

Merriam Grand Station Marketplace

June 16, 2025



Agenda

- Introductions & Order of Events – Chris Engel
- Planning & Zoning – Bryan Dyer
 - Preliminary Development Plan, Rezoning, and Plat
- Applicant Presentation – Matt Pennington, Drake Development
- TIF Project Plan Area O Presentation – Bryan Dyer
- Public / Private Partnership – Chris Engel
 - Redevelopment Agreement
 - Controlling Documents
- Issuance of Bonds – Jeff White, Columbia Capital Management
- Community Improvement District – Chris Engel



Agenda (cont.)

- Wrap-up Questions before Public Hearing
- Public Hearing #1 – Project Plan Area O
- Public Hearing #2 – Establishing Merriam North CID
- Final Questions
- The Votes



Background





Shawnee Mission Pkwy

Shawnee Mission Pkwy

E Frontage Rd

64th Pl

62nd Ter

64th Ter

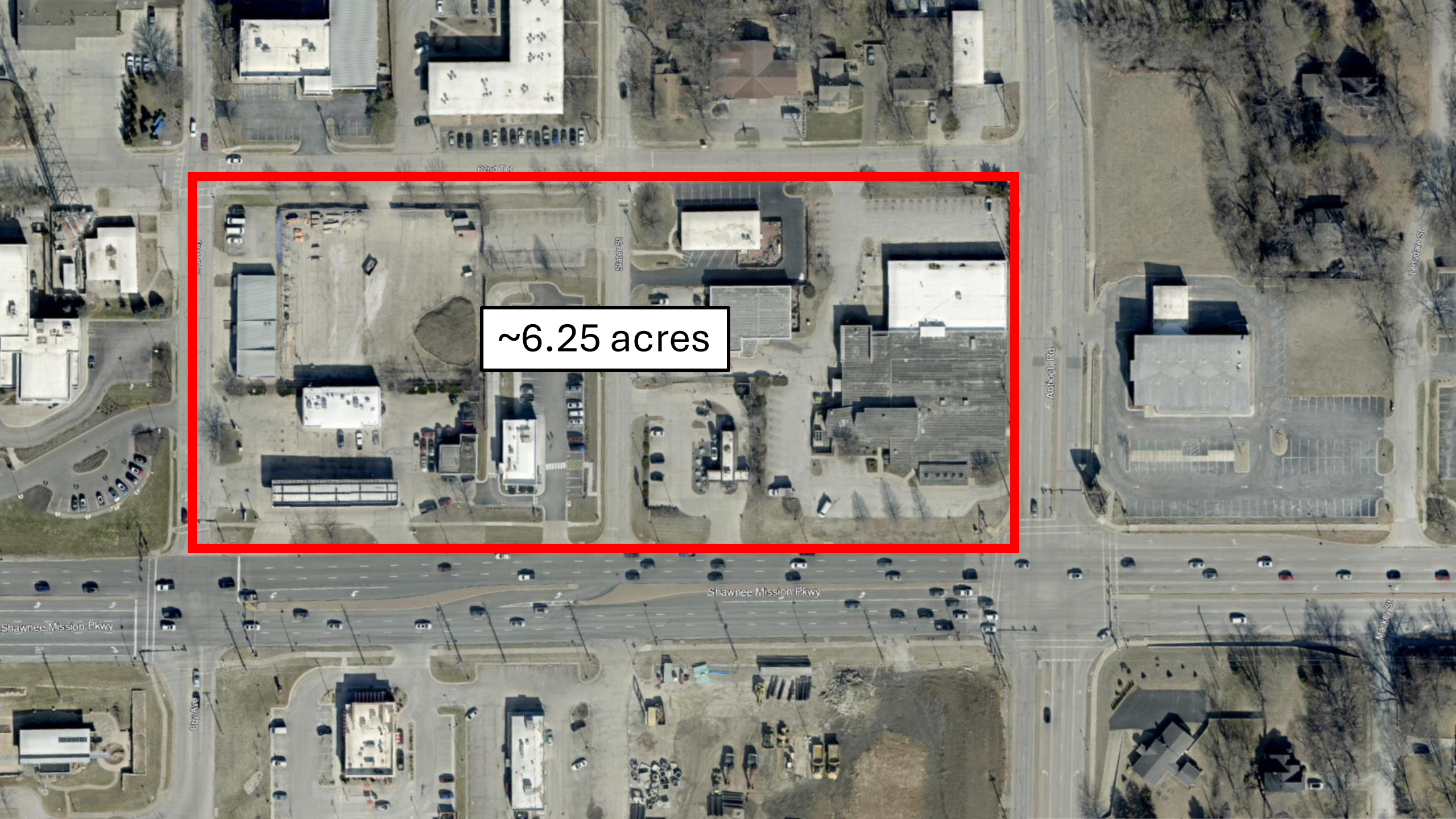
Shawnee Mission Pkwy

Antioch Rd

Mackay St

Woodward St

Terrydale St



~6.25 acres

SM Pkwy Corridor Plan / Comp Plan 2040



2013/2040

16. Please indicate your level of agreement with the following statements.

		Strongly Agree	Agree	Neutral	Disagree	Strongly Disagree	Don't Know
1.	Merriam should continue to support a public art program	5	4	3	2	1	9
2.	Merriam should continue to allow the open burning of yard waste and leaves	5	4	3	2	1	9
3.	The City recently completed the Comp Plan 2040, Planning Sustainable Places planning process, and continue to work with the Army Corps of Engineers on solutions to Upper Turkey Creek. All illustrate a potential future downtown that is considerably different than the present downtown (more business diversity, walkability, etc.). Merriam should move in that general direction for the future of downtown.	5	4	3	2	1	9
4.	Merriam should implement a City-wide contract to provide trash/recycling services as long as considerations to cost and payment structure are given.	5	4	3	2	1	9
5.	Merriam should try to bring a grocery store to town even if it requires giving the store a multi-million-dollar public incentive package	5	4	3	2	1	9

17. Please rank in priority order the following initiatives, with 1 being the "Highest Priority," and 5 being the "Lowest Priority." [For example, if "Public art program" is your highest priority, write in "3" for the 1st line.]

1. Incentivizing a grocery store
2. Single hauler trash service
3. Public art program

4. Revitalizing downtown
5. Continue to allow the open burning of yard waste and leaves

1st: ____

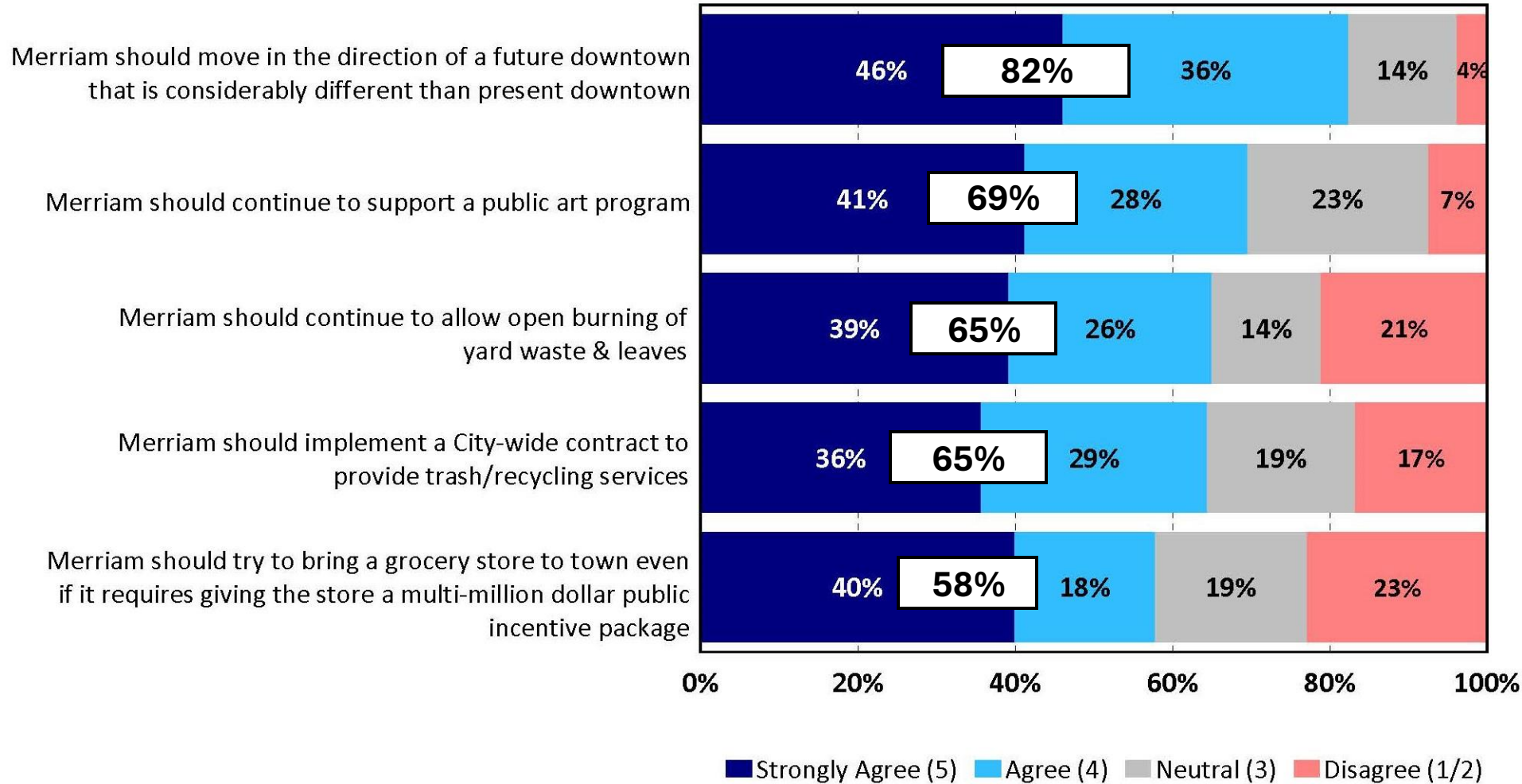
2nd: ____

3rd: ____

4th: ____

5th: ____

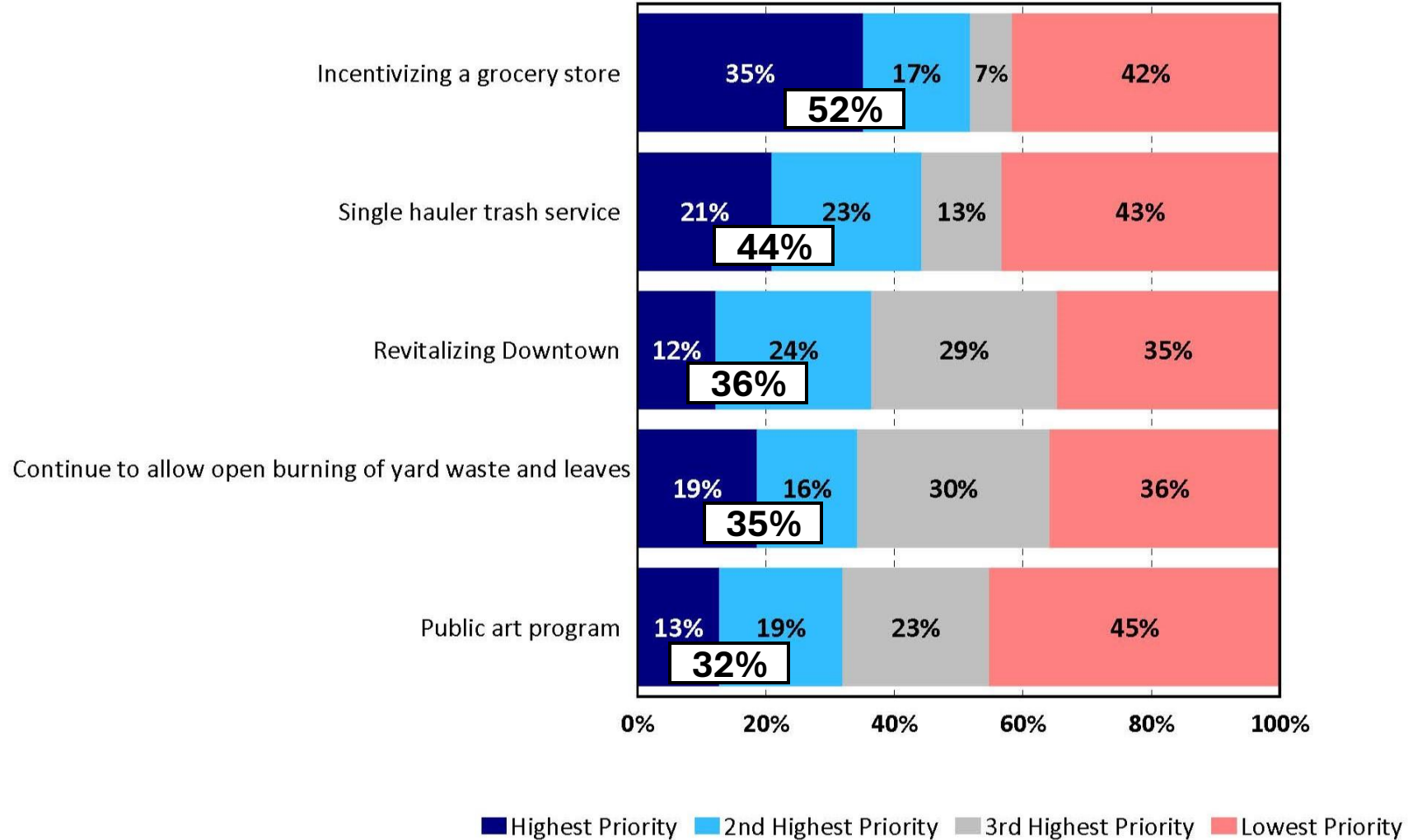
Agreement with the following statements:



May 2024



How residents prioritize the following initiatives:



City Council Timeline

- 12/9/24 – CC approves purchase of Antioch Library properties
- 1/13/25 – Resolution of Intent to debt finance property acquisition
- 1/27/25 – Resolution of Intent to debt finance utility project
- 2/24/25 – Resolution setting PH for 3/31/25 to expand I-35 District
- 3/31/25 – Public Hearing and ordinance expanding I-35 District
- 4/14/25 – Resolution setting PH for 6/16/25 for Project Plan O
- 4/28/25 – Approval of a Funding Agreement w/Drake for Incentives
- 5/12/25 – Resolution setting PH for 6/16/25 for establishing CID
- 6/9/25 – Ordinance adopting Home Rule relating to GO Bonds
- Tonight – Project consideration

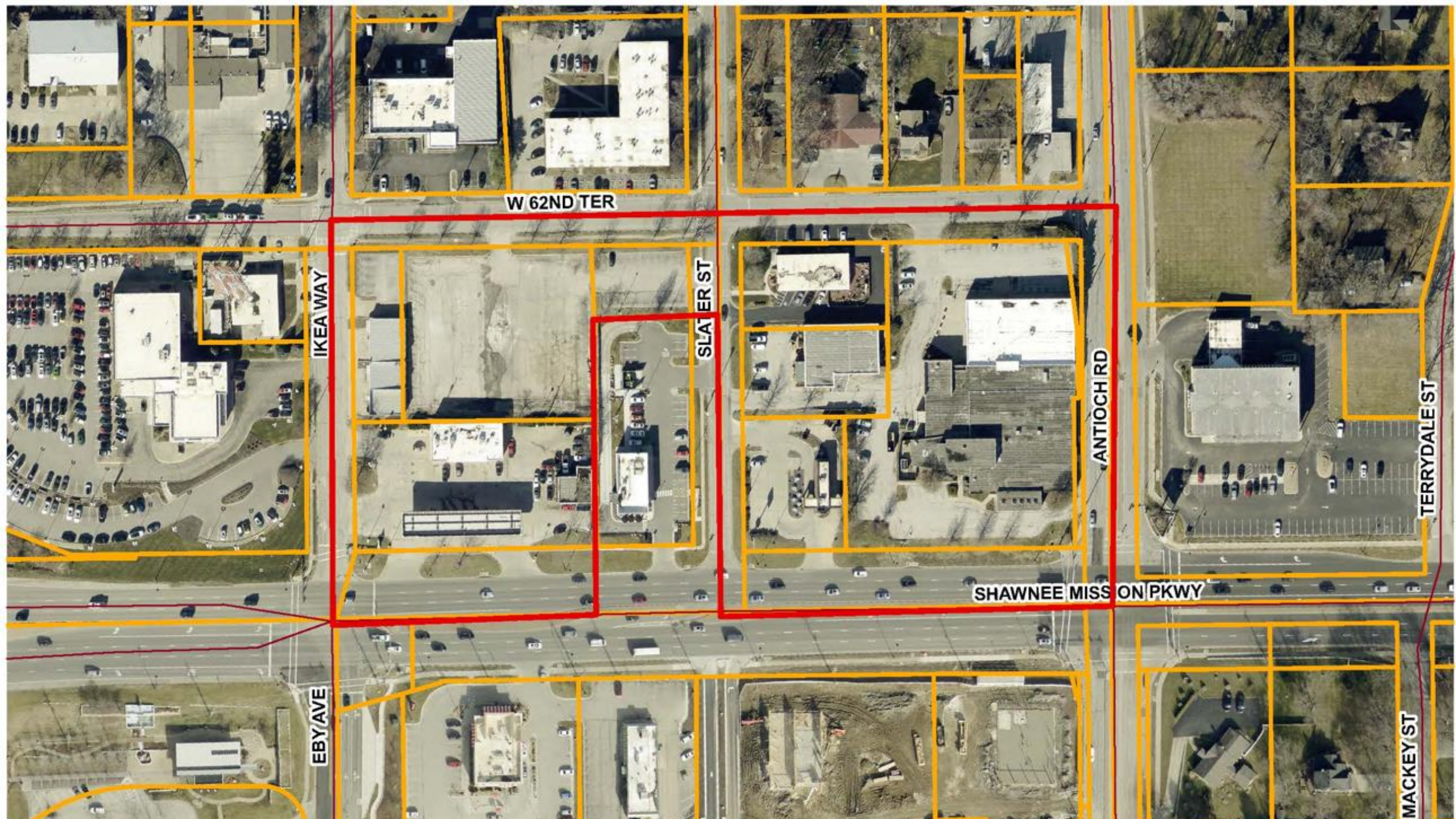


Planning & Zoning



Planning Commission Timeline

- 4/2/25 – Approved a finding that Project Plan for Area O is consistent with the intent of the Comprehensive 2040 Plan.
- 4/2/25 – Held a public worksession to discuss the plan submittals from Drake Development that would be considered on 5/7/25.
- 5/7/25 – Public Hearing on rezoning, voted to recommended City Council approve rezoning and the preliminary development plan, and approve the final plat.



W 62ND TER

EBY AVE

SLATER ST

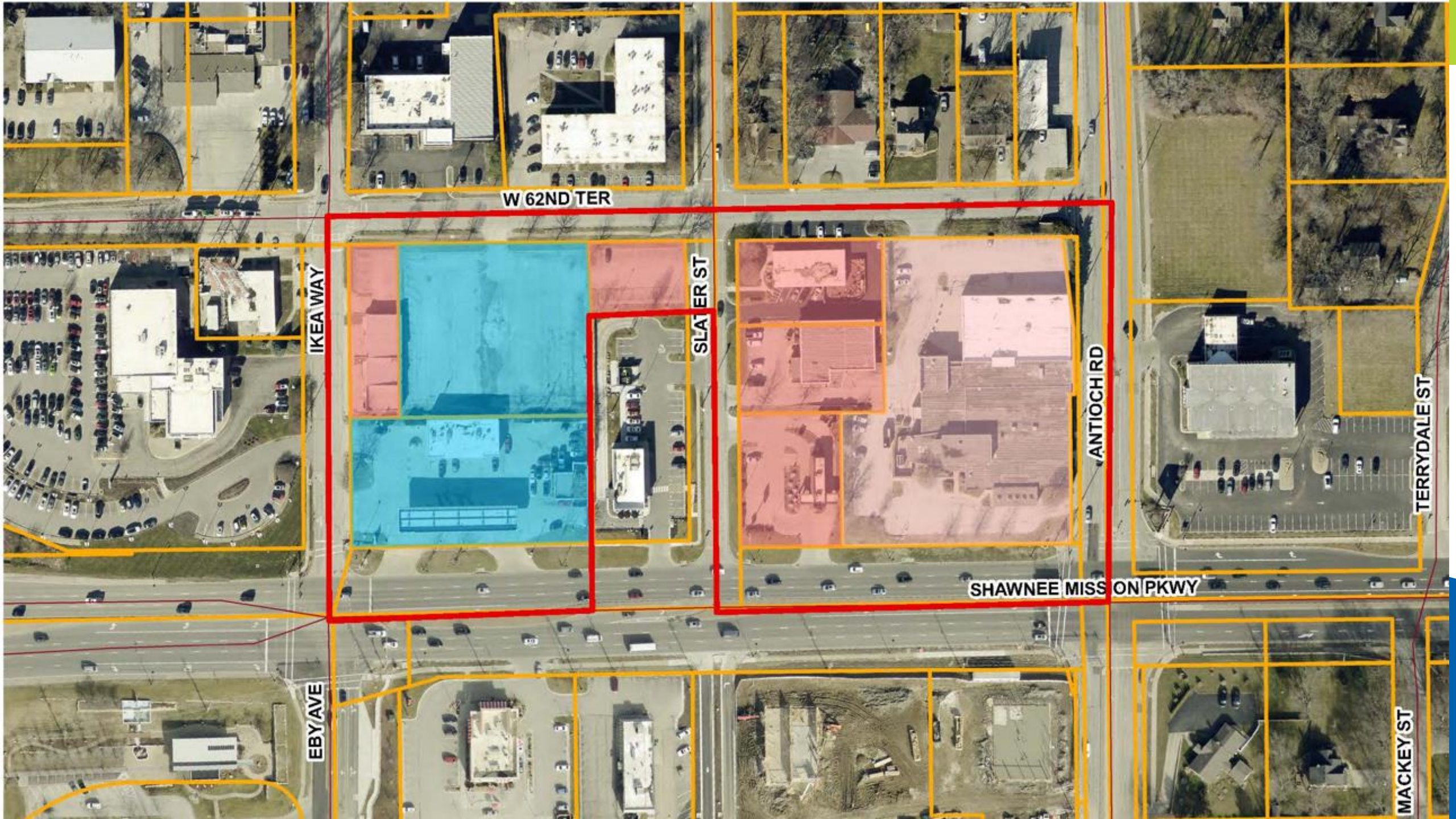
ANTIOCH RD

TERRYDALE ST

SHAWNEE MISSION PKWY

EBY AVE

MACKEY ST



W 62ND TER

IKEA WAY

SLATER ST

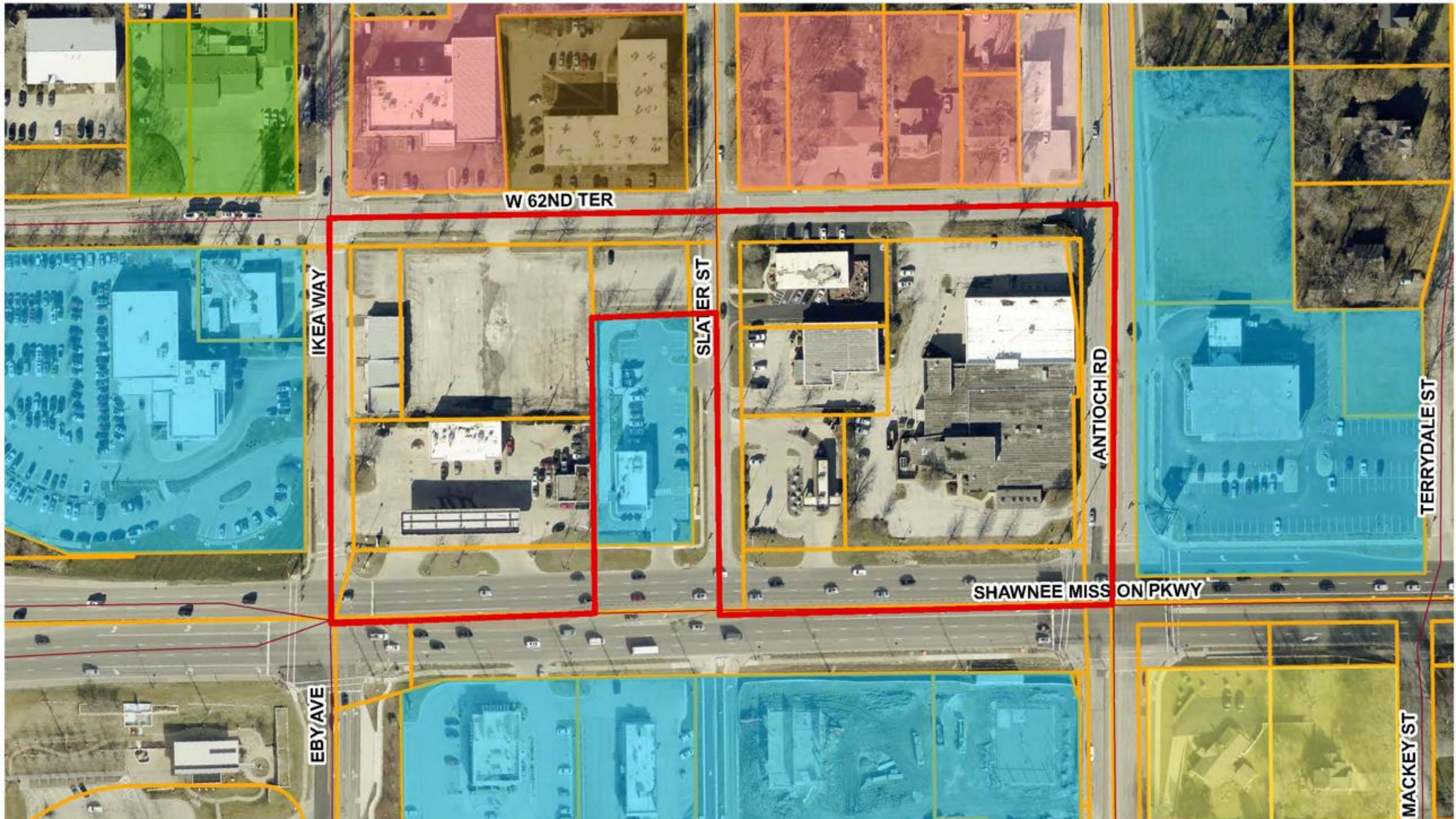
ANTIOCH RD

TERRYDALE ST

SHAWNEE MISSION PKWY

EBV AVE

MACKEY ST



W 62ND TER

IKEA WAY

SLATER ST

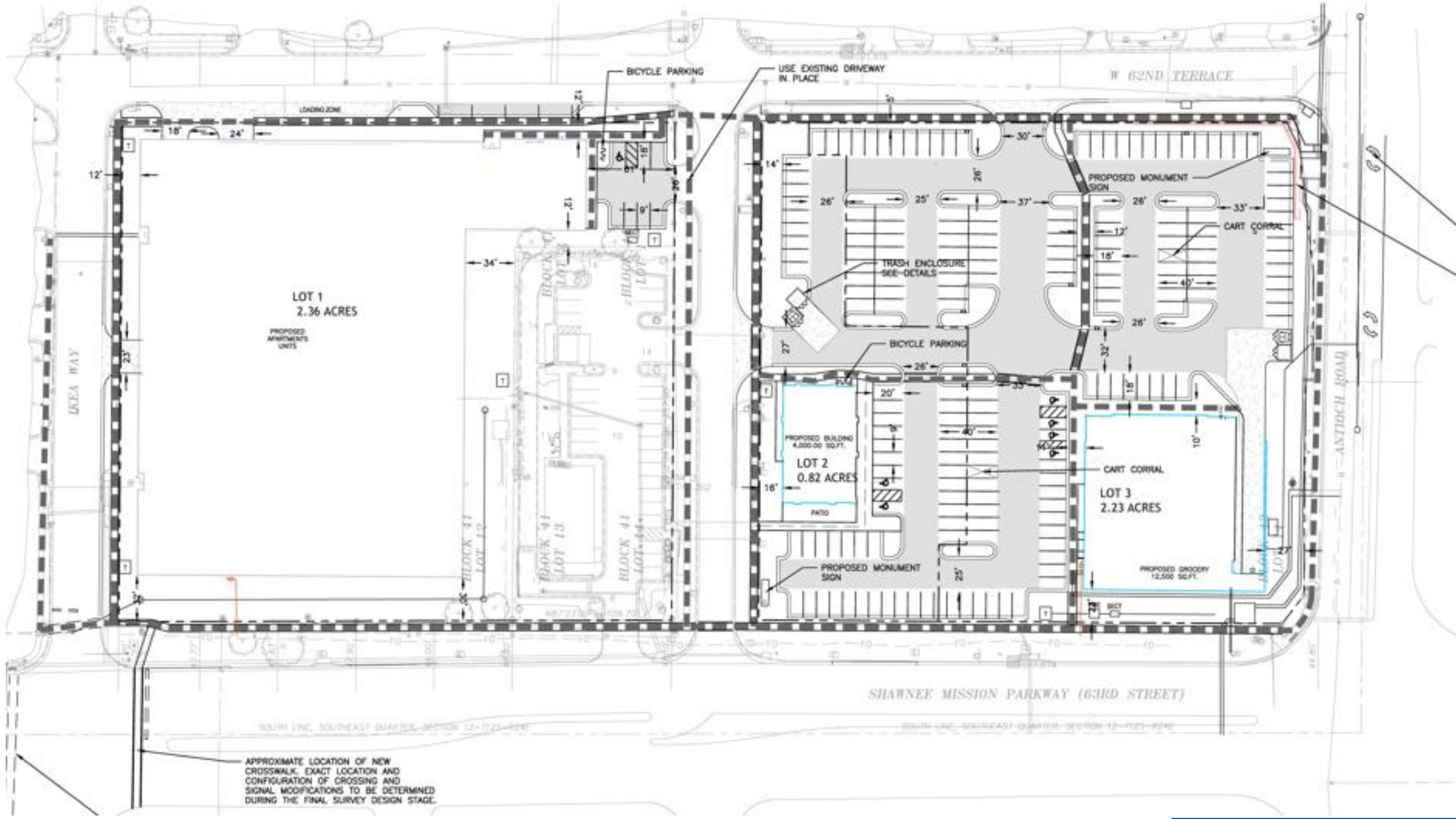
ANTIOCH RD

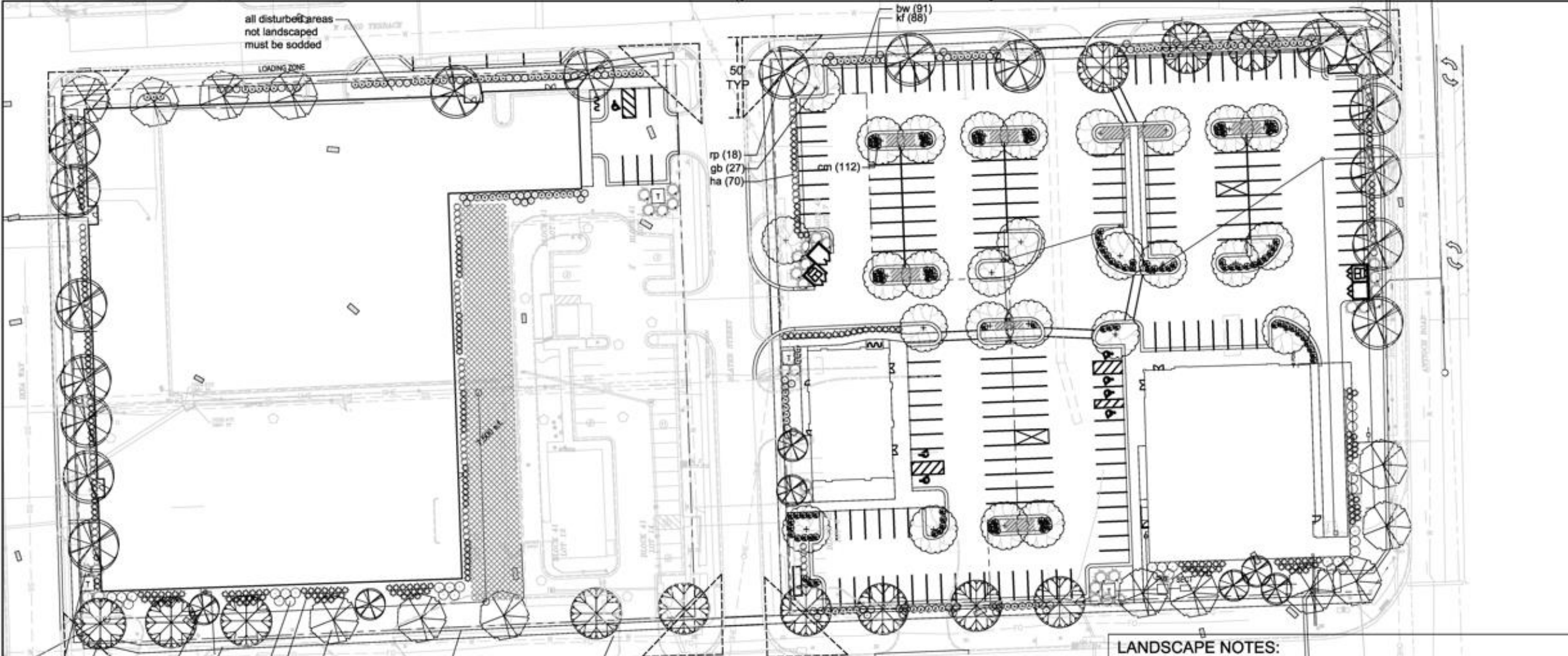
SHAWNEE MISSION PKWY

EBV AVE

TERRYDALE ST

MACKEY ST





LANDSCAPE NOTES:

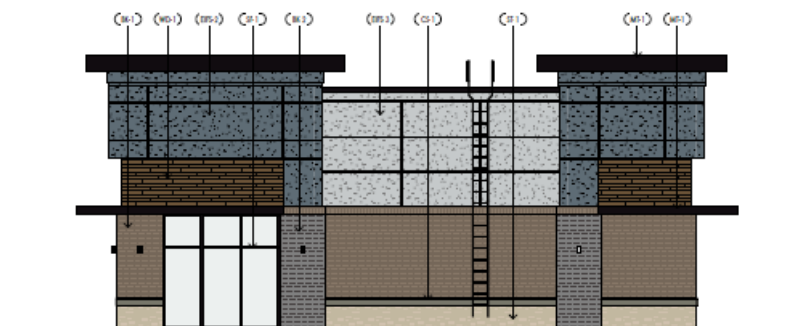
- LANDSCAPE NOTES SHALL APPLY TO ALL LANDSCAPE DRAWINGS.
- LOCATION OF ALL UTILITIES ARE APPROXIMATE. THE CONTRACTOR SHALL FIELD VERIFY LOCATIONS PRIOR TO COMMENCEMENT OF CONSTRUCTION OPERATIONS.
- LIMITS OF CONSTRUCTION ARE THE PROPERTY LINES, UNLESS OTHERWISE NOTED ON THE PLANS. EXCEPT WHERE ACCESS BEYOND IS REQUIRED FOR CONSTRUCTION RELATED TO UTILITY INSTALLATION AND EQUIPMENT ACCESS TO THE SITE.
- REFER TO CIVIL DRAWINGS FOR ALL GRADING AND BERMING, EROSION CONTROL, STORM DRAINAGE, UTILITIES AND SITE LAYOUT.
- THE CONTRACTOR SHALL ARRANGE AND CONDUCT A PRE-CONSTRUCTION MEETING ON-SITE WITH LANDSCAPE ARCHITECT PRIOR TO ALL WORK.
- PLANT QUANTITIES ARE FOR INFORMATION ONLY. DRAWING SHALL PREVAIL IF CONFLICT OCCURS. CONTRACTOR IS RESPONSIBLE FOR CALCULATING OWN QUANTITIES AND BID ACCORDINGLY.
- THE CONTRACTOR IS TO NOTIFY LANDSCAPE ARCHITECT AFTER STAKING IS COMPLETED AND BEFORE PLANT PITS ARE EXCAVATED.
- THE CONTRACTOR SHALL PLACE SHREDDED HARDWOOD BARK MULCH AROUND ALL TREES TO A DEPTH OF 3", AND IN ALL PLANTING BEDS TO A DEPTH OF 2". WALNUT PRODUCTS ARE PROHIBITED.
- TREE LOCATIONS IN AREAS ADJACENT TO DRIVES, WALKS, WALLS
- PREPARE PLANTING BEDS BY INCORPORATING AN APPROVED COMPOSTED ORGANIC SOIL INTO EXISTING SOIL FOR ALL SHRUB, PERENNIAL AND ANNUAL PLANTING BEDS AT A MINIMUM DEPTH OF 8". THOROUGHLY MIX ORGANIC MATERIAL INTO THE EXISTING SOIL BY ROTOTILLING OR OTHER APPROVED METHOD TO A MINIMUM DEPTH OF 12".
- APPLY A COMMERCIAL ROOT STIMULATOR (APPROVED BY LANDSCAPE ARCHITECT PRIOR TO USE) TO ALL SHRUBS AND GROUND COVERS AT RATES RECOMMENDED BY MANUFACTURER DURING FIRST PLANT WATERING FOLLOWING INSTALLATION.
- ALL LANDSCAPE AREAS SHALL BE IRRIGATED WITH A HIGH EFFICIENCY AUTOMATIC IRRIGATION SYSTEM ACHIEVING 100% EVEN COVERAGE OF ALL LANDSCAPE AREAS. IRRIGATION SYSTEM SHALL BE DESIGN-BUILD TO MEET ALL CITY REQUIREMENTS.
- TREE PROTECTION FENCING SHALL BE INSTALLED AND APPROVED BY THE CITY FORESTER PRIOR TO ANY LAND DISURBANCE. TREE PROTECTION FENCING SHALL REMAIN IN PLACE UNTIL ALL CONSTRUCTION IS COMPLETE ON THE PROJECT. NO PARKING OF VEHICLES, MATERIAL STORAGE, WAREHOUSES OR GRADING ARE ALLOWED WITHIN THE FENCING. IF THE FENCING MUST BE REMOVED OR RELOCATED, THE CITY FORESTER SHALL BE CONTACTED FOR PRIOR APPROVAL.
- A CERTIFIED ARBORIST SHALL PRUNE ALL EXISTING TREES TO REMAIN. TREES CONFLICTING WITH BUILDING OR OVERLAPPING LANDSCAPE BEDS SHALL BE PRUNED UP TO ALLOW FOR 12' OF CLEARANCE UNDER CANOPY.

PLANT SCHEDULE

KEY	QTY	BOTANICAL NAME	COMMON NAME	SIZE	SPACING
gb	27	Ginkgo biloba 'Princeton Sentry'	Princeton Sentry Ginkgo	2.5' cal. 3.6 ft	per plan
bc	13	Taxodium distichum 'Savannah Silver'	Savannah Silver Cypress	2.5' cal. 3.6 ft	per plan
sl	12	Thuja occidentalis 'Savannah Silver'	Savannah Silver Linden	2.5' cal. 3.6 ft	per plan
ps	7	Quercus robur 'Princeton Sentry'	Princeton Sentry Oak	2.5' cal. 3.6 ft	per plan
pv	34	Acer truncatum 'Pacific Sunset'	Pacific Sunset Maple	2.5' cal. 3.6 ft	per plan
sg	237				
bc	13				
gb	27				
ha	70				
rp	18				
gb	27				
ha	70				
bw	91				
kf	88				
cm	112				
tj	33				
sl	12				
ps	7				
pv	34				
sg	237				
bc	13				



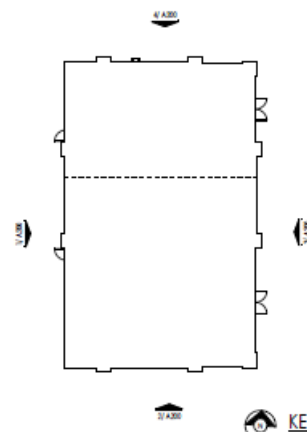
EAST ELEVATION (3)
SCALE: 3/16" = 1'-0"



NORTH ELEVATION 4



SOUTH ELEVATION 2



 **KEY PLAN** (5)
SCALE: 1/16" = 1'-0"



WEST ELEVATION (1)
SCALE: 3/16" = 1'-0"

Kloverarchitects
8813 PENROSE LANE, SUITE 400 • LENOVA, KS 66219
ph: 913.649.8181 • fx: 913.649.1275 • www.klover.net

THE CHAIRMAN has been proposed by the faculty as a person who is familiar with the institution and its needs and who is able to lead the faculty in the development of the institution. The faculty has elected Dr. J. H. Smith as chairman of the faculty.

THE MICROT-202-2M is designed for increasing radiation dose rate, reducing waiting time between, or as a post-exposure, diagnostic tool between and/or within an array of diagnostic devices. The MicroT-202-2M is a portable, rugged, and maintenance-free unit. It is designed for use in a variety of environments, including the field. The MicroT-202-2M is a portable, rugged, and maintenance-free unit. It is designed for use in a variety of environments, including the field. The MicroT-202-2M is a portable, rugged, and maintenance-free unit. It is designed for use in a variety of environments, including the field.

projectile

DRAKE DEVELOPMENT
MERRIAM NORHT - LOT B
SHAWNEE MISSION PARKWAY
MERRIAM, KS

projectnumber

drawing issuance		drawing revisions	
PRELIMINARY SUBMITTALS	0.000	0.000	0.000
0.000	0.000	0.000	0.000

professional soci

NOT FOR CONSTRUCTION

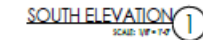
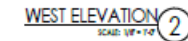
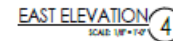
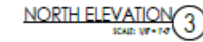
DATE SIGNED: 4/20/2018 1:49:43 PM

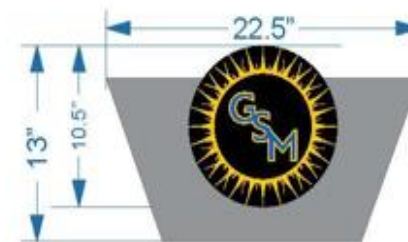
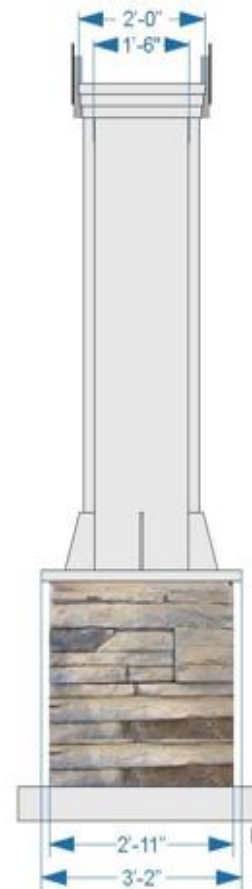
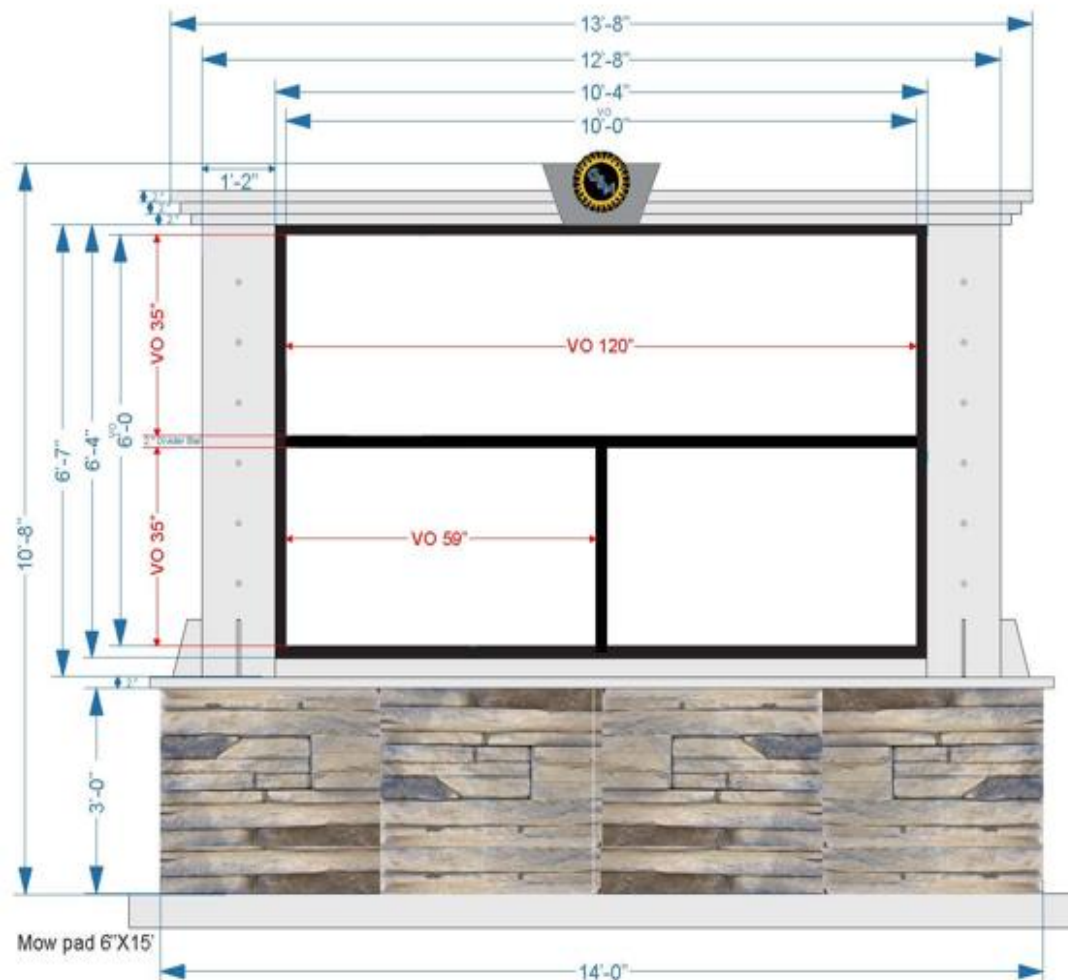
drawing file

drawn number

A200

Figure 1 displays five color swatches used in the study. From left to right, they are: BK-1 (a brick pattern), DTS-1 (a light cream color), DTS-2 (a medium brown color), ME-1, SF-1, SF-2 & (a dark brown/black color), and ST-1 (a wood grain pattern).





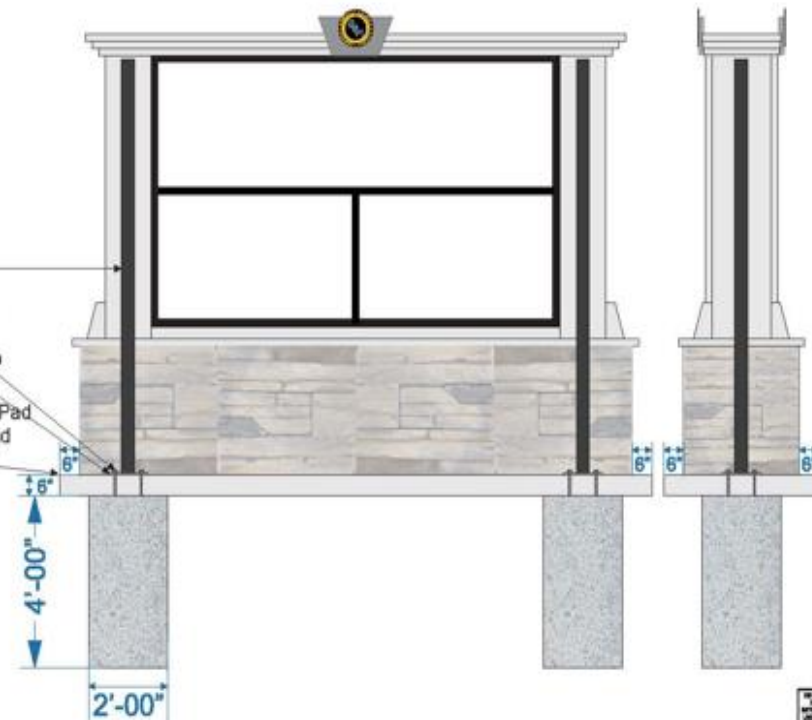
Pantone : 123C
Pantone : PMS 2935C
Black



ILLUMINATED D/S MONUMENT SIGN (EXTERIOR)

- Qty: (1) One Total Double-sided Illuminated Monument sign.
- Welded Aluminum framework.
- Base is CST-1 Cultured Stone Pro-Fit LedgeStone, Echo Ridge.
- Main Tenant Cabinet,
- 2" Retainers and Divider Bars painted BLACK.
- Cabinet Returns painted METALLIC SILVER.
- Removable Tenant Panels.
- Side columns/ Tiered Topper painted METALLIC SILVER.
- Decorative Buttons: 1" Dia. Plastic, painted METALLIC SILVER.
- Wedge-shaped Decorative gussets: 1/2 Acrylic, painted METALLIC SILVER.
- Circular Logo: WHITE Acrylic Face w/ colored Vinyl logo, BLACK Truncap, BLACK Returns.
- Illumination via Internally-mounted WHITE LED's.
- (Tenant Panels/ Logo are illuminated).

4" Sch 40 Pipe
5/8"X6" Hilti
Expansion Anchors
Part # KB-T2
12"X1/2" Steel Plate
4 Bolts Per Plate
6" Thick Concrete Pad
Extended 6" Around
All Sides Of Base
3K PSI Concrete







1 SOUTH ELEVATION

SCALE: 3/32" = 1'-0"



2 WEST ELEVATION

SCALE: 3/32" = 1'-0"

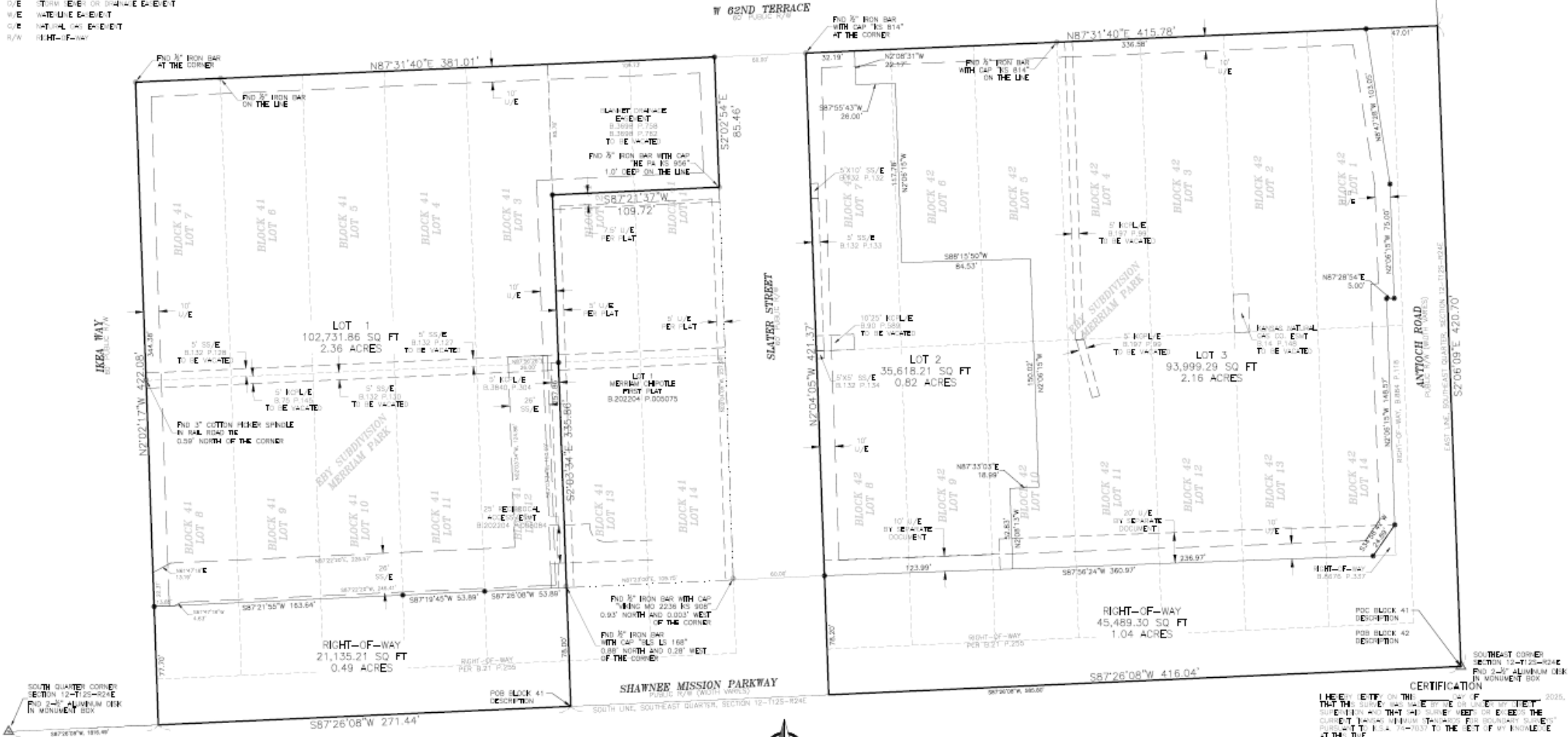
EXTERIOR MATERIALS LIST	
1. EXTERIOR WALL	MODULAR BRICK GLAZED BRICKWORK
2. ARCHITECTURAL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
3. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
4. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
5. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
6. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
7. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
8. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
9. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
10. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
11. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
12. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
13. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
14. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
15. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
16. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
17. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
18. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
19. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED
20. EXTERIOR WALL	BRICKWORK LAMINATE BRICKWORK, FUSED, GLAZED

GRAND STATION MARKETPLACE

A REPLAT OF PARTS OF LOTS 1 AND 2 AND ALL OF LOTS 3 THROUGH 12, BLOCK 41
AND A REPLAT OF LOTS 1 THROUGH 14, BLOCK 42 OF EBY SUBDIVISION MERRIAM PARK
LOCATED IN THE SOUTHEAST QUARTER OF SECTION 12, TOWNSHIP 12 SOUTH, RANGE 24 EAST
IN THE CITY OF MERRIAM, JOHNSON COUNTY, KANSAS



- LEGEND**
- DENOTES FOUND SURVEY MONUMENT (AS NOTED)
 - DENOTES LOT 5" IRON BAR WITH CAP (TYPED)
IF FOUND, ALL 5" IRON BARS (TYPED) ARE TO BE REPLACED
 - U/E ADJUT. EASEMENT
 - SSE EASEMENT
 - STONY EASEMENT OR DRAINAGE EASEMENT
 - W/E WATER EASEMENT
 - R/W RIGHT-OF-WAY



BLOCK 41 PARCEL CLOSURE REPORT

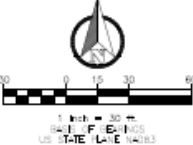
ITEM	VALUE
TOTAL AREA IN ACRES	100.57
AREA IN CLOSURE	0.00
CLOSURE IS ONE PART IN	19,763,477.34
ERROR IN NORTH	0.0000
ERROR IN EAST	0.0001
DIRECTION OF ERROR	N57°07'27"E

BLOCK 42 PARCEL CLOSURE REPORT

ITEM	VALUE
TOTAL AREA IN ACRES	1673.89
AREA IN CLOSURE	0.00
CLOSURE IS ONE PART IN	731,625.52
ERROR IN NORTH	0.0015
ERROR IN EAST	0.0018
DIRECTION OF ERROR	N50°35'52"E

FLOOD NOTE

THIS PROPERTY IS WITHIN THE 500-YEAR FLOOD AREA AS SHOWN ON THE FLOOD INSURANCE RATE MAP PREPARED BY THE FEDERAL EMERGENCY MANAGEMENT AGENCY FOR THE CITY OF MERRIAM, JOHNSON COUNTY, KANSAS, MAP NUMBER 20091C0022G, DATED AUGUST 3, 2009.



OWNER/DEVELOPER
SUNBELT INVESTMENTS LLC
7208 W. 125TH STREET, SUITE 100
OVERLAND PARK, KANSAS 66213

ENGINEER
C.F. ENGINEERS
1421 E. 10TH STREET, SUITE 100
PACIFIC, MO 64586-4111
ATTN: LANCE SCOTT

CERTIFICATION

I, LANCE SCOTT, ENGINEER, DO HEREBY CERTIFY THAT THE SURVEY WAS MADE IN ACCORDANCE WITH THE KANSAS SURVEYING ACT AND THAT THE SURVEY MEETS OR EXCEEDS THE CURRENT KANSAS SURVEYING STANDARDS FOR BOUNDARY SURVEYS. I AM A LICENSED PROFESSIONAL ENGINEER IN THE STATE OF KANSAS, LICENSE NO. 12345. I HAVE REVIEWED THE PLAT AND IT IS TRUE AND CORRECT TO THE BEST OF MY KNOWLEDGE AT THE TIME.

NOTARIZATION

NOTARIZATION REQUIRED FOR 100% OF EASEMENTS CORPORATE & THIRTY
FAS 12-125-024E

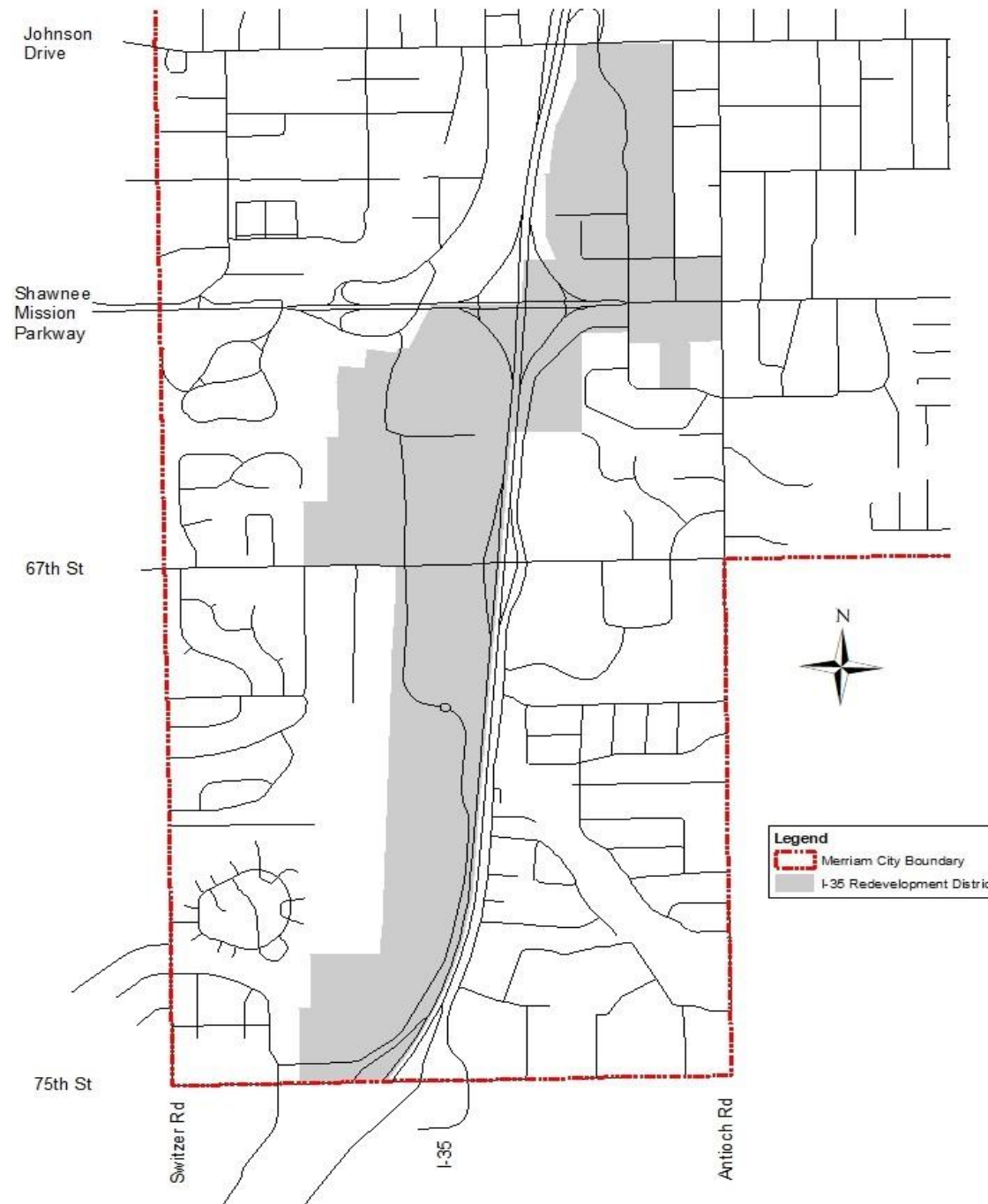
Developer Presentation

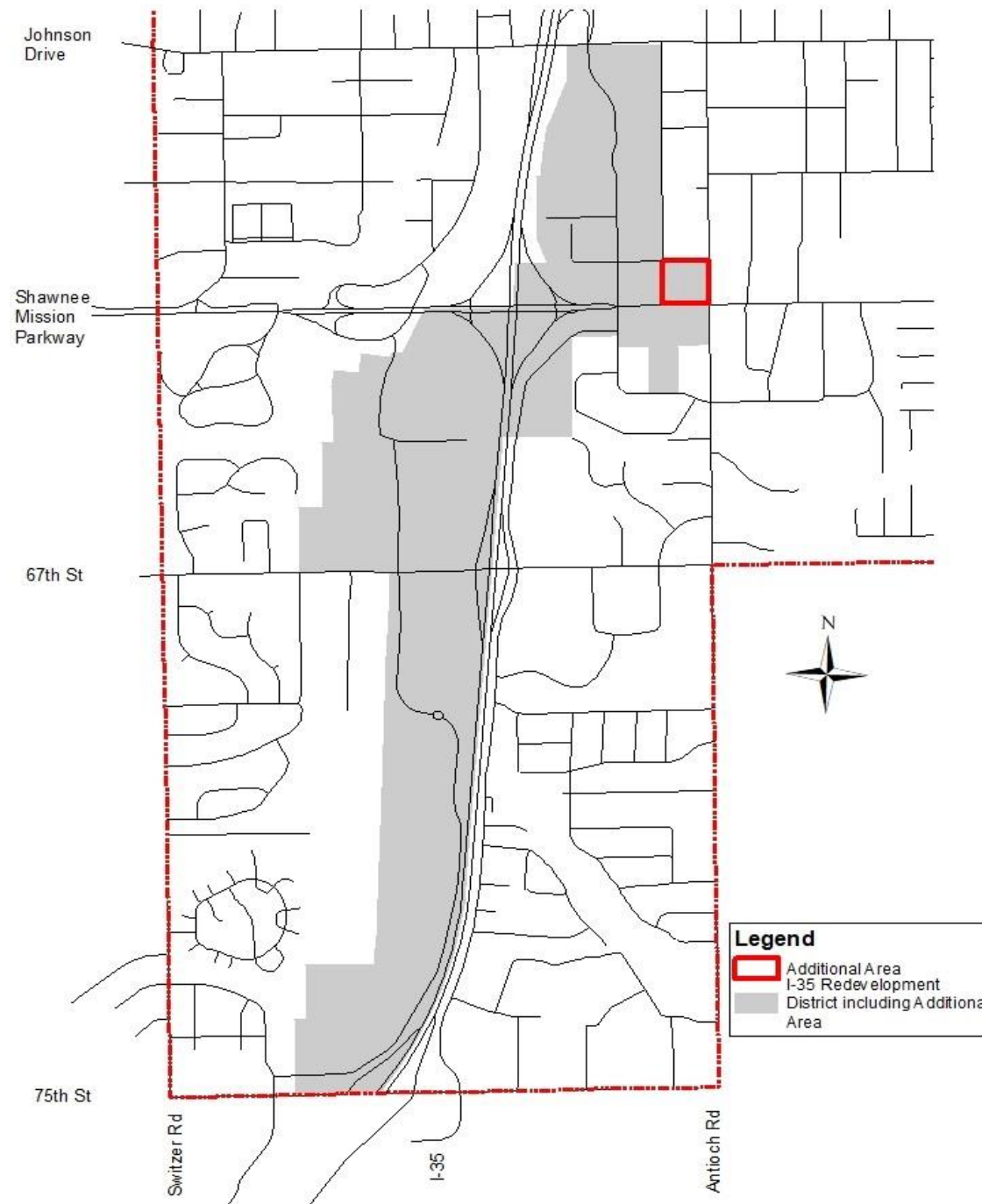


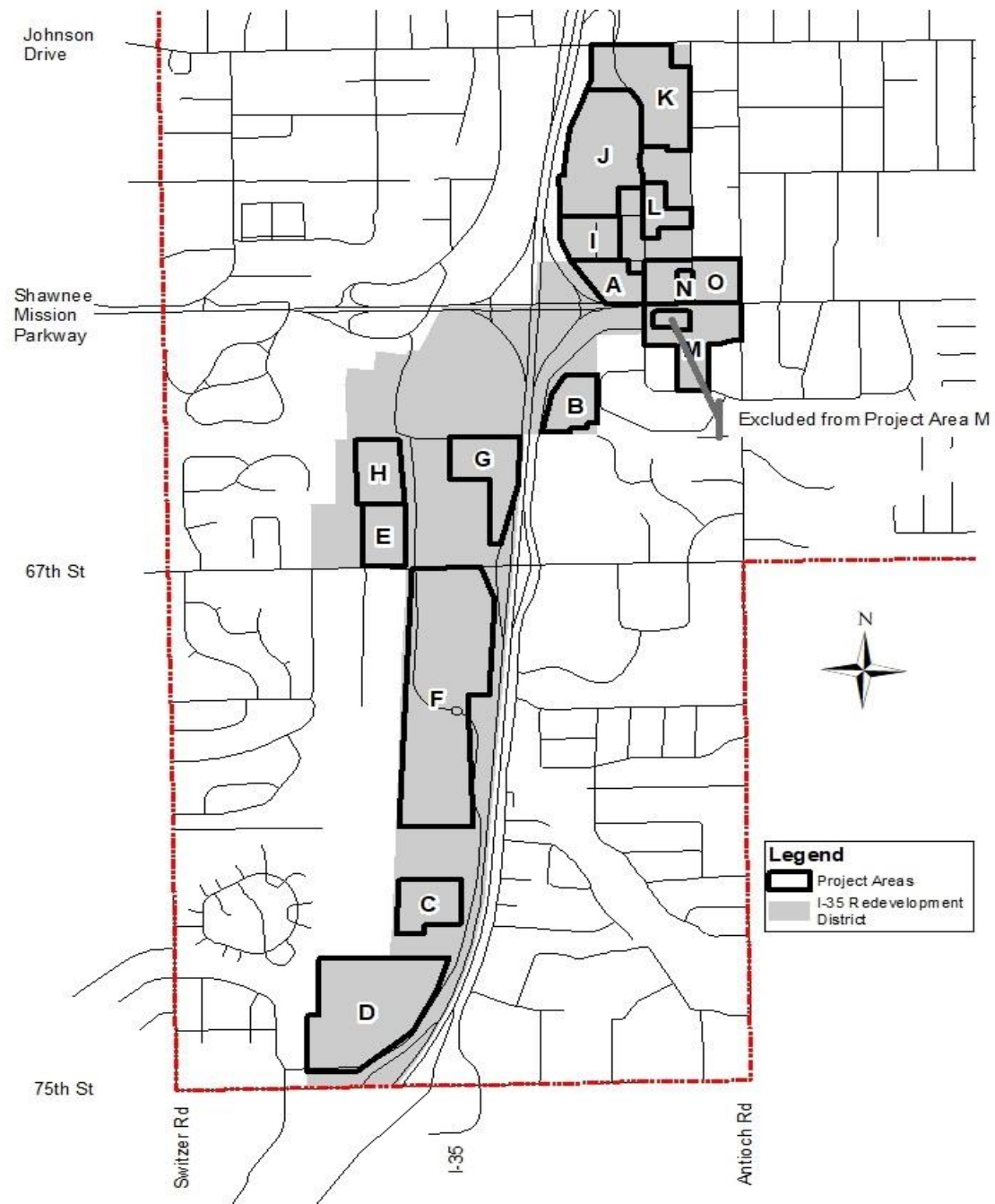
TIF Project Plan Area O

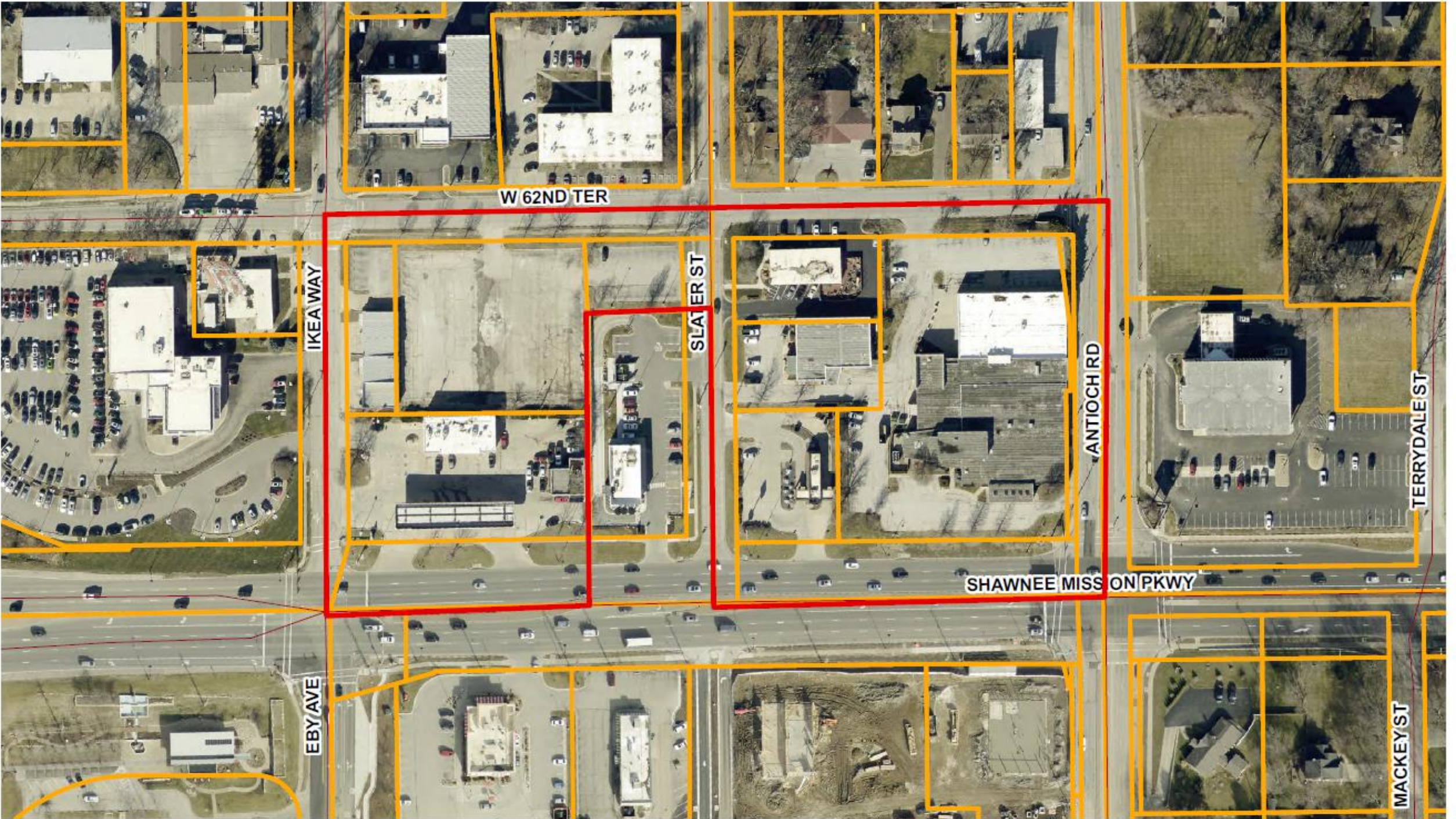
Public Hearing Item #1











W 62ND TER

IKEA WAY

SLATER ST

ANTIOCH RD

TERRYDALE ST

SHAWNEE MISSION PKWY

EBY AVE

MACKEY ST

Project Area O Plan

Summary of Feasibility Study

“As such, the Plan’s benefits and TIF revenue and other available revenues under subsection (a)(1) of K.S.A. 12-1774, and amendments thereto, are expected to exceed or be sufficient to pay for the Plan’s project costs. The Plan will have no effect on any outstanding special obligation bonds payable from the revenues described in K.S.A. 12-1774(a)(1)(D), and amendments thereto.”

“Project Area O: The development will consist of one to four commercial retail buildings ranging in size from 1,500 to 20,000 square feet and parking for the commercial buildings, and any necessary infrastructure in support of the Project Plan, including utility relocation and the construction of a multistory parking structure to support the multi-family project.”

Public / Private Partnership

Redevelopment Agreement



Project Budget

- Private

Item	Cost
Acquisition	\$3,000,000
Parking Garage	13,800,000
Apartments	38,700,000
Design/Soft Costs/Other	6,200,000
Interest Carry	7,700,000
TOTAL	\$69,400,000

- Public

Item	Cost
Acquisition	\$13,100,000
Site Work/Infrastructure	5,500,000
Grocery/Restaurant	5,600,000
Design/Soft Costs/Other	3,400,000
Utility Undergrounding	5,000,000
TOTAL	\$32,600,000

Redevelopment Agreement

DEVELOPMENT SUMMARY

- \$102,000,000 – Total Project Cost (est.)
- \$69.4MM in projected developer costs (\$66MM minimum investment)
- \$19.5MM in projected City construction costs
- \$13.1MM – City property costs (\$6.7MM conveyed to developer)
- IRBs – KS sales tax exemption on construction materials
- IRBs – 10-yr property tax abatement (less annual \$49,476 PILOT)
- City fee waiver to benefit of developer (\$243,579 max.)

Redevelopment Agreement (cont.)

CITY SITE PREP MAXIMUM AMOUNT

\$5,476,746 is the maximum amount the City is responsible for in connection with:

- Demolition and site work on the East Block, and all surrounding roadways, including the environmental remediation, demolition, and site work the City has already performed on the Library Parcels;
- The Public Improvements and Pedestrian Improvements;
- The sanitary sewer main relocation on the West Block (in the maximum amount of \$275,000); and
- Any other necessary utility or infrastructure-related improvements but expressly excluding all vertical construction costs.

Redevelopment Agreement (cont.)

REQUIRED DEVELOPER INVESTMENTS

- Minimum of \$66.0MM of own funds to WB
- \$1.0MM to grocery construction
- \$0.5MM to restaurant(s) construction

REQUIRED CITY INVESTMENTS

- Sanitary Sewer Main relocation - \$275,000 (max.)
- All surrounding road/utility infrastructure improvements
- Waive city fees, not third-party fees. Not to exceed \$243,579

Redevelopment Agreement (cont.)

INCENTIVES – CITY & DRAKE

- TIF Financing (City & Drake)
 - Extends TIF Term from current 12/31/32 to 12/31/37 (5 yrs)
 - \$13,750,000 to Drake for parking structure (annually on July 1, 2025 – 2034)
- CID Financing (City)
 - Drake agrees to submit as Petitioner, to City's benefit, 1% CID for 22-yrs
 - Drake guarantees \$2.5MM in CID revenues at 11-yrs; \$5.0MM at 22-yrs
- Industrial Revenue Bonds (Drake)
 - Sales tax on construction materials (\$2.3MM estimate)
 - 10-yr property tax abatement but PILOTs paid at 2024 values for 10-yrs
- Issuance of GO Bonds (City)
 - Agreement terminates if City doesn't issue bonds by 10/31/25

Redevelopment Agreement (cont.)

AFFORDABILITY REQUIREMENTS

- At least 18 units capped at 30% of 60% of JoCo Median Household Income for five years
- Annual written certification to City, auditable by City

SUSTAINABILITY FEATURES

- Installation of 18 EV-charging stations in parking structure
- Residential designed for future installation of solar panels

Redevelopment Agreement (cont.)

CIVIC INVOLVEMENT

- Dues-paying member of Chamber (annual)
- \$2,000 to City for Flags4Freedom (annual)
- \$6,000 to Foundation for recreation scholarships (annual)
- Headlining sponsor of at-least one major City event (annual)
- \$6,000 to Shawnee Mission Education Foundation (annual)
- Provide \$50k for art within project area or elsewhere (one-time)

None of this is TIF-eligible for reimbursement

Redevelopment Agreement (cont.)

DEVELOPER DEFAULTS

- Minimum Developer Investment of \$66.0MM
 - 25% of difference > reduction in TIF to Drake
- WB not fully complete by 06/24/30
 - \$50k x each month delay > reduction in TIF to Drake
- Non-compliance with affordability requirements
 - Add 2 mo. to 5-yr term for every 1 mo. of incompliance (self-report)
 - If we audit and find incompliance reduction in TIF to Drake by \$1.0MM
- Developer fails to comply with annual eco-devo reporting requirements
 - Attempt to cure then terminate RDA
- Developer fails to complete EB in accordance with construction contracts
 - Attempt to cure then terminate RDA
- If Default, Drake still contributes \$1.5MM to City to complete EB

CONTROLLING DOCUMENTS



Redevelopment Agreement (cont.)

PRE-CLOSING ACTIVITIES

By City (prior to today) -

- Acquired all four library parcels, conducted environmental remediation, commenced demo/site work

By Drake (prior to today) -

- Drake acquired Caribou + purchase options on Shell, Boullear, Chipotle, PossAbilities
- Petitioned City for a CID to the sole benefit of the City

Redevelopment Agreement (cont.)

PRE-CLOSING ACTIVITIES – if project proceeds

East Block Closing (on/before 6/24/25) -

- Drake assign purchase options to City for Boullear & PossAbilities
- City approve form of grocery lease & Prime Subcontract for grocery
- City & Drake execute Commission Agreement & Construction Contract

West Block Closing (on/before 7/17/25) -

- Drake receives clearance to redevelop Shell

Redevelopment Agreement (cont.)

CLOSING ACTIVITIES

East Block Closing (6/24/25) -

- City acquire PossAbilities & Caribou Coffee

West Block Closing (7/17/25) -

- Drake acquire Independence property & Chipotle
- City reimburse Drake \$1.5MM for Chipotle acquisition
- Drake acquire Shell property
- City reimburse Drake \$4.8MM for Shell acquisition
- City acquire Boullear property

**City Owns for \$1.04MM
Grants to Drake**

**City Buys
\$1.825MM**

**City Buys
\$0.9MM
Grants to
Drake**

City Owns for \$2.9MM

**Drake Buys
\$3.0MM

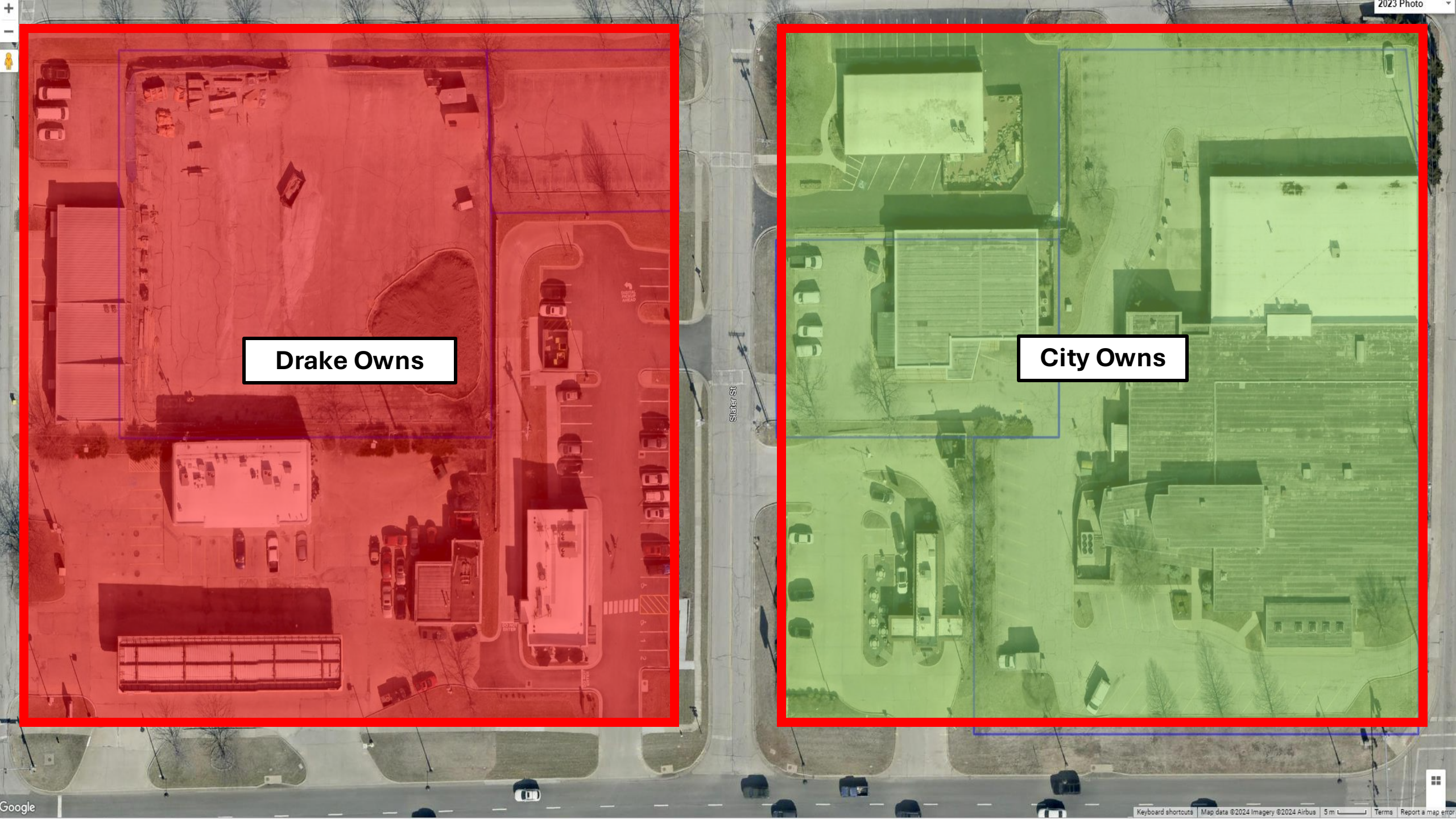
City Reimb
\$1.5MM**

**Drake Buys
\$4.8MM

City Grants
Drake
\$4.8MM**

**City Buys
\$1.5MM**

How We're Going to Get There



Drake Owns

City Owns

Redevelopment Agreement (cont.)

POST-CLOSING ACTIVITIES

East Block Closing (6/24/25) -

- Within 1 week Drake starts remaining demo/site work > grocery

West Block Closing (7/17/25) -

- Within 1 week Drake starts demo/site work exc. Shell & Chipotle
- Once Shell vacated, Drake begins environmental remediation

Redevelopment Agreement (cont.)

CITY REVERSIONARY RIGHT – West Block

- Shell, Boullear, Library parcels become city-owned if:
 - Drake fails to start demo on Boullear/library w/in 90-days of WB Closing
 - Drake fails to start demo on Shell w/in 180-days of WB Closing
 - Drake fails to start parking structure w/in the later of 180-days of KDHE clearances, or 60-days of City providing permits for parking and residential
 - Drake fails to start residential w/in 1-yr of starting parking structure
 - No certificate of occupancy on residential by 5th anniversary of WB Closing

Redevelopment Agreement

DEVELOPMENT SUMMARY

- \$102,000,000 project (est.)
- 12,500 sq. ft. of grocery space
- 4,000 sq. ft. restaurant space (no drive-thru)
- ~215 residential class-A apartments
 - 8.5% (18) affordable for 5-yrs
- Parking Structure (below & above grade)
 - 300 stalls
 - 18 EV charging stations
- Chipotle stays

CONTROLLING DOCUMENTS



Controlling Documents

- Construction Management Agreement – construction of the site
- Commission Agreement aka Leasing Agent Agreement
- Property Management Agreement – management of the site

Construction Management Agreement

a/k/a Fee Development and Construction Management Agreement



Construction Management Agreement

Covers Development + Construction Management Services

- Development Services
 - Predesign Phase
 - Entitlement Phase
 - Project Completion Phase
- Construction Management Services
 - Construction Document and Permit Submittal Phase
 - Construction Pricing and Contract Preparation Phase
 - Construction Phase
 - Construction Closeout Phase

CONTROLLING DOCUMENTS



Construction Management Agreement (cont.)

- **Development Services**

- I. Predesign Phase – plan creation, plan review, site survey, utility coordination
- II. Entitlement Phase – project cost documentation required for incentive reimbursement
- VII. Project Completion Phase – building delivery to tenant, certificate of occupancy, as-builts/operations manuals/warranties to City

Construction Management Agreement (cont.)

- **Construction Management Services**

- III. Construction Document Review and Permit Submittal Phase
- IV. Construction Pricing and Contract Preparation Phase – includes bid process and contract negotiation
- V. Construction Phase
- VI. Construction Closeout Phase – walk-through, final payment, O&M review

Construction Management Agreement (cont.)

- Real Estate Advisor Fee - \$185,000
 - \$60,000 – 1-mo anniversary of certificate of occupancy of grocery
 - \$125,000 – 1-mo anniversary of grocery opening to public
- Development Services Fee - \$265,000
 - \$90,000 – 1-mo anniversary of certificate of occupancy of grocery
 - \$175,000 – 1-mo anniversary of grocery opening to public
- Construction Management Fee - \$190,000
 - Paid monthly prorated to the actual monthly cost of construction

Commission Agreement

a/k/a Leasing Agent Agreement



Commission Agreement

- Contract between property owner and broker outlining terms of compensation for brokerage services, i.e., locating us tenants
 - Grocery tenant by 9/30/25; restaurant/retail tenant by 12/31/25
- Pays 6% of base rent of the initial lease term of grocer & restaurant(s). Half (3%) goes to tenant broker. Standard rate
- Pays ½ within 30 days of execution of agreement and ½ upon tenant opening and city receiving 1st months rent

Property Management Agreement



Property Management Agreement

Covers Property Management + Financial Management of property

- Property Management
 - Operates as Independent Contractor
 - Maintenance – landscaping, snow removal, cleaning, painting, repairs, utility contracting, rent collection
- Fiscal Management
 - Create, present to City and maintain annual operating budget
 - Maintain accounting records, create monthly reports, prepare checks
- Management Fee
 - Greater of \$500/mo. or 4% of gross monthly operating income. Standard rate.
- Term
 - Initial 5-yr term; auto-renew for additional 1-yr terms

Project Budget

- Private

Item	Cost
Acquisition	\$3,000,000
Parking Garage	13,800,000
Apartments	38,700,000
Design/Soft Costs/Other	6,200,000
Interest Carry	7,700,000
TOTAL	\$69,400,000

- Public

Item	Cost
Acquisition	\$13,100,000
Site Work/Infrastructure	5,500,000
Grocery/Restaurant	5,600,000
Design/Soft Costs/Other	3,400,000
Utility Undergrounding	5,000,000
TOTAL	\$32,600,000

City will BORROW these funds.

Issuance of Bonds



Using Bonds to Bridge Development Receipts

- City expects to fully-fund the public costs of the project through a mix of tax increment financing receipts, community improvement district sales tax receipts, and operating income from the grocery and restaurant/retail
- City will use 'AAA'-rated general obligation bonds to provide low-cost bridging of these future receipts
- Two series of bonds
 - Tax-Exempt: fund traditional TIF-eligible costs (acquisition, site prep, infrastructure, parking)
 - Taxable: fund vertical construction of the grocery and retail/restaurant
 - Developer has agreed to a \$5MM guaranty of the CID receipts



If we had issued the bonds on June 10...

- Our best estimate of bond size and borrowing costs would have been
 - Tax-Exempts:
 - \$21.8 million principal amount
 - 4.50% effective interest rate
 - Taxables
 - \$14.0 million principal amount
 - 5.45% effective interest rate
- While the borrowing needs will not change materially before we actually offer the bonds, interest rates and sizing will change based upon market conditions on the day of sale



How will we reduce risk to the General Fund?

- We will have the right to pre-pay without penalty up to \$6MM of the tax-exempt bonds by February 2033. Starting in August 2033, we will have the right to pre-pay the bonds without penalty in any amount at any time
 - Based upon historical I-35 TIF Fund receipts, we expect to pre-pay all of the tax-exempt bonds in advance of the expected 12/31/2037 TIF termination
- The taxable bonds will be largely repaid from CID sales taxes from retailers already in operation today and from receipts of the grocery lease, the terms of which are known
 - In addition, the developer has guaranteed \$5MM of the CID receipts

How will we sell the bonds?

- Competitive sale
 - Any registered broker-dealer in the US can bid on one or both series of bonds
 - Sealed bid process
 - The winning bidder is the one providing the City with the lowest cost of borrowing
- The City's 'AAA' rating is the highest rating available (now higher than that of the US government!)
 - This should generate significant bidder interest and keep our borrowing costs relatively low

How we expect to repay the bonds?

- I-35 Redevelopment District
 - 1% Community Improvement District (\$0.50 on a \$50 receipt)
 - Grocery Rents
 - Restaurant Rents
-
- All financial modeling is isolated to these revenue streams to not compete with existing general fund dollars or projected sales tax increases from the development.



Community Improvement District

Public Hearing Item #2

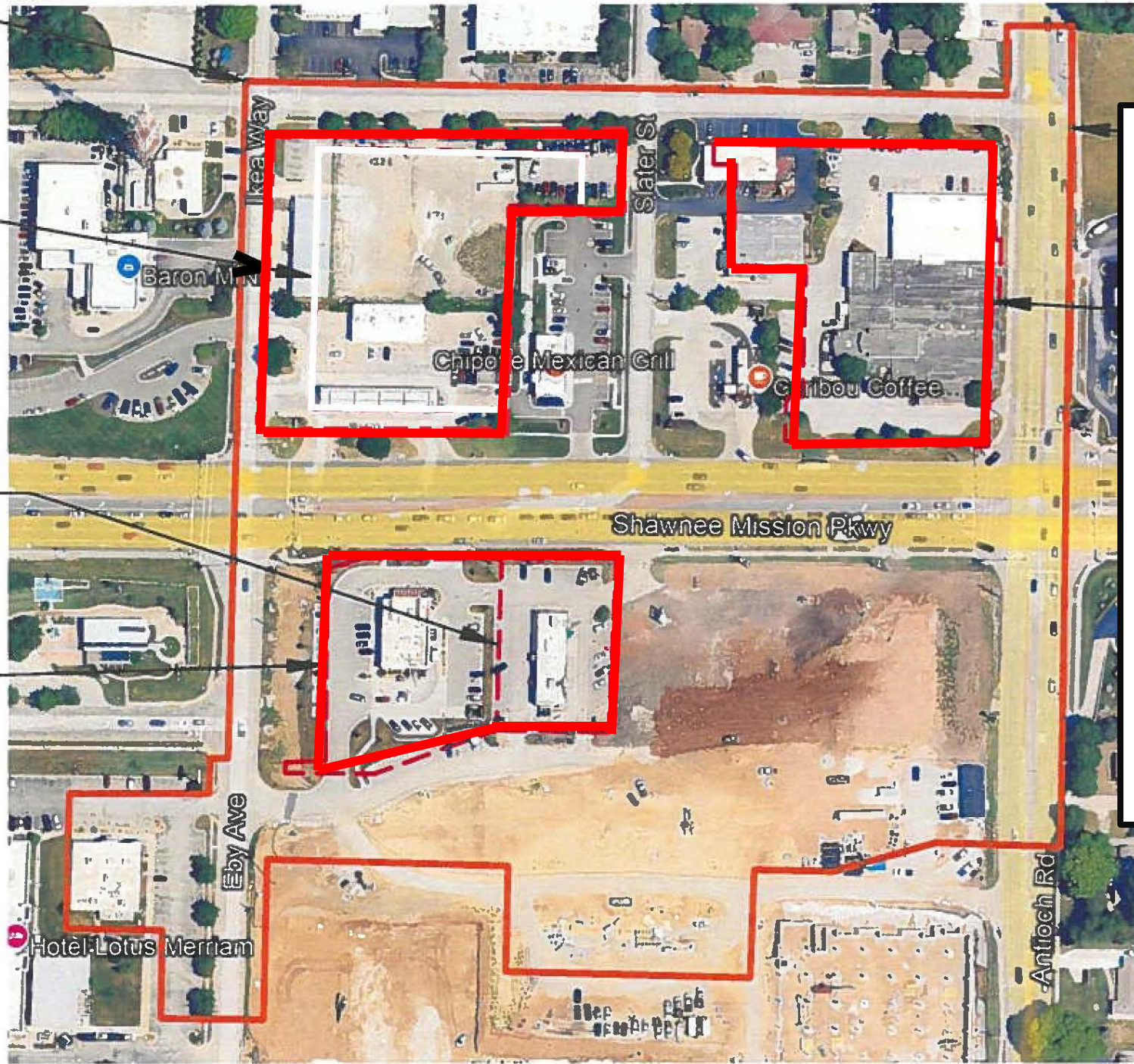


POINT OF
BEGINNING

Excepted portion
of Lot 1
"Grand Station
Marketplace"

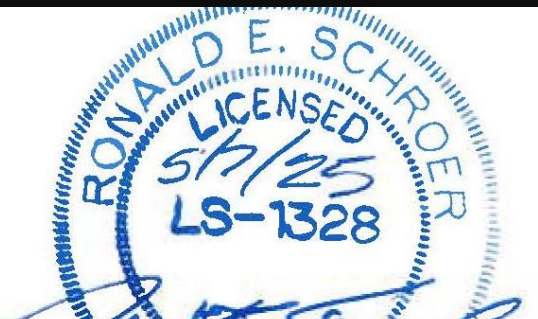
Excepted Lot 2
"Grand Station
Redevelopment"

Excepted Lot 1
"Grand Station
Redevelopment"



CID Properties – 1%

- Chipotle
- New Restaurant(s)
- Cava
- Starbucks
- Jersey Mikes
- Treats Unleashed
- Sup. Superstore
- 30 Hop
- Homegrown
- Shake Shack
- Denny's



What is a Community Improvement District?

- Allowable per Kansas Statute 12-6a26 *et seq.*
- Additional sales tax at point-of-sale w/in established district.
- Reimburses for:
 - Unlike TIF, all structure costs are eligible
 - Site improvement or enhancement (green / streetscape, art)
 - Ongoing operating expenses, including security, entertainment, public events, business promotion, etc.

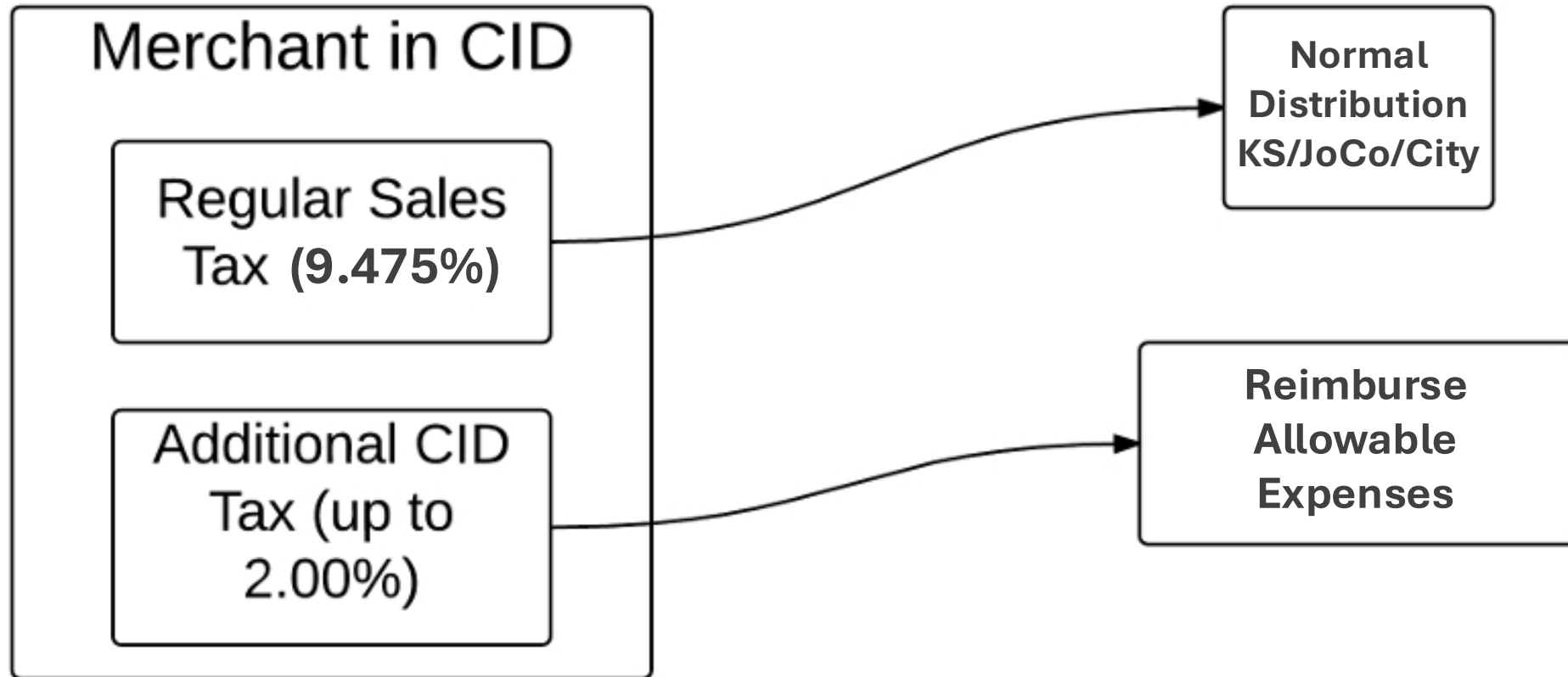


CID Pay-as-you-go

- An additional sales tax is collected at each point-of-sale within the District. That special sales tax ends up in a segregated account held by the City. Those proceeds can only be used to reimburse the items outlined in a Redevelopment Agreement.
- The City of Merriam holds all funds collected by the CID until it confirms a verified eligible expense has occurred at which time such expense can be reimbursed.
- Only funds currently available in the CID account can be disbursed.



CID Pay-as-you-go (illustration)



Merriam North CID Uses

- City will use a pay-as-you-go CID
- 1% CID = \$0.50 on a \$50.00 receipt – not on grocery store
- All CID sales taxes will inure to the benefit of the City to pay eligible costs for the redevelopment of the East Block and for associated infrastructure.
- City anticipates using the CID proceeds to repay debt service on GO bonds issued to support the project.
- Collections would begin Oct. 1, 2025

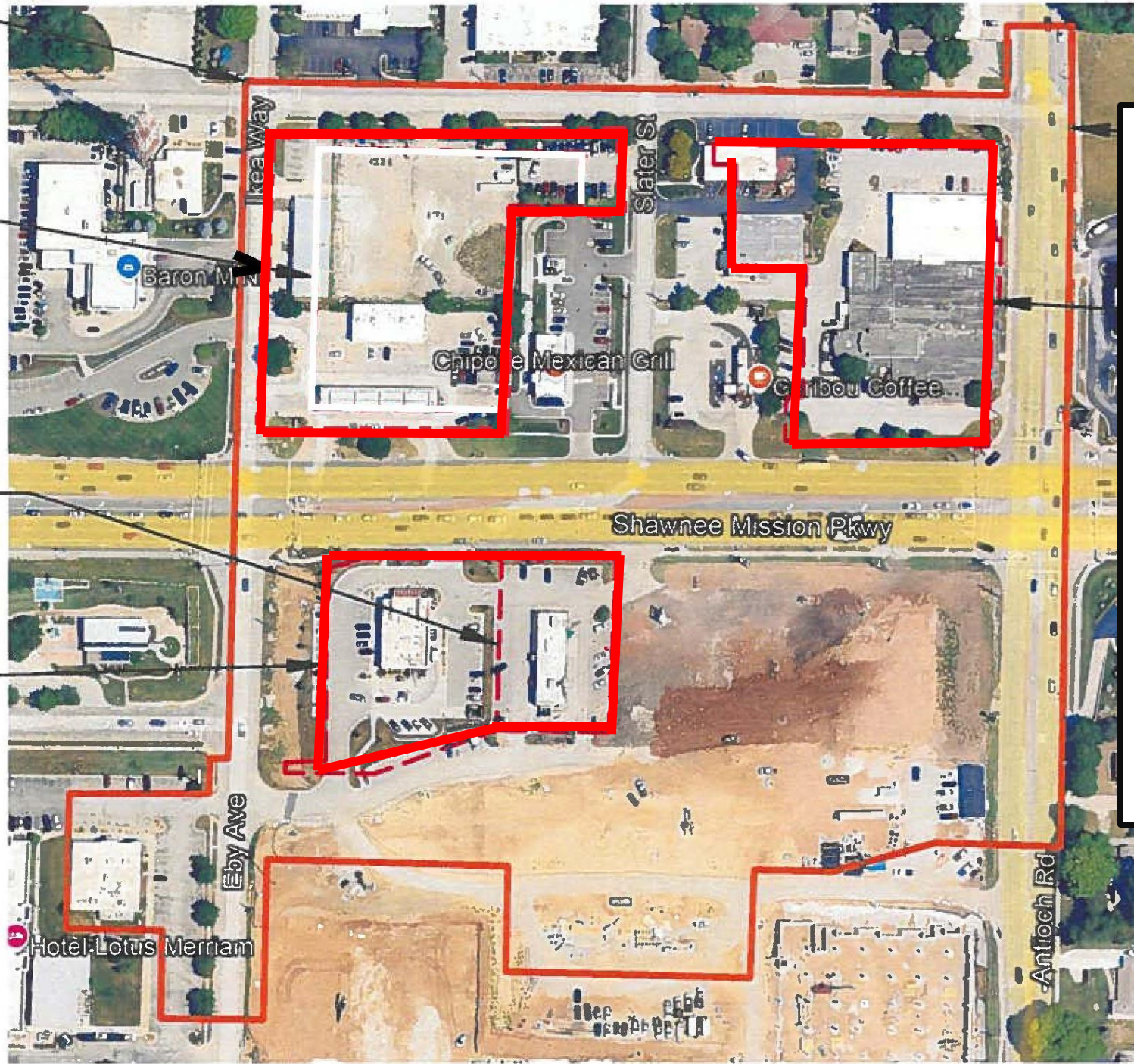


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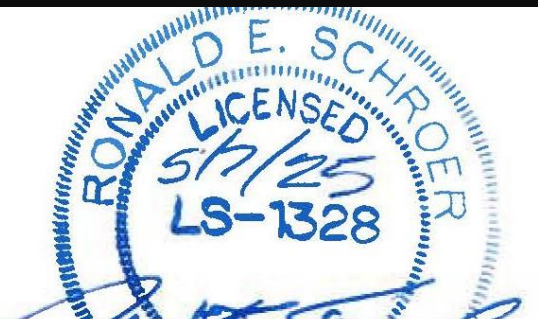
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Excepted Lot 1
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CID Properties – 1%

- Chipotle
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- Starbucks
- Jersey Mikes
- Treats Unleashed
- Sup. Superstore
- 30 Hop
- Homegrown
- Shake Shack
- Denny's



Questions before Public Hearings



Public Hearing #1

TIF Project Plan Area O



Public Hearing #2

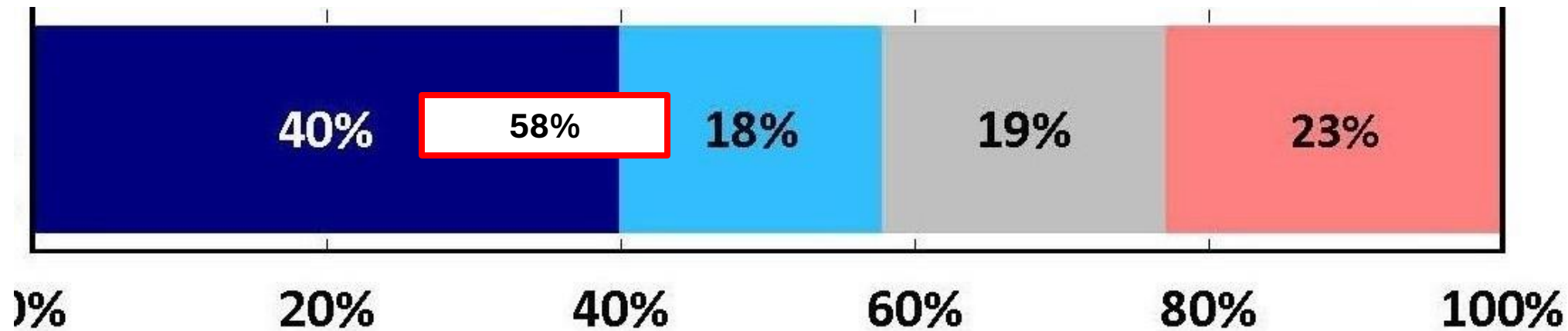
Establishing Merriam North CID



Final Questions Before the Votes



Merriam should try to bring a grocery store to town even if it requires giving the store a multi-million dollar public incentive package



■ Strongly Agree (5) ■ Agree (4) ■ Neutral (3) ■ Disagree (1/2)

The Votes



Project Plan for Project Area O

VOTE #1 is to waive the customary First Reading of the Ordinance adopting the Project Plan for Project Area O

VOTE #2 is to approve an ordinance adopting the Shawnee Mission Parkway, IKEA Way, W. 62nd Terrace, and Antioch Road Redevelopment Project Plan, Project Area O and authorize the Mayor to sign the effectuating ordinance.



Development Agreement(s)

VOTE #3 is to approve a Redevelopment Agreement between the City of Merriam and Slater Investors, LLC., which grants certain incentives relating to the Merriam Grand Station Marketplace Development, including the approval of all exhibits attached to the Redevelopment Agreement (which are either in final or substantially final form) and for those in substantially final form, approve the finalization of such documents by the City Administrator on behalf of the City Council.



Community Improvement District

VOTE #4 is to waive the customary First Reading of the Ordinance creating a 1% Community Improvement District

VOTE #5 is to approve an Ordinance establishing the Merriam North CID and set forth the boundaries thereof, authorize a community improvement district project relating thereto, approve the estimated costs of such community improvement district project, and approve the method of financing the same, all in accordance with Kansas Statutes.



General Obligation Bonds (cont.)

VOTE #6 to waive the customary First Reading of a bond ordinance authorizing the issuance of general obligation bonds, Series 2025A (tax-exempt), in an amount not to exceed \$25,100,000

VOTE #7 is to approve an Ordinance authorizing and providing for the issuance and delivery of general obligation bonds, Series 2025A, of the City of Merriam, Kansas, in the total principal amount not to exceed \$25,100,000; providing for the levy and collection of an annual tax for the purpose of providing for the payment of the principal amount of and interest on the bonds as it becomes due and payable; and making certain other covenants and agreements with respect to the bonds.



General Obligation Bonds (cont.)

VOTE #8 to waive the customary First Reading of a bond ordinance authorizing the issuance of general obligation bonds, Series 2025B (taxable), in an amount not to exceed \$15,785,000

VOTE #9 Approve an Ordinance authorizing and providing for the issuance and delivery of taxable general obligation bonds, Series 2025B, of the City of Merriam, Kansas, in the total principal amount not to exceed \$15,785,000; providing for the levy and collection of an annual tax for the purpose of providing for the payment of the principal amount of and interest on the bonds as it becomes due and payable; and making certain other covenants and agreements with respect to the bonds.



General Obligation Bonds (cont.)

VOTE #10 to approve a Parameters Resolution authorizing the sale, prescribing the form and details, and authorizing the delivery of general obligation bonds, Series 2025A, of the City of Merriam, Kansas, in the total principal amount not to exceed \$25,100,000, previously authorized by an Ordinance of the City.

VOTE #11 to approve a Parameters Resolution authorizing the sale, prescribing the form and details, and authorizing the delivery of taxable general obligation bonds, Series 2025B, of the City of Merriam, Kansas, in the total principal amount not to exceed \$15,785,000, previously authorized by an Ordinance of the City.



Planning / Zoning Items

VOTE #12 is to concur with the Planning Commission's recommendation for approval, with conditions, of a request for rezoning of an area bounded by IKEA Way, W. 62nd Terrace, Antioch Road, and Shawnee Mission Parkway, not including 8800 Shawnee Mission Parkway from C-O (Office Commercial) District, C-1 (Neighborhood Commercial) District, and PUD-G (Planning Unit Development – General) to PUD-G (Planned Unit Development – General) District, with use restrictions, and the associated preliminary development plan. (RZ25-000001/PUD25-000001)

VOTE #13 is to accept the dedication of easements and right-of-way shown on the Grand Station Marketplace Final Plat. (PA25-000002)

Next Steps

- June 17th - Printing of Preliminary Official Statement and Notices of Sale for the GO Bonds
- June 24th – Sale date for the GO Bonds
- Not later than July 17th – Issue date for the GO Bonds
- October 1, 2025 – CID Sales tax collections begin
- Date TBD – Procedures related to the issuance and delivery of the Industrial Revenue Bonds related to the Residential Project and the Parking Project
 - These actions are projected to occur near completion of each project.

Adjournment



Development Agreement(s)

VOTE #3 is to approve a Redevelopment Agreement between the City of Merriam and Slater Investors, LLC., which grants certain incentives relating to the Merriam Grand Station Marketplace Development, excluding the approval of all exhibits attached to the Redevelopment Agreement listed as DRAFT.

