



**MINUTES OF THE
APRIL 11, 2023
LENEXA COMMITTEE OF THE WHOLE MEETING
COMMUNITY FORUM, 17101 W 87th STREET PARKWAY
LENEXA, KS 66219**

CALL TO ORDER

Mayor Boehm called the meeting to order at 7 PM.

ROLL CALL

Councilmembers Karlin, Eiterich, Roh, Arroyo, and Sayers were present with Mayor Boehm presiding. Councilmembers Nicks, Nolte, and Denny were absent.

Staff present included Beccy Yocham, City Manager; Todd Pelham, Deputy City Manager; Mike Nolan, Assistant City Manager; Scott McCullough, Community Development Director; Sean McLaughlin, City Attorney; Jennifer Martin, City Clerk; and other City staff.

APPROVE MINUTES

Councilmember Roh made a motion to approve the January 24, 2023 Committee of the Whole meeting draft minutes and Councilmember Sayers seconded the motion. Motion passed unanimously.

DISCUSSION

1. Rec Center 2022 Annual Report

Logan Wagler, Parks and Recreation Director, said this is a review of the Rec Center's fifth year of operations. He said he is proud of the facility and what it provides to the community and beyond but is most proud of the staff that keeps it running.

Erika Geering, Rec Center Manager, presented a review of the Rec Center's focus and goals for 2022. She talked about target membership, member acquisition and engagement strategies, webpage updates, social Media advertisements, free classes for teachers and nurses, and the prize wheel. She also said they had great engagement and participation in the refer-a-friend campaign and that the corporate incentive program includes Chick-fil-A, Angel Competition Bikinis, and City of Lenexa employees.

Ms. Geering said they surpassed the 9,500 member goal with 10,288 members. She said the average membership over the past 5 years is 8,242. She said that knowing these trends helps them establish staffing needs for the facility. She presented a breakout of the memberships, noting that 60% of memberships are household

memberships.

Ms. Geering talked about retention efforts like Forever Fit happy hours, Workout Partner Wednesdays, Thankful Thursdays in November, and education series such as how to use tools in the facility, as well as the fitness equipment replacement program.

Ms. Geering reviewed the cost recovery and revenue/expense comparisons, reporting 124% cost recovery, 34% revenue increase, and 60% membership increase. She also talked about some of the operational improvements that were made in 2022 like requiring identification for ages 18 and older, the creation of a rental space brochure, implementation of a youth waiver email process, and the establishment of seasonal gym schedules.

Kevin Bruns, Assistant Rec Center Manager, reviewed day pass and membership visits, saying that pricing is competitive, and the Rec Center is one of the only facilities to offer full-court basketball. He said people visit the Rec Center for group classes, forever fit happy hours, karate, swim lessons, preschool sports, and preschool pals.

Mr. Bruns presented a recap of the birthday party rentals, which generated \$179,000 in revenue through 823 parties with over 20,000 guests. He noted that non-party rentals generated \$17,000 in revenue, which was an 189% increase. He added that the Rec Center shop generated \$4,000 in revenue through sales of 449 items including shirts, towels, and goggles.

Mr. Bruns talked about several events held at the Rec Center. From the Underwater Egg Hunt to the 5-year Celebration to the Naughty or Nice Games, events sell out and hundreds of people are eager to participate in the games and activities. He talked about staff retention efforts like RED Friday's, Candy Grams, the Shout-Out Board, Birthday cookies, staff game nights, and graduation announcements.

Ms. Geering reported on program statistics, which is attendance in addition to daily passes and check-ins:

- Summer Camp/Kids Day Out – 708 enrollments
- Karate – 1,208 enrollments
- Art Classes – 106 participants
- Gym for Me – 900 participants
- Drop-in pickleball - 3,164 participants

Ms. Geering reported that membership rates will increase in May 2023 to help cover operational expenses. She also said that some treadmills, rowers, and cycle bikes would be replaced. She added that facility improvements would include the installation of blinds on the 2nd floor and some Rec Shop updates with fresh items.

Councilmember Karlin thanked Ms. Geering for doing a great job and said everyone at the Rec is so friendly and he likes that it is clean. He asked about the membership breakdown and Ms. Geering said that 75% are Lenexa resident memberships. Councilmember Karlin asked if peak times are close to capacity and Ms. Geering said

it depends on schedules and the day of the week, but they are constantly adjusting to make it work and to keep it safe.

Mayor Boehm said he has heard from non-residents about using facility and asked if non-residents are causing inaccessibility to programs for residents. Ms. Geering said the facility is first come first served and they work to make sure needs are being met, especially with swimming lessons. Mayor Boehm asked if the SMSD Aquatic Center is competing with the Rec for swim lessons and swim team and Ms. Geering said there have not been any issues.

Councilmember Roh thanked Ms. Geering and Mr. Bruns for their presentation, work, and leadership.

Councilmember Eiterich said she thinks the Rec is the birthday party capital of the city because parents are always attending parties there.

STUDENT INTRODUCTIONS

Arissa Turner and Randa Coate-Brock, Shawnee Mission West students, attended the meeting for a Government class requirement.

2. 2022 Economic Development Report

Mike Nolan, Assistant City Manager, thanked Kyle Glaser for his work on this report. He talked about the Governing Body's guiding principle of responsible economic development, its direct connection to Vision 2040 – Thriving Economy, and how these things help create a balanced tax base that allows Lenexans to have the quality of life that they do.

Kyle Glaser, Economic Development Analyst, reviewed the tools of economic development:

- Tax Increment Financing (TIF)
- Industrial Revenue Bonds (IRB)
- Community Improvement Districts (CID)

Mr. Glaser presented a map reflecting the projects in the report that are using one or more of the tools.

Mr. Glaser presented a summary of the TIF tool. He reported there are five active TIF districts, 37 active project plans, and three complete/expired project plans. He said these have a base assessed value is \$33.4 million and the 2022 assessed value is \$191.6 million. He explained how to read the Total TIF Reimbursement charts found in the report and went through examples of the Lifetime Fitness and Meritex Subsurface Development.

Mr. Glaser presented a summary of the IRB & Tax Abatement tool. He reported there are 23 active tax abatements, with estimated 2022 payment in lieu of taxes (PILOT) payments of \$2.7 million; 7 pending tax abatements, estimated average annual PILOT \$783,000; and 10 completed tax abatements since 2000 with 2022 taxes of \$3.2 million. He went through examples of Williams Equity (Skyline) and Lenexa

Logistics Centre East, Building 2.

Mr. Glaser presented a summary of the CID tool. He reported there are 13 active CIDS and four pending, all of which have a 1% CID sales tax. He explained the Total CID Reimbursement chart and went through examples of Orchard Corners and 95th Street & Quivira Road.

Councilmembers asked clarifying questions about the tools and the report and Mr. Glaser addressed their questions.

Mayor Boehm talked about how these tools help the City to support development and address blighted areas throughout the city that might be undevelopable otherwise, as well as the importance of staff negotiations in the process.

Beccy Yocham, City Manager, said that staff always considers how the community's goals can be achieved with these tools. She talked about public and private development, as well as the importance of meeting the community goals. She explained how each instance can look different.

Councilmember Sayers asked how this document could be used in the future and what the next steps are to communicate this with the public.

Ms. Yocham commented that it is impossible to explain this complex information to the general public, but she hopes it helps people to understand how incentives work and benefit the city.

Mayor Boehm commented that he liked this document better than a spreadsheet.

Mr. Pelham said when this becomes an historical document he would like for it to include before and after pictures of the development to reflect the changes made.

ADJOURN

Mayor Boehm adjourned the meeting at 8:16 PM.

/s/ Jennifer Martin
City Clerk