CITY OF GARDEN CITY
2019 STAR Bond Annual Report

On December 19, 2014, the Secretary of the Department of Commerce approved the Garden City STAR Bond Project District as an “eligible” area under K.S.A. 12-17,160. The project, now known as the Sports of the World, was approved for the City of Garden City to issue up to $25,400,000 (exclusive of approved financing costs) in Sales Tax Special Obligation Revenue Bonds on January 17, 2018. On March 28, 2019, $29,540,000 in STAR Bonds were issued to finance the construction of the Sports of the World Complex as well as expenses related to land acquisition, public infrastructure, streetscape and landscaping.

This report has been generated in compliance with the statutory requirements in K.S.A. 12-17,160 and shows the activity through September 30, 2019.

Status of the Project

The STAR Bond District includes a Heritage Inn & Suites, Parrot Cove Water Park, retail shopping centers, and several restaurants and other retail amenities that have been privately developed, many of which have opened since the creation of the STAR Bond District in December 2014.

The next phase of the Project is underway and is a multi-sport facility known as “Sports of the World.” This project is being designed to include the following:

A. Indoor soccer fields (2 full size / 6 partial);
B. Indoor basketball courts (4) / volleyball courts (8);
C. Indoor trampoline park;
D. Indoor baseball cages (2);
E. Outdoor sand volleyball courts (4);
F. Outdoor pickle ball courts (4);
G. Outdoor cornhole courts (4);
H. Necessary public infrastructure, including parking facilities, internal drives, detention facilities, and similar facilities necessary or required to serve the Project; and
I. Tournament/conference/service amenities including, but not limited to:
   (1) Indoor seating for soccer/basketball courts;
   (2) Breakout conference rooms;
   (3) Locker rooms;
   (4) Event rooms; and
   (5) Full-service restaurant and concession facilities.

A website (www.sotwgck.com) will be set up in the near future to show the progress of the project.
The following is an accounting of draws made to date on the STAR Bond proceeds as well as the remaining balance on the budget originally submitted to the State of Kansas.

CITY OF GARDEN CITY KANSAS
TAXABLE SALES TAX SPECIAL OBLIGATION REVENUE BONDS
(Sports of the World Development PROJECT)
SERIES 2019 STAR Bonds

As presented in the table above, the City of Garden City has spent $3,452,631 of the $25,400,000 in STAR Bond proceeds. The remaining $21,947,369 is scheduled to be spent over the next few years according to the following anticipated completion dates:

- Land Acquisition, Relocation and Demolition – Winter 2019
- Infrastructure – Spring 2020
- Site Work – Spring 2021
- Sports Complex – Winter 2020
- Equipment – Winter 2020
- Soft Costs – Spring 2021
The following is a breakdown of the revenue collected within the STAR Bond district since the inception of the project. The baseline was determined.

### Sales Tax Revenue Collected to Date

<table>
<thead>
<tr>
<th>For Year</th>
<th>City/City Portion of Countywide .74%</th>
<th>State Sales Tax 6.5%</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Baseline</td>
<td>$310,367.00</td>
<td>$2,568,414.00</td>
<td>$2,878,781.00</td>
</tr>
<tr>
<td>May</td>
<td>$1,035.04</td>
<td>$9,012.31</td>
<td>$10,047.35</td>
</tr>
<tr>
<td>June</td>
<td>$9,811.35</td>
<td>$85,429.01</td>
<td>$95,240.36</td>
</tr>
<tr>
<td>July</td>
<td>$14,951.99</td>
<td>$130,189.89</td>
<td>$145,141.88</td>
</tr>
<tr>
<td>August</td>
<td>$13,207.00</td>
<td>$115,054.93</td>
<td>$128,261.93</td>
</tr>
<tr>
<td>September</td>
<td>$179,088.64</td>
<td>$1,559,006.84</td>
<td>$1,738,095.48</td>
</tr>
<tr>
<td>Year to Date</td>
<td>$218,094.02</td>
<td>$1,898,692.98</td>
<td>$2,116,787.00</td>
</tr>
<tr>
<td>Above (below) Baseline</td>
<td>($92,272.98)</td>
<td>($669,721.02)</td>
<td>($761,994.00)</td>
</tr>
</tbody>
</table>

*As of September 30, 2019*

### Use of Sales Tax Revenue

The STAR Bond District began collections in April 2019. The baseline as determined by the Department of Revenue for the City and City portion of County tax is .74% ($310,367) and the State is at 6.5% ($2,568,414) of the sales in eligible area. Once the baseline amounts have been collected, the sales tax over those amounts stays with the State to be held for debt service payments. The first debt service payment is December 2019 in the amount of $438,244.

### Projected Revenue Collections

Currently, revenue collections have been keeping pace with the projections formulated by our consultants for use in sizing the STAR Bonds. Given the progression of the development, it is anticipated that future revenues will continue to come in at a level above the required debt service.
As shown in the table above, the City of Garden City has spent approximately $3,452,630.80 million of the $25,400,000 million in STAR Bond proceeds. The remaining funds are anticipated to be spent on the following items:

CITY OF GARDEN CITY KANSAS
SALES TAX SPECIAL OBLIGATION REVENUE BONDS
Sports of the World Project
SERIES 2019

-------------------------STAR Bond Budget Submitted to State October 2017, Revised August 2019-------------------------

### Anticipated Use of Future Revenue

<table>
<thead>
<tr>
<th>State of Kansas STAR Bond Budget</th>
<th>Land</th>
<th>Sports</th>
<th>Total STAR Bond Par Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Acquisition</td>
<td>Infrastructure</td>
<td>Site Work</td>
</tr>
<tr>
<td>2019 Budget Remaining</td>
<td>0</td>
<td>1,300,961</td>
<td>2,196,683</td>
</tr>
</tbody>
</table>

Future sales tax collections will continue to be used to pay debt service on the bonds.

### Additional Information

Additional information related to the Sports of the World project can be found on the City of Garden City’s website: [http://www.garden-city.org](http://www.garden-city.org), and the Developer’s website [www.sotwgeck.com](http://www.sotwgeck.com).

### Contacts

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