



Office of  
Mary Jo Spino  
Clerk of the County Legislature

# Jackson County Missouri

## JOURNAL

### County Legislature

Jackson County Courthouse  
415 East 12th Street, 2nd floor  
Kansas City, Missouri 64106  
(816)881-3242

Dan Tarwater, (4th), Chairman, Henry C. Rizzo (2nd AL), Vice-Chairman,  
Robert A. Stringfield, (1st AL), Fred Arbanas (3rd AL),  
Scott Burnett (1st), Eugene Standifer Jr. (2nd), Dennis Waits (3rd),  
Rhonda L. Shoemaker (5th), Bob Spence (6th)

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Thursday, December 22, 2005

9:30 AM

Special Meeting

K.C. Legislative Assembly Area, Kansas City, Missouri

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Dan Tarwater, Chairman, called the meeting of the Jackson County Legislature to order.

**1 ROLL CALL**

Present: Robert A. Stringfield, Henry C. Rizzo, Scott Burnett, Eugene Standifer Jr.,  
Dennis Waits, Dan Tarwater, Rhonda L. Shoemaker and Bob Spence  
Absent: Fred Arbanas

**2 THE PLEDGE OF ALLEGIANCE**

Recited.

**3 APPROVAL OF THE JOURNAL OF THE PREVIOUS MEETING**

Bob Spence moved to approve the journal of the previous meeting held on 12/12/2005.  
Seconded by Eugene Standifer Jr..

**The motion passed by a voice vote.**

(APPROVED)

**4 HEARINGS**

None.

Henry C. Rizzo moved to bring Resolution #15716 out of committee. Seconded by  
Eugene Standifer, Jr.

The motion passed by a voice vote.

(APPROVED)

Resolution #15716 was adopted at this time. See page 2 for details.

**5 COMMUNICATIONS AND REPORTS OF THE COUNTY EXECUTIVE**

None.

**6 PERFECTION OF PROPOSED ORDINANCES AND REPORTS OF COMMITTEE**

None.

**7 FINAL PASSAGE OF PROPOSED ORDINANCES**

*None.*

**8 RESOLUTIONS IN COMMITTEE**

[15716](#)

Bob Spence moved the passage of Resolution #15716, awarding a contract on Electronic Solicitation No. PP20052 for the furnishing of sketch conversion services for use by the Assessment Department to Mobile Video Services, Inc., of North Kansas City, MO, at an actual cost to the County not to exceed \$573,000.00. Seconded by Henry C. Rizzo.

Yes: 7 - Robert A. Stringfield, Scott Burnett, Eugene Standifer Jr., Dennis Waits, Dan Tarwater, Rhonda L. Shoemaker and Bob Spence

No: 1 - Henry C. Rizzo

Absent: 1 - Fred Arbanas

(ADOPTED)

**10 INTRODUCTION OF PROPOSED ORDINANCES AND ASSIGNMENT TO COMMITTEE**

*None.*

**11 INTRODUCTION OF PROPOSED RESOLUTIONS AND ASSIGNMENT TO COMMITTEE**

*None.*

**12 COUNTY EXECUTIVE ORDERS**

*None.*

**13 UNFINISHED BUSINESS**

*None.*

**14 NEW BUSINESS**

## Report on Truman Sports Complex Negotiations.

Katheryn Shields, County Executive, said she was pleased to be present with Mike Smith, Chairman of the Jackson County Sports Complex Authority, Jack Steadman, Vice Chairman of the Kansas City Chiefs and Mark Gorris, Executive Vice President of the Kansas City Royals. She said she had two letters of intent that set out the main agreement between Jackson County, the Sports Authority and the two teams concerning new 25 year leases. She reviewed the primary lease terms as follows: the term of the lease is 25 years, the financial participation between the two teams is \$100 million, the teams have agreed to cover any costs for construction over runs and there is a cap on the future public liability. The public financial participation from Jackson County is that the voters will be asked to approve a 3/8 cent County sales tax for 25 years and the State of Missouri through tax credits will be contributing \$50 million. She said we have received a letter from the Director of Economic Development with the State of Missouri confirming that commitment by the Governor. The total project funding includes \$100 million from the teams, \$50 million from the State of Missouri and \$425 million from Jackson County for a total of \$575 million; \$325 million will be spent at Arrowhead and \$250 million will be spent at Kauffman.

Jackson County will be working with the teams between now and January 16, 2006 to finalize and execute the leases. On January 9, 2006, the Administration will be asking the Legislature to introduce an ordinance to place the 3/8 cent sales tax on the ballot for the election scheduled for April 4, 2006. There will be hearings on the ordinance from January 9 through January 23, 2006. Katheryn Shields introduced part of the negotiating team consisting of Mike White of White, Ghost Law Firm representing the Sports Authority, Jack Craft of Lathrop and Gage representing Jackson County and Jack Holland of Oppenheimer and Company representing Jackson County as our financial advisor.

Dan Tarwater, Chairman, complimented the teams for their hard work. He thanked the negotiating team for incorporating all the ideas that came up during the listening tour throughout Jackson County. The objective was to make sure this was prudent for the taxpayer and to keep the Chiefs and Royals in Jackson County.

Robert A. Stringfield, County Legislator, asked how much of the public input was included in the leases. He does not like the concept of all or nothing, he would like to give the voters a choice. He would like to see included in the ballot language what the minimum tax would be for nine years.

Katheryn Shields said the two issues she remembered the citizens asked about were the caps on the public liability and requesting at least 25 year leases.

Jack Holland, Oppenheimer and Company, said the public also expressed that they wanted to understand what a funding plan would provide. Attached to the letters of intent is a detailed list of where the team funds, county funds and state funds will be spent. The cap on all future financial liabilities to the taxpayers was very important to those attending the listening tour. He believes that the most important issues raised by the public have been addressed in the letters of intent.

Robert A. Stringfield asked what the minimum cost would be for the nine years for the requirements on the lease.

Jack Holland said the minimum expenditure just to keep current on the 1990 leases have been estimated to cost between \$60 - \$100 million. The letters of intent provide substantial upgrades and enhancements as well as providing ongoing maintenance over the next 25 years and are true hard core 25 year leases.

Dan Tarwater said Jackson County wants to guarantee major leagues for 25 years not 7 years.

Mike Smith, Chairman of the Jackson County Sports Complex Authority, said to extend the terms of the current lease would be \$100 million in present day dollars and there is no cap with the current lease. He said we are faced with Katrina contingencies and this letter of intent clearly provides a cap to the taxpayers.

Mike Smith introduced Tony Romano, Commissioner of the Jackson County Sports Authority, who was in the audience.

Dan Tarwater said we are getting two new stadiums for the cost of one. Mr. Smith had figures from other cities like Washington and Dallas where one stadium is costing more than Arrowhead and Kauffman combined. He explained that \$575 million goes to Jackson County for construction only, not to the teams.

Mike Smith said members of the Sports Authority will work very hard to make sure that there is minority participation on this project. Also, they want local contractors to participate.

Bob Spence, County Legislator, said there is still interest in a personal license fee or a break for Jackson County residents. He hopes that during the course of negotiations, these ideas have not disappeared. He asked for a status report on this issue.

Mike Smith replied that in the letter of intent, under Section 5, paragraphs 1-4, titled Rent; User Fees; Missouri Residents Preference, this issue must be worked out with the teams on a percentage basis.

Bob Spence suggested changing the title from Missouri Residents to Jackson County Residents.

Mike White of White, Ghost Law Firm said there are also dollars for this project from the State of Missouri which is why it states Missouri Residents.

Bob Spence said \$425 million is from Jackson County. He congratulated all involved on making this giant step.

Dan Tarwater asked that this information be put on the Jackson County web site for the public to read.

Scott Burnett, County Legislator, asked Jack Holland to explain the difference between letters of intent and leases.

Jack Holland said these are letters of intent to enter into leases. He said the most significant terms of the leases to be entered into are incorporated in the letters of intent. Essentially, the teams have agreed to the six key elements that Jackson County and the public asked the negotiating team to incorporate in the leases. The six key elements are: (1) a 25 year lease term; (2) provide substantial team financial participation; (3) specify the public financial participation; (4) put a cap on the public financial liability; (5) have the teams cover all cost over runs and (6) specify the stadium improvements.

Scott Burnett asked about items such as concessions and parking which were discussed at the listening tours.

Jack Holland said there is a specific section in the letters of intent relating to a parking surcharge which would be levied and deposited into the maintenance fund and used to maintain the Sports Complex. It has yet to be determined who would pay the surcharge.

Dennis Waits, County Legislator, said he feels everyone has been deliberate in this process and everyone has done a great job. He wanted to thank the Hunt and Glass families for their commitment to this community. These families are not residents of Jackson County but they do believe enough in our community that they are willing to come and commit on a long term basis to provide an amenity that is tremendous for our citizens. He asked Jack and Mark to convey our thanks to them for their commitment to our community.

Henry C. Rizzo, County Legislator, commended the drafters of the letters of intent as they are easy to read and understand. He believes the public will be able to understand the letters of intent and it will help pass the issue when presented to the voters. He believes that Mike Smith was a key player in these negotiations and he thinks this reaffirms the Legislature's decision to put him on the Sports Authority. It was a huge victory to start with a \$50 million lead on the funding. He thanked everyone involved for their hard work on these negotiations.

Eugene Standifer, Jr., County Legislator, asked if they are assured that 25 years from now women and minorities will be able to participate in this project. The fair plan that Houston has was discussed at the listening tours especially in the 3rd County Legislative District.

Mike White said he listened to the architect at the listening tour and got a copy of the fair participation plan. He said Jackson County has a policy in place and is working with the attorneys to include plan suggestions from Houston.

Rhonda L. Shoemaker, County Legislator, commended everyone for their hard work. She would like to set up a tour of the stadiums in January and February 2006, for the public to see the stadiums and what improvements need to be made. She feels this is an important step to take prior to the election in April.

Mike Smith said he will take Ms. Shoemaker's suggestion to the Sports Authority for consideration.

Scott Burnett asked about discussions on the naming rights.

Jack Holland said there are provisions in the leases for application of any naming rights revenue if they exist in the future. The naming rights revenue would go to the teams for use of maintenance for the facility. Leaving that revenue with the teams allowed Jackson County to increase the teams participation over what they had offered in the bi-state effort.

Henry C. Rizzo asked that the residents of Jackson County be rewarded in these leases.

Katheryn Shields said this is a great day for Jackson County and for the future of major league sports in Jackson County. She asked representatives from the Chiefs and Royals if they had any comments.

Jack Steadman, Vice Chairman of the Kansas City Chiefs, said their number one priority has been to establish and secure their long term future at the Jackson County Sports Complex. They have been working hard and this has been a long process. This is a difficult lease in that they are taking on great responsibilities for cost over runs on construction and construction costs are increasing dramatically. The Hunt family feel so strongly about the future of the Kansas City Chiefs and Kansas City that they were able to accept that risk and take the risk away from Jackson County taxpayers. On behalf of the Hunt family, he thanked everyone. At the end of this process, the public will see a sports complex that is once again state-of-the art leaders in sports architecture. He said this plan provides the funding sources and contributions to the funding sources to update the facilities and compete with any city in major league sports.

Mark Gorris, Executive Vice President of the Kansas City Royals, thanked the Jackson County Legislature, County Executive Shields, Mike Smith of the Sports Authority, Jack Craft, Jack Holland, Mike White and the Kansas City Chiefs because they all played a key role in the negotiations. The Glass family's commitment was to keep the team in Kansas City and to provide exciting entertainment to millions of fans most of whom are from Jackson County. They want to attract more fans to the Jackson County area to not only enjoy baseball games but also to shop and dine. This is an investment not a cost. It is an investment in our future. The Royals will work hard to make this a first class facility on par with other major league baseball parks around America. He thanked everyone for their support.

## 15      **ADJOURNMENT**

Dennis Waits moved to adjourn the meeting. Seconded by Eugene Standifer Jr..

**The motion passed by a voice vote.**

(APPROVED)

*Meeting adjourned until Monday, January 9, 2006, at 2:30 p.m. at the Independence Courthouse Annex, 308 W. Kansas, Ground Floor, Legislative Chambers.*