-family residential construction in areas East of I-635 that previously had BPU water service lines in place.

2) The General Manager is hereby directed to update the Board annually on residential development in this area.

3) This resolution shall remain in effect until December 31, 2023.

4) The following requirements must be met in order for the General Manager to authorize waiving the fees:

- a. The residential development must be East of I-635
- b. The residential development property must have been provided residential water service by the BPU prior to its redevelopment.

- c. The redevelopment must be a single-family home or town home requiring a new 5/8-inch meter and owned by an individual. Dwellings that require a meter larger than 5/8 inch will be required to pay the total amount of the established fees.
- d. Existing water line must be of adequate size to provide domestic service and fire protection and front the property.
- e. The developer/owner of the residential development shall fund all improvements (inside and outside the development) that are required for domestic service and fire protection. The BPU shall incur no costs for these improvements.
- f. Waivers do not apply to commercial or industrial customers. Apartment complexes are considered to be commercial customers.

5) Any prior resolutions or Board motions authorizing the waiving of water fees for residential development in this area are now rescinded and terminated.

ADOPTED by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas, this 16th day of June, 2021.

BOARD OF PUBLIC UTILITIES

By: *Robert L. Milan*
Robert L. Milan, Board President

DocuSigned by:
Rose Mulvany Henry
732C225A5806456...

Attest: _____
Rose Mulvany Henry, Board Secretary

RESOLUTION NO: 5262

**RESOLUTION AUTHORIZING THE WAIVING OF CERTAIN FEES IN SUPPORT OF
THE UNIFIED GOVERNMENT INFILL HOUSING PROGRAM**

Whereas, the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City("BPU"), Kansas (operates the Unified Government's electric and water utilities; and

Whereas, the Board of Directors (the Board) of the BPU has determined that it is in the best interest of our community for the BPU to support targeted economic development incentives; and

Whereas, the Unified Government developed an Infill housing program to support development and increase the tax base of the Unified Government; and

Whereas, the BPU staff will work within the framework established by this Board action to meet these goals.

Therefore, Be it resolved by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas:

- 1) That the General Manager is authorized to provide the program incentives to developers and/or builders in the form of waiving electric and water fees for the Infill Housing Development Program created by the Unified Government.
- 2) The majority of the incentives will be targeted for East of I-635 but will also be available for some areas between I-635 and 78th Street.
- 3) BPU Permit and Connection Fees Waived for certain UG Land Bank Lots East of 78th Street to be used for residential construction of single-family homes or duplexes. The BPU waivers will be reviewed annually. Below is an example of fees that may be waived:

BPU Example:

<u>Type</u>	<u>Average Value</u>
Temporary Electric Service Fee	\$ 500
Overhead Electric Service Drop Allowance	\$ 1,000
Residential Water Tap Fee (3/4" tap)	\$ 300
Water System Development Fee (5/8" meter)	<u>\$ 2,000</u>
Average savings per home	\$ 3,800

4) The landowner or potential landowner will start the process by contacting the BPU water and electric engineering departments and completing a simple form requesting evaluation of the property. The BPU will review the current infrastructure and what makeready work is needed and the BPU will inform the potential customer what incentives will be offered. As properties have different service requirements and makeready costs the BPU is unable to provide a blanket waiver but will consider each property on an individual basis.

5) Any underground electric service will need to be reviewed separately as costs will likely be significantly higher.

6) To qualify the water service will be no larger than 3/4" and the meter size of 5/8".

7) This resolution shall remain in effect until December 31, 2023. The General Manager is hereby directed to update the Board annually on residential development in these areas.

ADOPTED by the Board of Directors of the Board of Public Utilities an administrative agency of the Unified Government of Wyandotte County/Kansas City, Kansas, this 16th day of June, 2021.

BOARD OF PUBLIC UTILITIES

By: *Robert L. Milan*
Robert L. Milan, Board President

DocuSigned by:
Rose Mulvany Henry
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Attest: _____
Rose Mulvany Henry, Board Secretary



KCK MOMENTUM

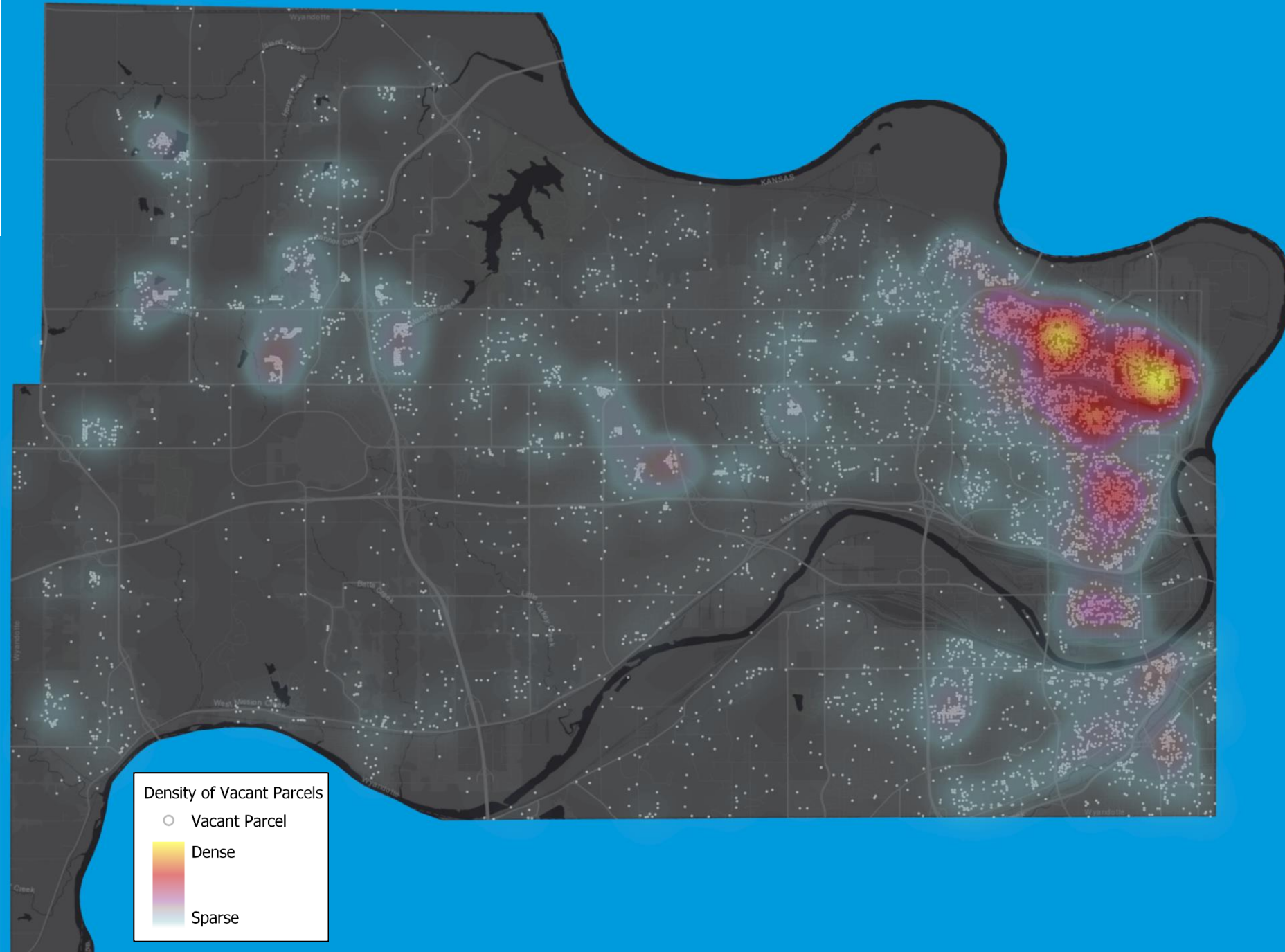
Adding Housing and Residents

VACANT PARCELS AND EFFECTS OF REDLINING

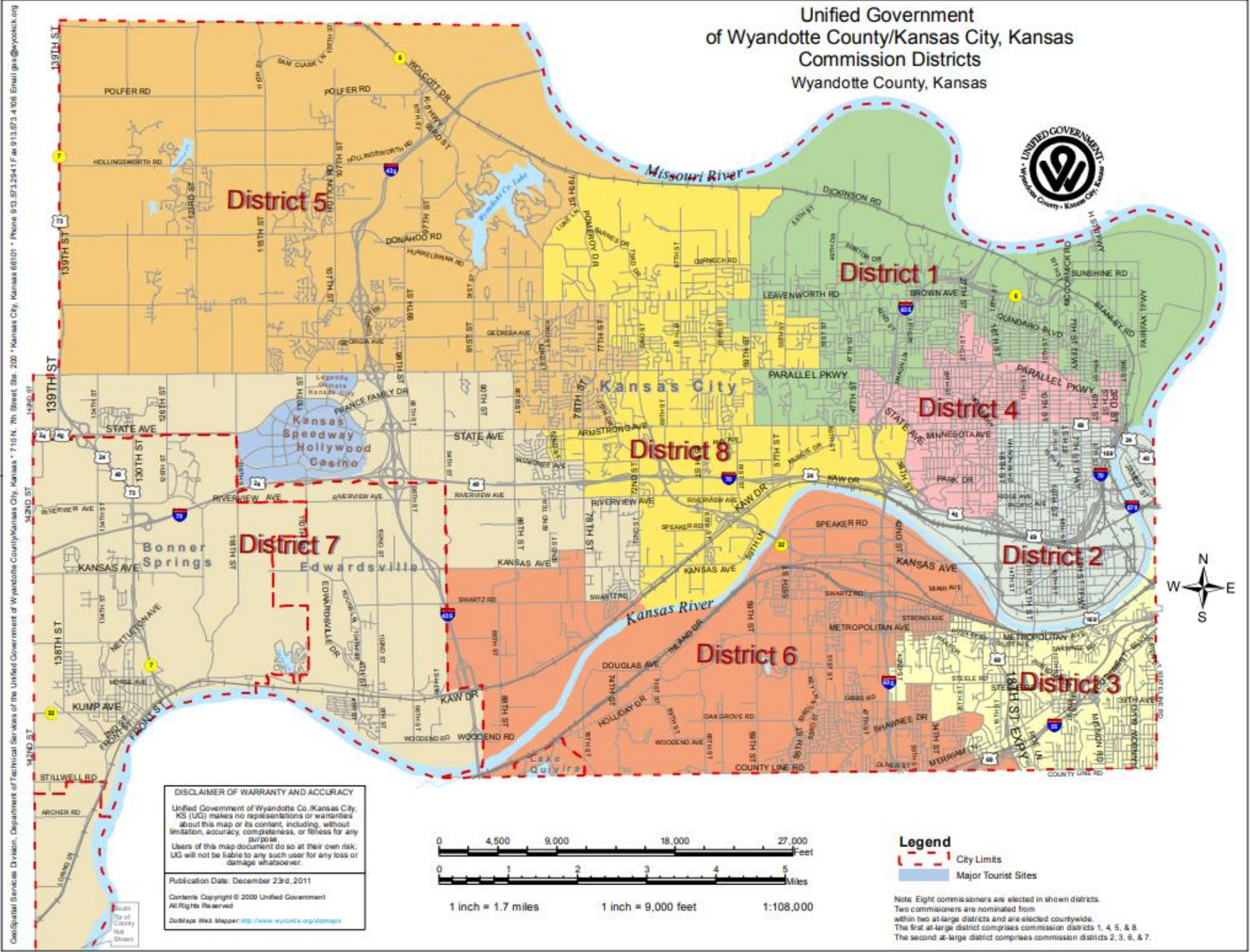
VACANT STRUCTURES AND LOTS

LOTS
DECREASE
VALUE OF
PROPERTIES
WITHIN 500FT

6.5%

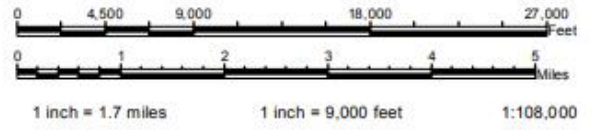


Unified Government
of Wyandotte County/Kansas City, Kansas
Commission Districts
Wyandotte County, Kansas



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 Drafting Web Mapper: <http://www.wyockick.org/draftmap>



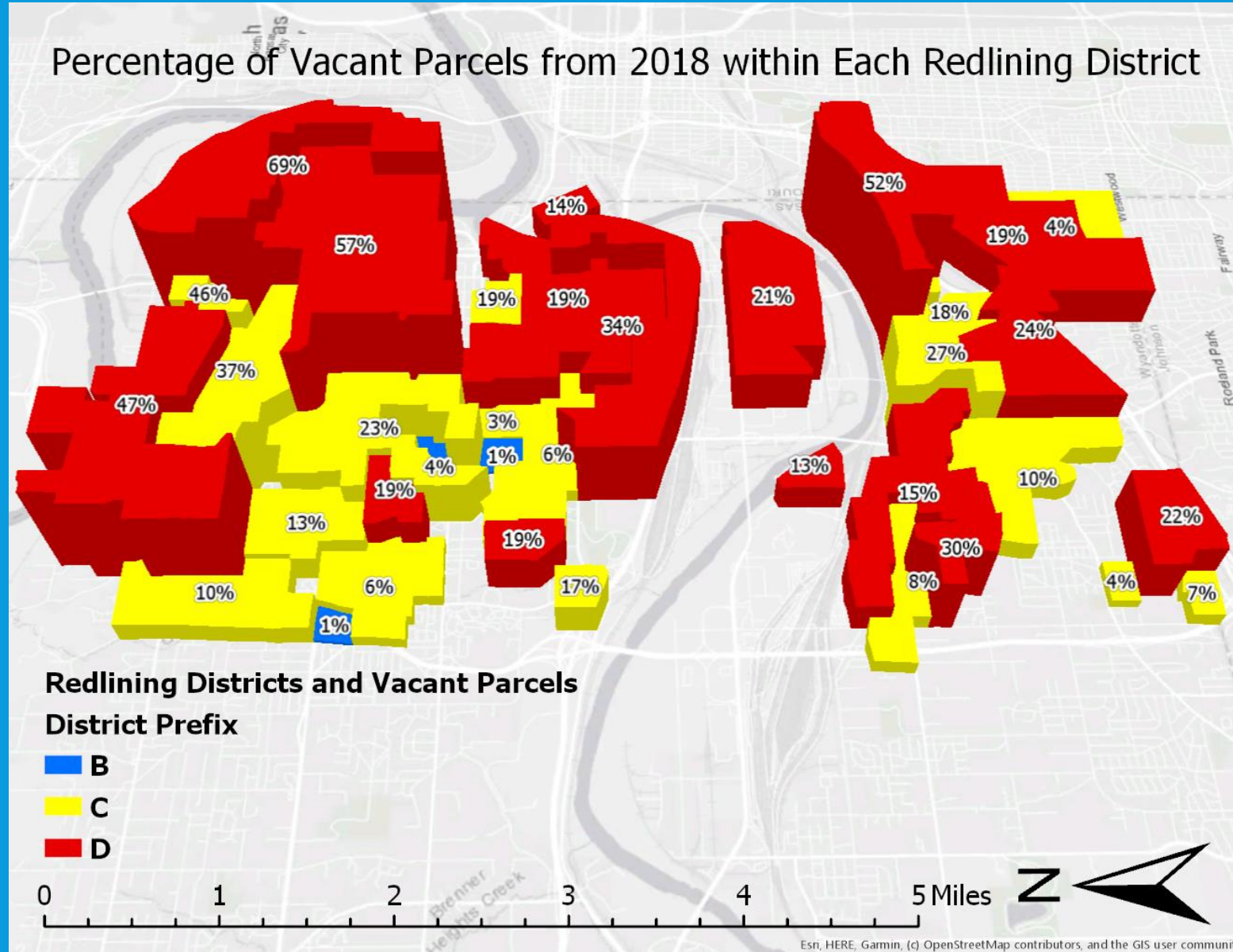
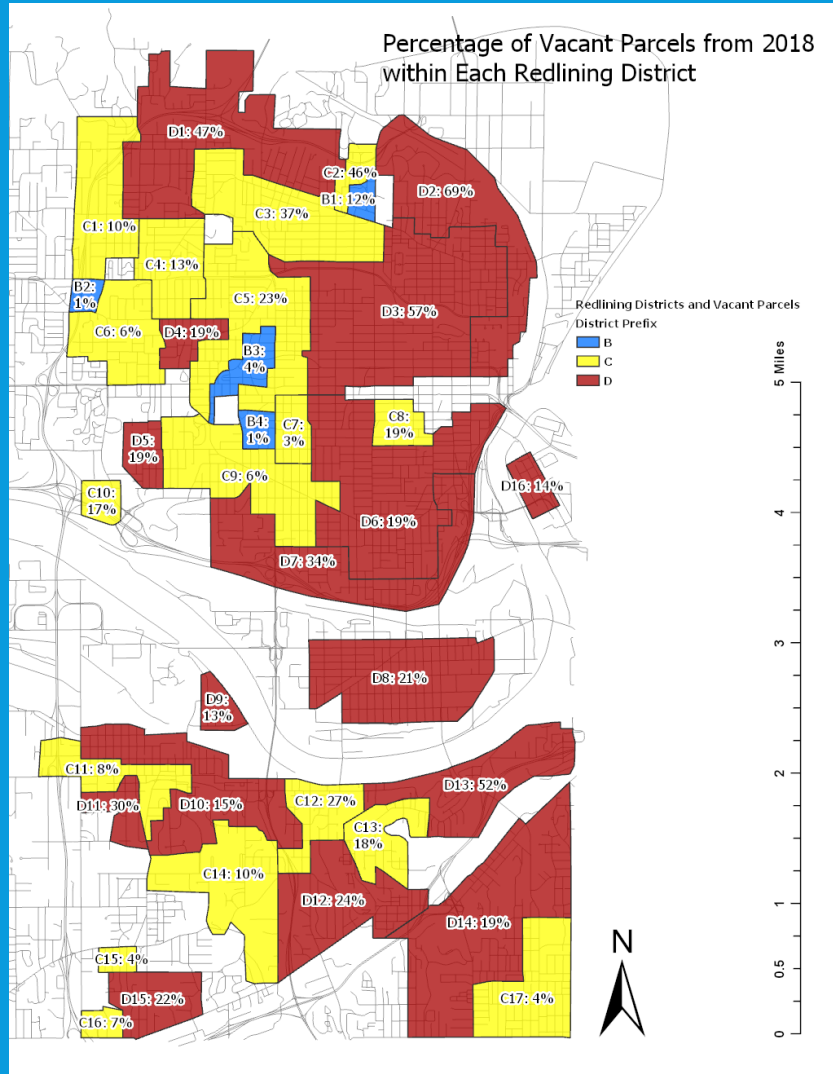
Legend
 - - - City Limits
 Major Tourist Sites

Note: Eight commissioners are elected in shown districts. Two commissioners are nominated from within two at-large districts and are elected countywide. The first at-large district comprises commission districts 1, 4, 5, & 8. The second at-large district comprises commission districts 2, 3, 6, & 7.

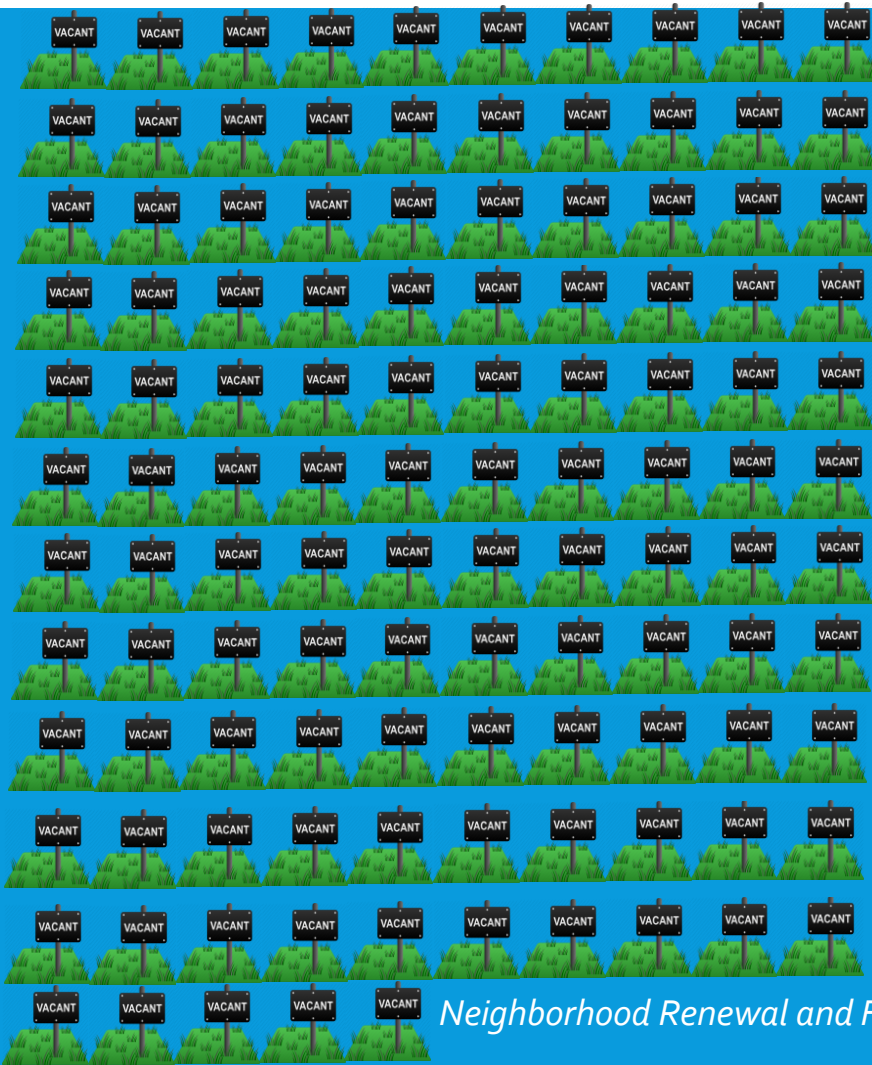
GIS/Spatial Services Division, Department of Technical Services of the Unified Government of Wyandotte County/Kansas City, Kansas • 710 N. 7th Street, Ste. 200 • Kansas City, Kansas 66101 • Phone 913.573.2841 F ax 913.573.4306 Email gas@wyockick.org

Redlining and Vacancy

<https://arcg.is/1Ho1yH>



VACANT LOTS NEEDED TO EQUAL THE REVENUE FROM ONE HOUSE



115
Vacant lots

=

1

New Home



LAND BANK NEW CONSTRUCTION PROJECTS

Single Family Homes

78

Multi Family

9

Garages

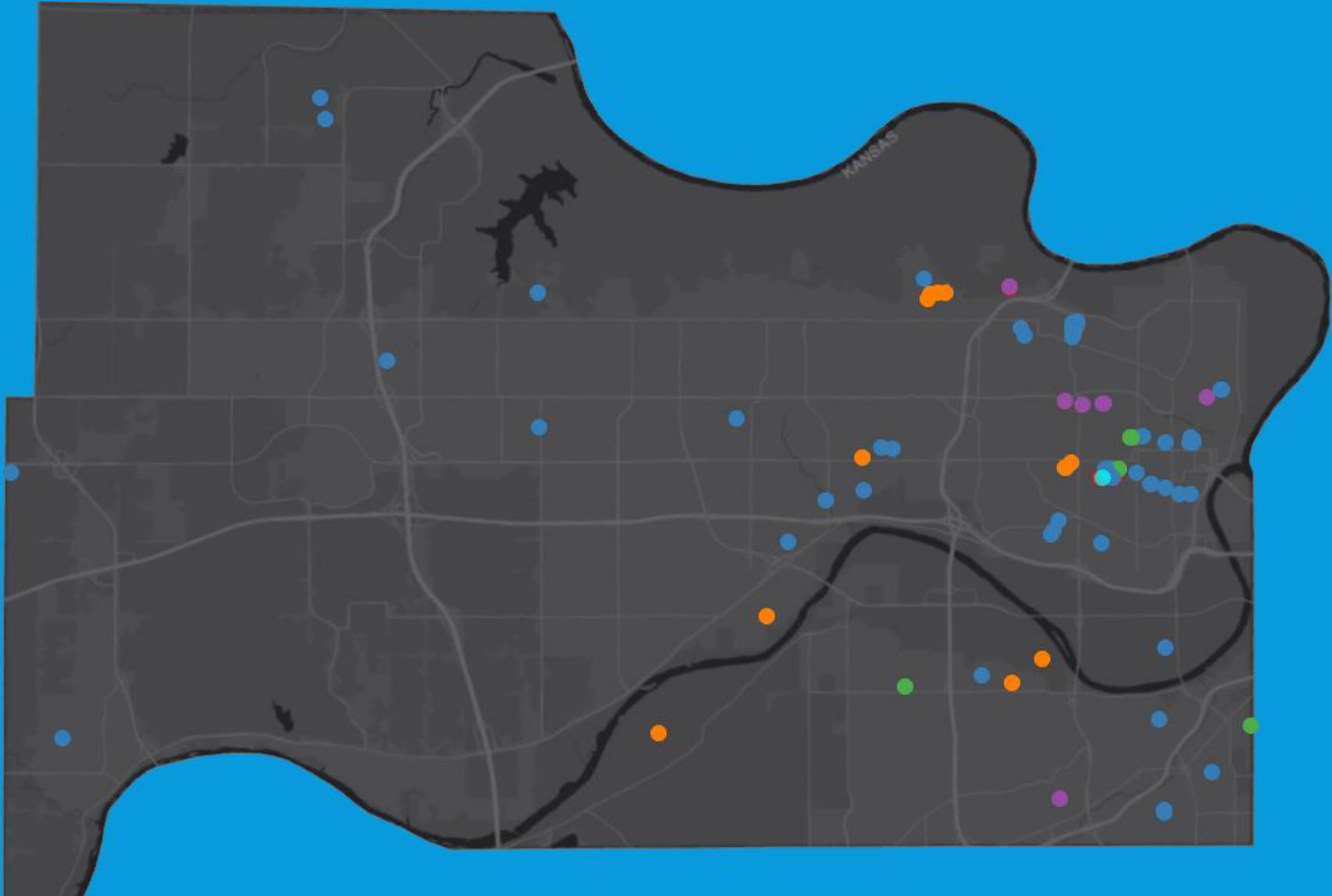
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Commercial

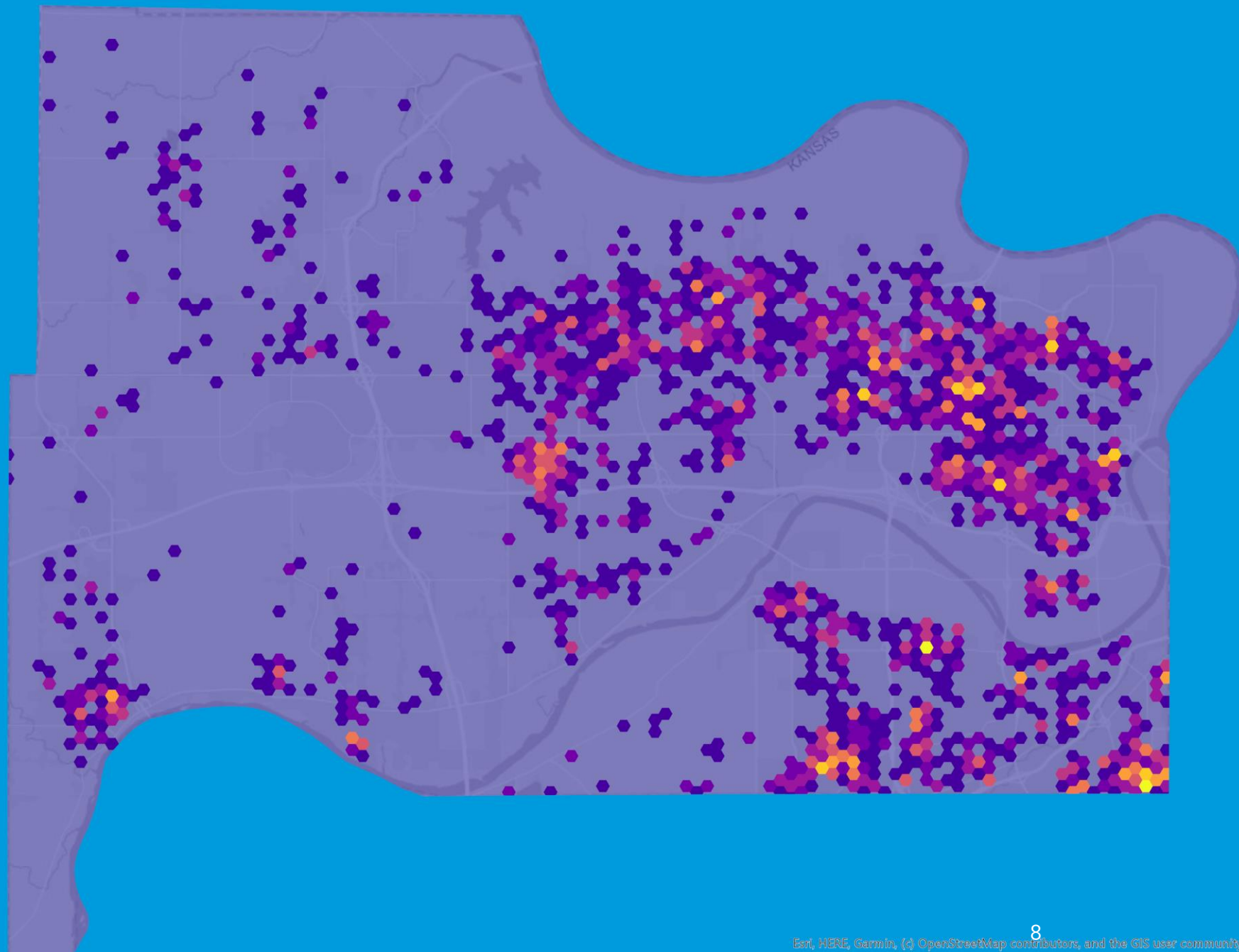
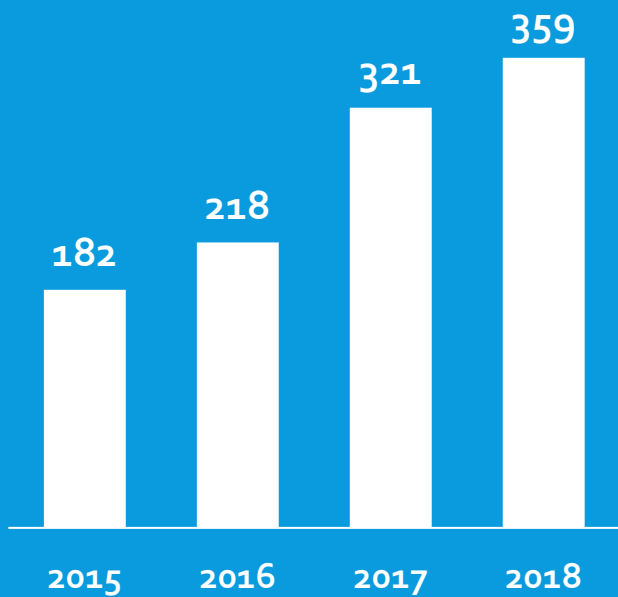
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Potential Increase in
Appraised Value

\$18 Million

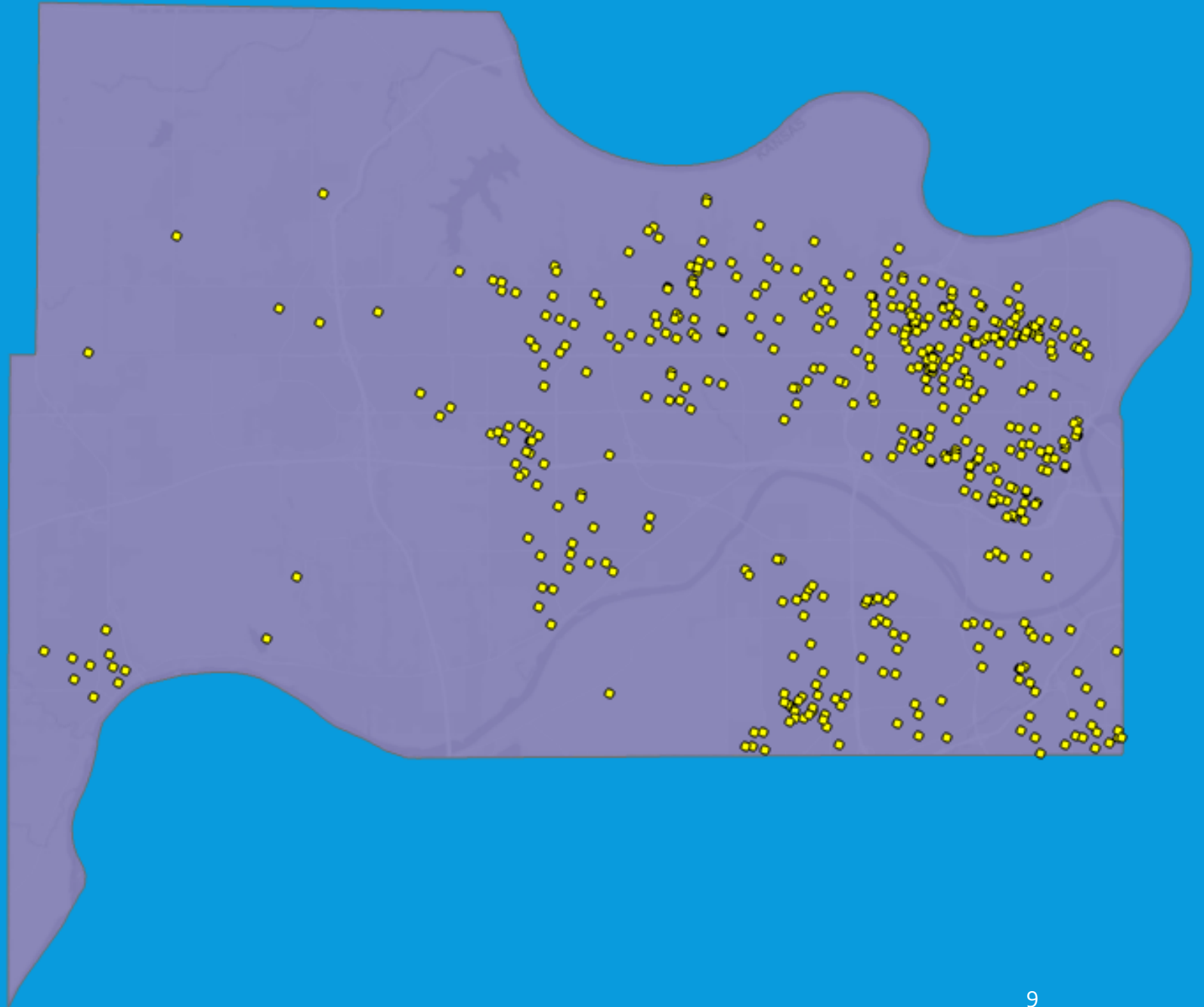


Complete Remodels Since 2015



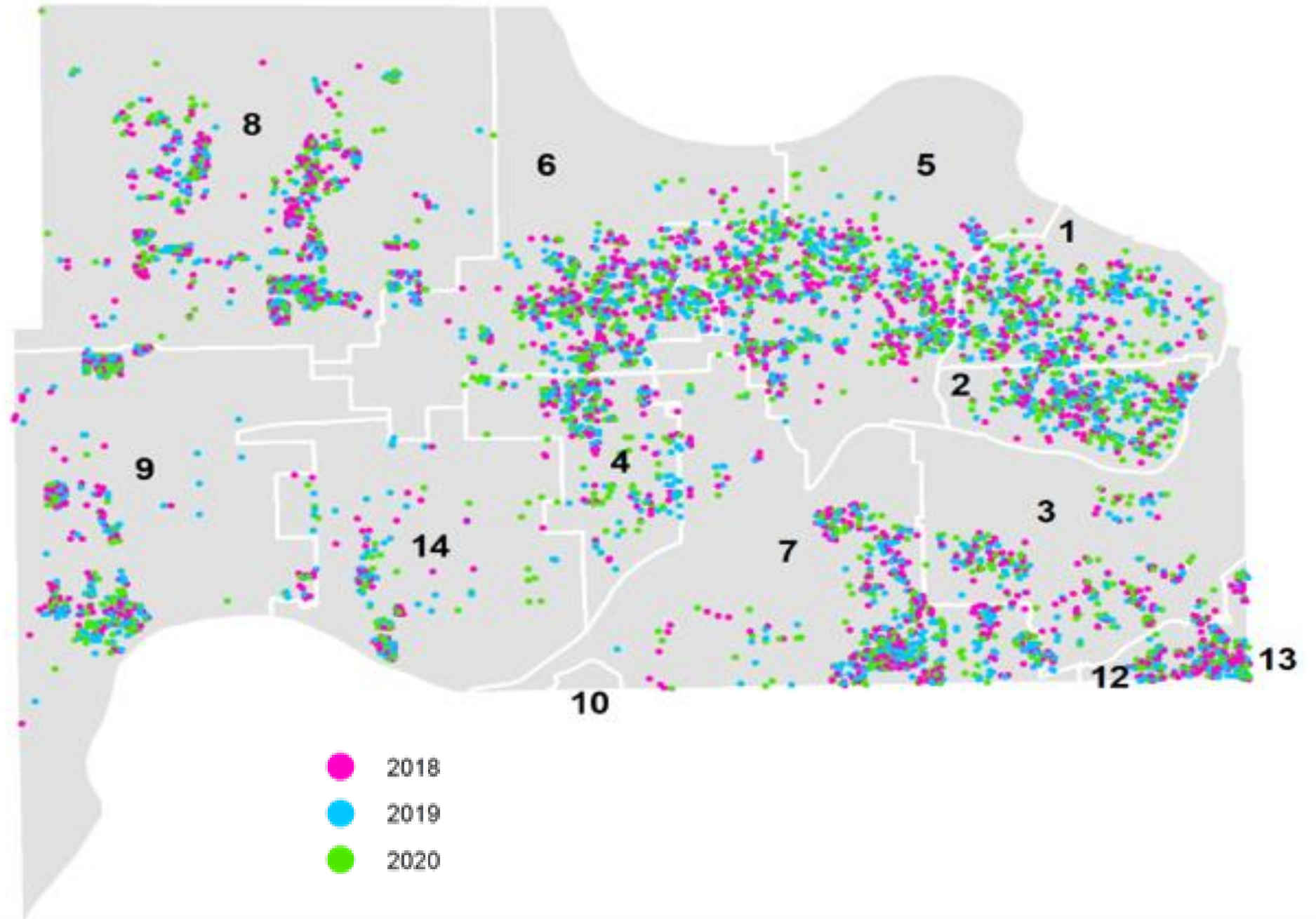
Complete Remodels
2019

2019 Remodels
461



Home Sales

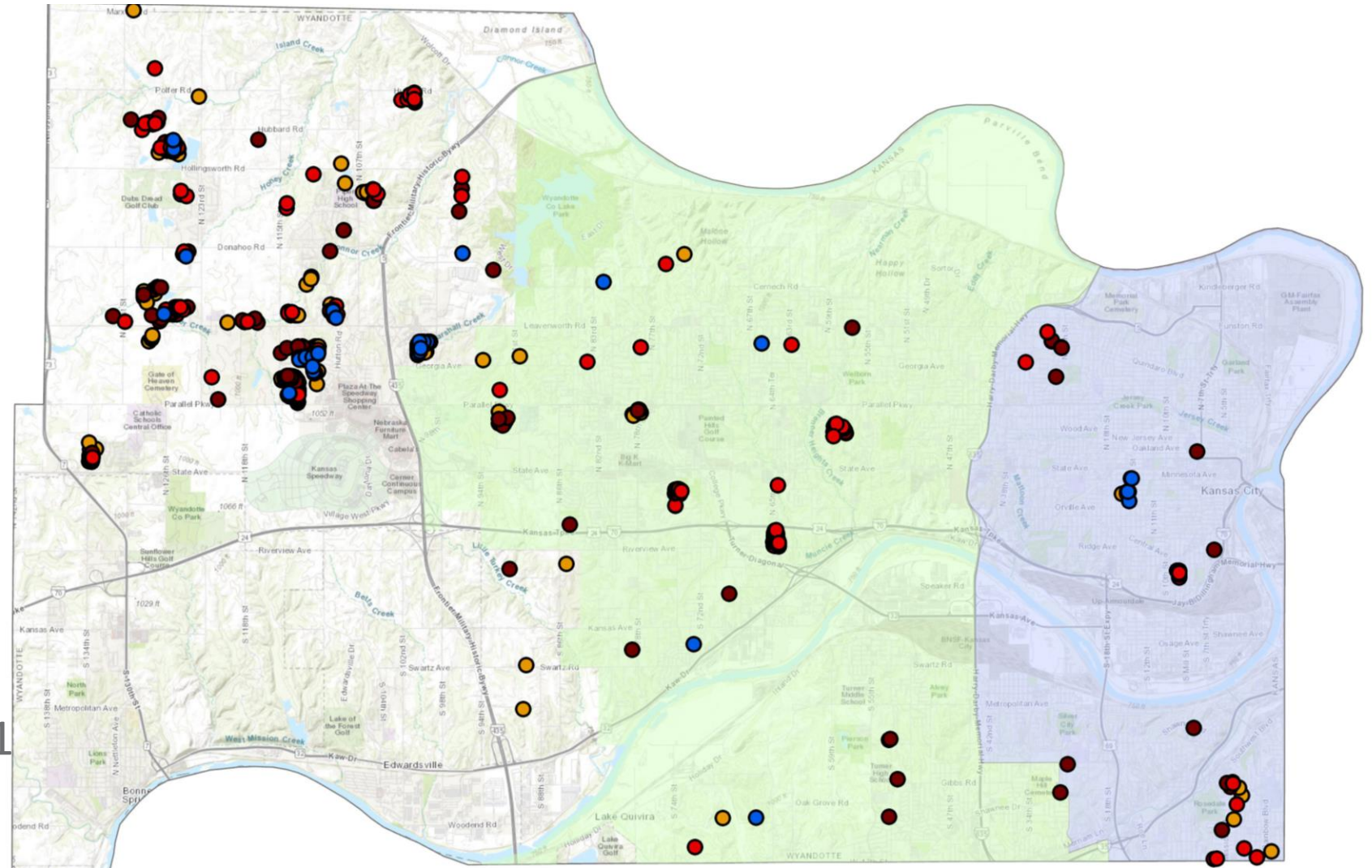
Unified Government
2018-2020



Single Family Homes

Unified Government

Building Permits 2018-2021



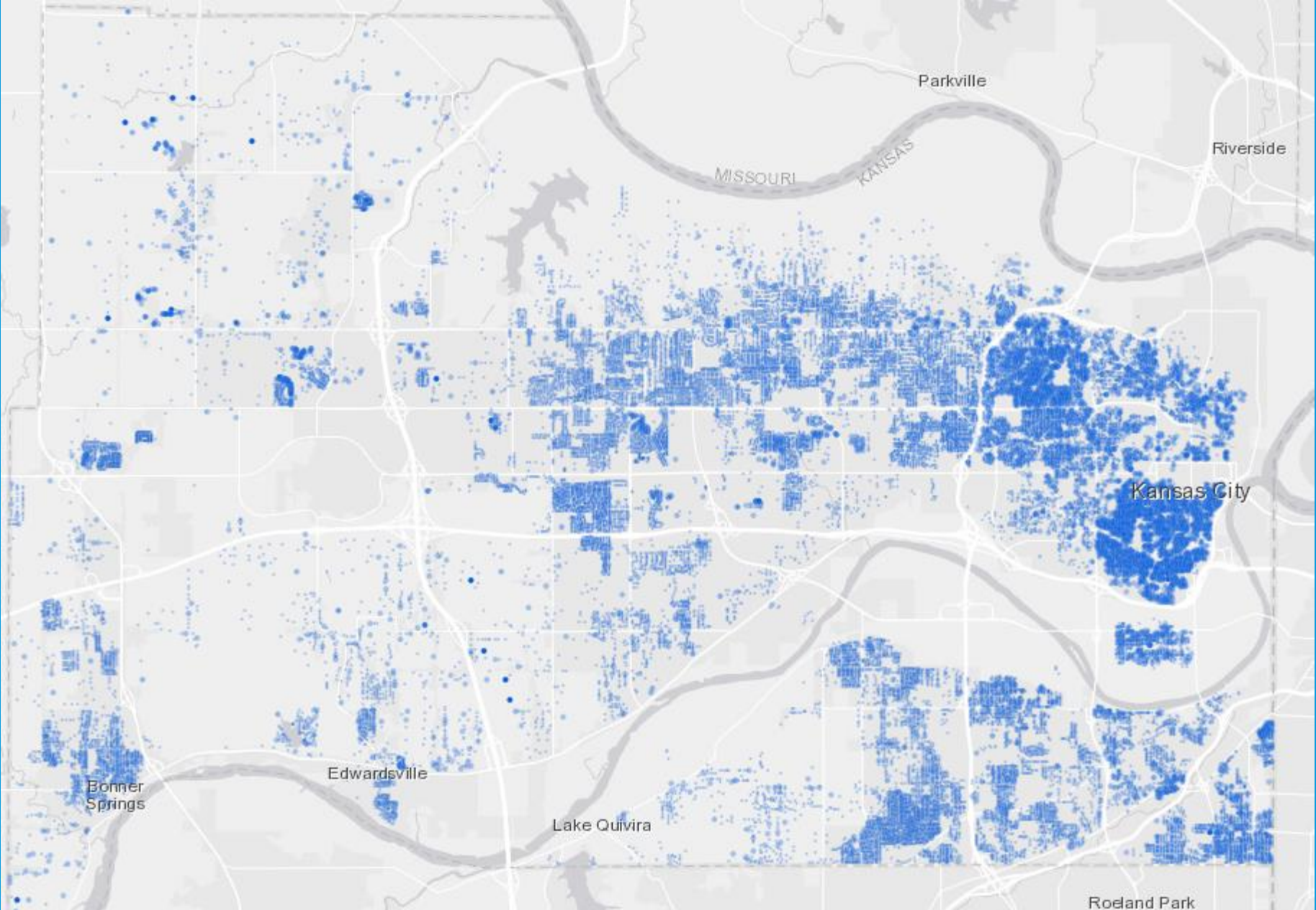
Name	2018	2019	2020	2021	
Area 1	14	16	12	4	● 2021
Area 2	20	23	59	4	● 2020
Other	102	86	118	32	● 2019
					● 2018

Sources: Esri, HERE, Garmin, Intermap, increment P Corp., GEBCO, USGS, FAO, NPS, NRCAN, GeoBase, IGN, Kadaster NL, Ordnance Survey, Esri Japan, METI, Esri China (Hong Kong), (c) OpenStreetMap contributors, and the
 Hearst/Comm



INCREASING COMMUNITY VALUES

RESIDENTIAL 2019-2020



Median Valid Single Family Sale Price				
Sale Year	ComD 1	ComD 2	ComD 3	ComD 4
2016	\$75,000	\$59,500	\$112,000	\$61,975
2017	\$84,400	\$70,000	\$124,250	\$67,500
2018	\$84,500	\$79,500	\$130,000	\$84,950
2019	\$98,250	\$79,300	\$140,500	\$95,000
2020	\$104,000	\$100,000	\$152,500	\$103,500
2016-2020% Cng	39%	68%	36%	67%

INFILL HOUSING ON VACANT LOTS

New Homes
18,000

Increase in Appraised Value
\$3.5 Billion

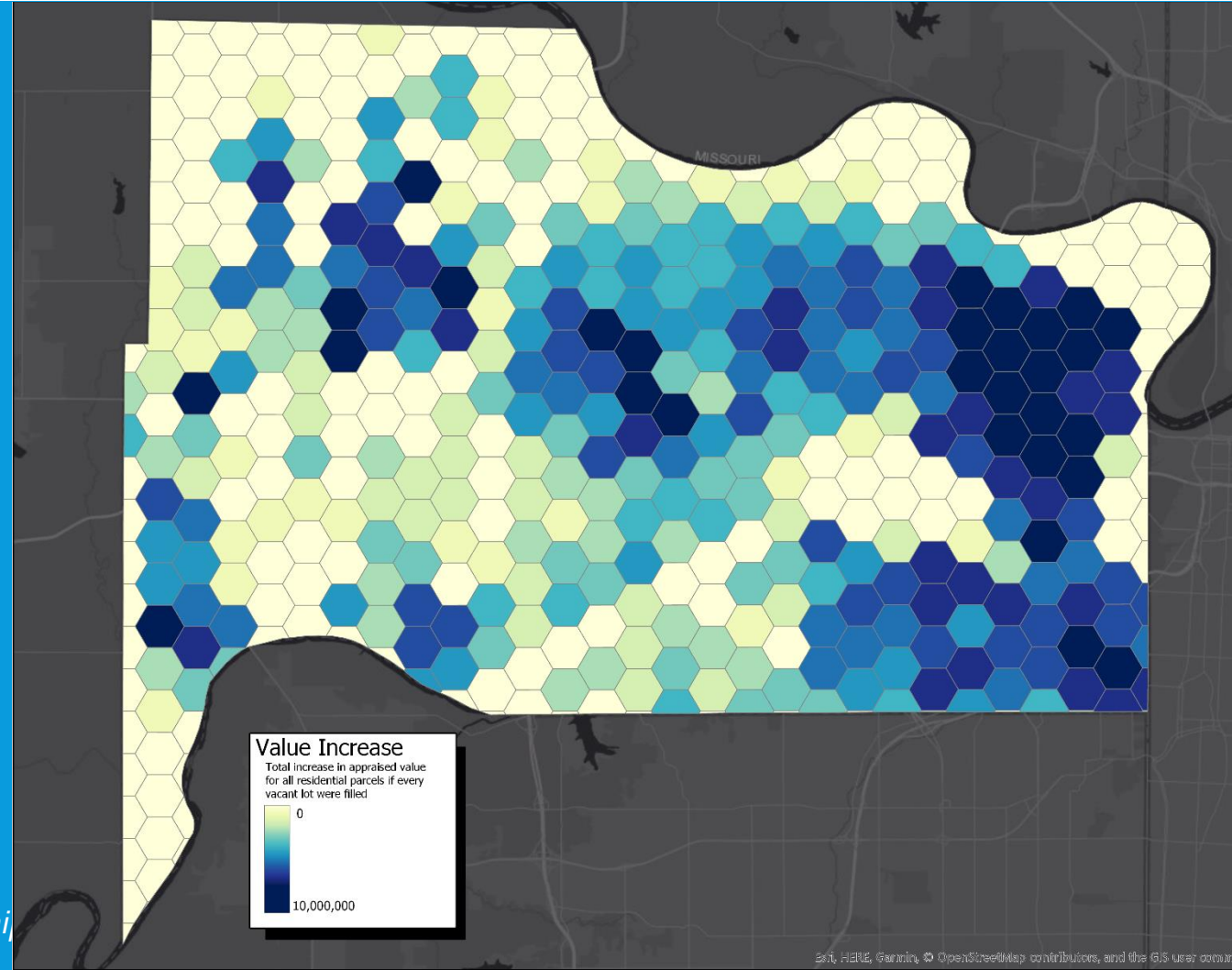
Population Increase
48,960

BPU Pilot Increase
\$4.3 Million

Sales Tax Increase
\$15.7 Million

Total Tax Increase
\$51 Million

Neighborhood Renewal and Fiscal Stewardship



INFILL HOUSING CAN BE DONE!

Waterway Park Redevelopment Shows How

WATERWAY PARK INFILL HOUSING

New Homes since 2004

77

New residents

209

Appraised Value Increase

\$11.7 Million



FILL REMAINING VACANT LOTS AROUND WATERWAY PARK

Available lots

61

Population Increase

166

Sales Tax Increase

\$53,000

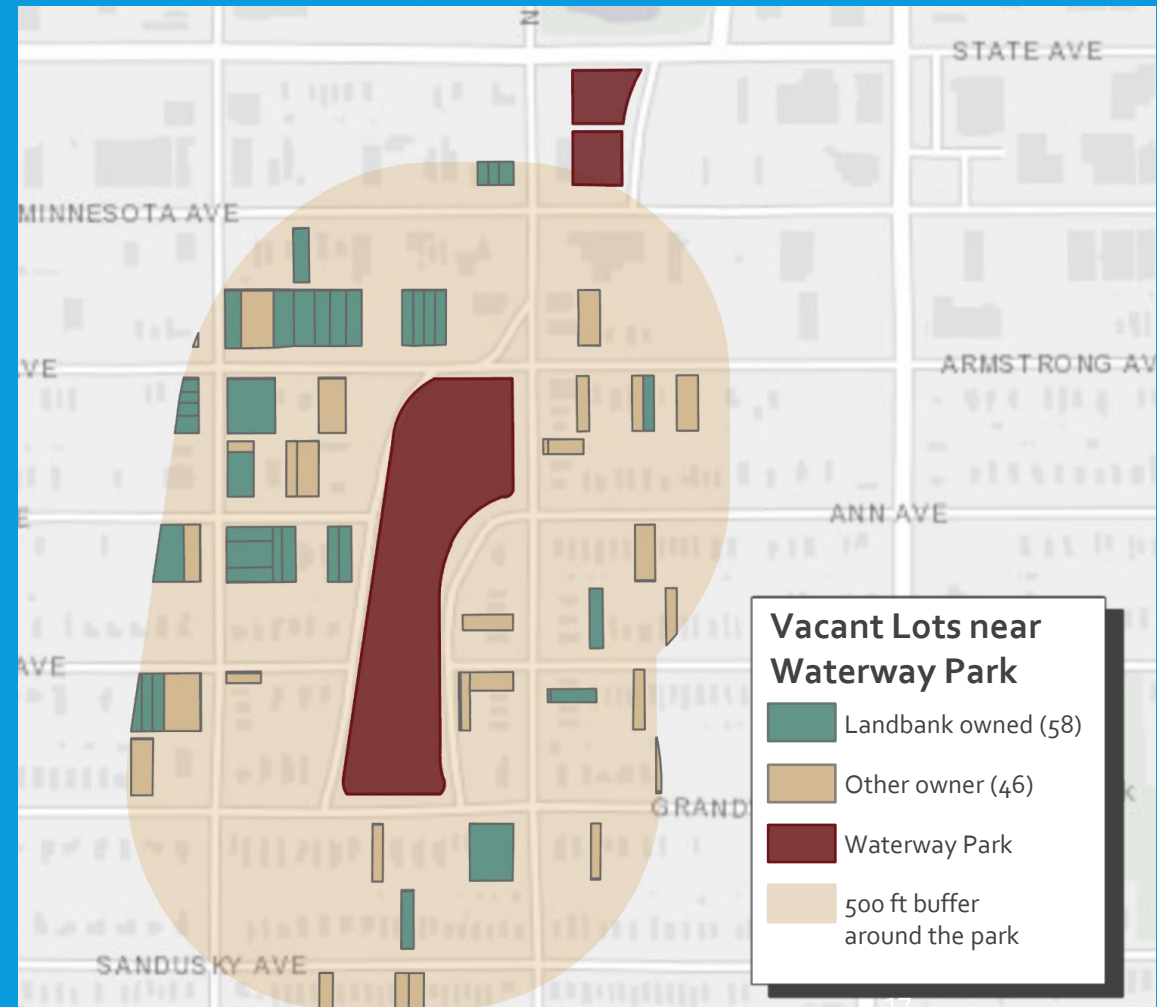
BPU Pilot Increase

\$15,000

Annual Tax Revenue Increase

\$130,000

Neighborhood Renewal and Fiscal Stewardship



1,000

NEW HOUSING UNITS

in the next five years