Commission Meeting **11:00 a.m.** **February 5, 2025**

The Governing Body of the City of Emporia, Kansas, met in Regular Session, Wednesday, February 5, 2025, with Mayor Harter presiding and Commissioners Brinkman, Curtis, and Smith present. Commissioner Sauder was absent. Also present were City Manager Cocking, Deputy City Manager Detter, Assistant City Manager Wash, City Clerk Sull and City Attorney Montgomery.

CITY COMMISSION
(Public Comment)

This is the time for the public to make comments.

The public is invited to make comments at this time. Please limit comments to two (2) minutes each. Please state your name and address prior to making comments.

No comments were made at this time.

Mayor Harter read the proclamation declaring February 14, 2025, as "Emporia State University Day" in Emporia. He stated Emporia State University will commence to celebrate its 162nd anniversary on Founders' Day, February 14, 2025, and urged all Emporians to join together in celebration of founding of Emporia State University.

CITY COMMISSION
(502 Lofts, LLC)
(Reinvestment Housing Incentive District)
(Public Hearing)

Tayler Wash, Assistant City Manager, was recognized and addressed the Governing Body. She stated the City of Emporia has been working with representatives of the 502 Lofts on the redevelopment of property located at 502 Commercial. The Commission had previously approved Resolution Number 3751, setting a public hearing to establish the Reinvestment Housing Incentive District. This development is using multiple layers of funding including Hope VI Grant Funds, Historic Tax Credits, IRB and the present RHID. She stated the RHID marks the end of the funding for this project.

She stated no city funding is required. This RHID will capture the incremental increase in real property taxes created by this housing development over 25 years. Funds will be reimbursed to the developer for infrastructure costs. Since this is combined with an IRB which is a property tax abatement, it will not generate revenue until after the expiration of the IRB, year 10, which will leave 15 years of RHID revenue. The City will receive a 2% administrative fee for the RHID. The public hearing is a requirement by state statute.

Mayor Harter then declared the public hearing opened.

As no one in attendance wished to address the Governing Body, Mayor Harter then declared the public hearing closed.

CITY COMMISSION
(502 Lofts, LLC)
(Establish Reinvestment Housing Incentive District)
(Adopt Development Agreement)
(Ordinance Number 25-04)

AN ORDINANCE OF THE CITY OF EMPORIA, KANSAS, ESTABLISHING A REINVESTMENT HOUSING INCENTIVE DISTRICT WITHIN THE CITY AND ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC FACILITIES IN SUCH DISTRICT, AND MAKING CERTAIN FINDINGS IN CONJUNCTION THEREWITH (502 LOFTS REINVESTMENT HOUSING INCENTIVE DISTRICT), to which the City Clerk assigned Ordinance Number 25-04, was presented to the Governing Body for their consideration.

Commissioner Brinkman made a motion to approve Ordinance Number 25-04 establishing Reinvestment Housing Incentive District and adopting Development Agreement for 502 Lofts. Commissioner Curtis seconded the motion. The vote follows: Commissioner Brinkman, aye; Commissioner Curtis, aye; Commissioner Smith, aye; and Mayor Harter, aye.

ECONOMIC DEVELOPMENT
(Authorizing Issuance of Taxable Industrial Revenue Bonds Series A & B)
(Capital Holdings, LLC)
(Ordinance Number 25-03)

AN ORDINANCE AUTHORIZING THE CITY OF EMPORIA, KANSAS TO ISSUE ITS (I) TAXABLE INDUSTRIAL REVENUE BONDS, SERIES A, 2025 (CAPITAL

HOLDINGS, LLC), IN THE AGGREGATE PRINCIPAL AMOUNT OF $2,600,000 AND (II) SUBORDINATED TAXABLE INDUSTRIAL REVENUE BONDS, SERIES B, 2025 (CAPITAL HOLDINGS, LLC) IN THE AGGREGATE PRINCIPAL AMOUNT OF $1,800,000 FOR THE PURPOSES OF FINANCING 16 RESIDENTIAL DUPLEXES CONTAINING 32 APARTMENTS AND (3) PAYING CERTAIN COSTS OF ISSUANCE; AUTHORIZING EXECUTION OF A TRUST INDENTURE BETWEEN THE CITY AND SECURITY BANK OF KANSAS CITY, KANSAS CITY, KANSAS, AS TRUSTEE; AUTHORIZING EXECUTION OF ADDITONAL BOND DOCUMENTS RELATING TO ISSUANCE, PAYMENT AND PURCHASE OF THE BONDS, to which the City Clerk assigned Ordinance Number 25-03, was presented to the Governing Body for their consideration.

Taylor Wash, Assistant City Manager, was recognized and addressed the Governing Body. She stated the City has been working with Capital Holdings, LLC with the 16 residential duplexes containing 32 apartments in multiple locations within the city. This proposed ordinance authorizes the issuance of two series of taxable industrial revenue bonds, Series A, 2025 Bonds for $2,600,000 and Series B, 2025 Bonds for $1,400,000. The bonds will be used to finance the purchase, acquisition, construction, furnishing, and equipping of the duplexes, as well as to cover certain issuance costs. The ordinance also authorizes the execution of a Lease Agreement with Capital Holdings, LLC, which will be responsible for the lease payments. She stated the bonds are not general obligations of the City will not constitute debt against the City's credit or taxing authority. They are payable solely from revenues generated by the lease of the project to Capital Holdings, LLC. The issuance of these bonds is expected to promote economic development and address housing needs in Emporia. The issuance of the IRB's provides Capital Holdings, LLC with property tax abatement on the improvements for up to 10 years, depending on the final agreement. The City incurs no financial liability. Staff recommend the approval of Ordinance Number 25-03, authorizing the issuance of Taxable Industrial Revenue Bonds and authorizing the Mayor to sign and execute all necessary documents.

Commissioner Smith made a motion to approve Ordinance Number 25-03, authorizing the issuance of Taxable Industrial Revenue Bonds, and authorize the Mayor to sign and execute all necessary documents. Commissioner Brinkman seconded the motion. The vote follows: Commissioner Smith, aye; Commissioner Brinkman, aye; Commissioner Curtis, aye; and Mayor Harter, aye.

SEWER MAINTENANCE
(Lift Station No. 1)
(Reject Bid)

Dean Grant, Director of Public Works, was recognized and addressed the Governing Body. He stated one bid was received for the construction of Lift Station No. 1 in November 2024. The bid was received from Walters Morgan, with a base bid amount of $3,088,266.00, which was $1,297,396.00 over BG Consultants' engineer's opinion of probable cost of $1,790,870.00. Staff recommend the Commission reject the bid submitted by Walters Morgan for Lift Station No. 1. He stated the project will be partially redesigned by BG Consultants and will be rebid.

Commissioner Curtis made a motion to reject Lift Station No. 1 bid. Commissioner Smith seconded the motion. The vote follows: Commissioner Curtis, aye; Commissioner Smith, aye; Commissioner Brinkman, aye; and Mayor Harter, aye.

CITY COMMISSION
(Code of Procedure)
(Resolution Number 3758)

City Attorney Montgomery was recognized and addressed the Governing Body. She stated the Commission had discussed implementing a code of procedure for City Commission meetings to promote efficiency, fairness and accountability by providing clear, organized guidelines for discussion, decision-making and conflict resolution. This proposed resolution covers eight sections with definitions in each category including: Definitions; Meetings; Agenda; Public Comment; Motions; Voting and Application & Amendment. Staff recommend approval of Resolution Number 3758 adopting a Code of Procedure.

Following further discussion, Commissioner Smith made a motion to approve Resolution Number 3758 adopting a Code of Procedure. Commissioner Curtis seconded the motion. The vote follows: Commissioner Smith, aye; Commissioner Curtis, aye; Commissioner Brinkman, aye; and Mayor Harter, aye.

Representatives from the Associated Student Government representing Emporia State University, were in attendance to accept a proclamation declaring February 14, 2025, as "Emporia State University Day" in Emporia.

Mayor Harter then presented the proclamation.

HOUSING
(Accept Grant with the Federal Home Loan Bank of Topeka)
(Affordable Housing Program Agreement - $450,000.00)

Jeff Lynch, Community Development Coordinator, was recognized and addressed the Governing Body. He stated since 2000 the City has obtained and completed many Affordable Housing Program (AHP) grants from the Federal Home Loan Bank of Topeka for the rehabilitation of low-income, owner-occupied homes. He stated this grant would continue the City's efforts to improve housing by providing $450,000.00 in funding to make the repairs needed to 30 qualified homes located within the city limits. All homes assisted are required to be occupied by the owners. Eighteen (18) units will need to be occupied by owner/residents whose income is less than 50% of the Area Median Income (AMI) and twelve (12) units will need to be within the 60% AMI limits. Other requirements include real estate property taxes must be current, no rentals, and no delinquent loans may exist on the property. He stated the City will partner with the Federal Home Loan Bank member, ESB Financial, to carry out this grant. ESB will be contributing $3,000.00 to help assist the rehabilitation effort. He stated this project must start by December 20, 2025, and must be fully funded and completed by December 20, 2028. Staff recommend accepting the $450,000.00 grant from The Federal Home Loan Bank of Topeka's Affordable Housing Program and authorize the Mayor to sign all necessary documents.

Commissioner Brinkman made a motion to accept the $450,000.00 grant from The Federal Home Loan Bank of Topeka's Affordable Housing Program and authorize the Mayor to sign all necessary documents. Commissioner Curtis seconded the motion. The vote follows: Commissioner Brinkman, aye; Commissioner Curtis, aye; Commissioner Smith, aye; and Mayor Harter, aye.

CITY COMMISSION
(Public Building Commission)
(Issue Revenue Bonds for New Fire Station)
(Resolution Number 3759)

Mark Detter, Deputy City Manager, was recognized and addressed the Governing Body. He stated the City is currently constructing Fire Station No. 1 and will be upgrading Fire Station No. 2. He stated this proposed resolution is requesting the City of Emporia Public Building Commission issue $18,110,000.00 in PBC Revenue Bonds for the proposed construction and equipping the fire station facilities that is required because the City of Emporia will lease the fire station facilities from the City of Emporia PBC. He stated the City will make lease payments from funds of the City's Bond & Interest Fund. The funds are made available from the retirement of previous City bond issues. This resolution will proceed action by the City of Emporia Public Building Commission to issue $18,110,000.00 in PBC Revenue Bonds. He stated staff recommend approval of Resolution Number 3759 requesting the City of Emporia Public Building Commission to issue $18,110,000.00 in Revenue Bonds for constructing and equipping Fire Station Facilities.

Commissioner Curtis made a motion to approve Resolution Number 3759 requesting the City Emporia Public Building Commission to issue $18,110,000.00 Revenue Bonds for the purpose of paying all or a portion of the costs of constructing and equipping fire station facilities. Commissioner Smith seconded the motion. The vote follows: Commissioner Curtis, aye; Commissioner Smith, aye; Commissioner Brinkman, aye; and Mayor Harter, aye.

Consent Agenda

It was moved by Commissioner Smith, seconded by Commissioner Curtis that the Consent Agenda listed below be ratified as a whole:

a. Minutes of the Regular Meeting held on January 21, 2025.
b. Appoint Mayor Harter as the Governing Body Representative to the Recreation Commission.

c. Appoint Commissioner Brinkman as the Governing Body Representative to the Transient Guest Tax Advisory Board.

The vote follows: Commissioner Smith, aye; Commissioner Curtis, aye; Commissioner Brinkman, aye; and Mayor Harter, aye.

COMMISSION
(City Manager's Report)

This is an opportunity for the City Manager to present information to the public that may not be reported in other news accounts or City activities or to highlight accomplishments of the organization.

At the time this Agenda was prepared, the following items were in the works:

TENTATIVE AGENDA FOR FEBRUARY 19, 2025, MEETING.

- Proclamation Recognize the Month of February as National Career & Technical Education Month
- Ordinance to Adopt Common Consumption in the Downtown Area Sponsored by the City of Emporia.
- Ordinance to Amend Emporia Community Housing Board.
- Ordinance to Amend Grease Interceptor.
- Ordinance Vacating a Platted Alley West of 12th Avenue Baptist Church.
- Ordinance Rezoning Property Located at 1402, 1408, 1414, 1407 and 1401 Michelle Circle and 912 and 908 Michelle Street.
- Approve A Minor Plat - XRS Pros Addition.
- December & January Budget.
- Financials & Permits.
- Approve Minutes.
- Easement for Kretsinger Development.
- Water Treatment Plant Electrical Work Estimates.

- **Study Session:**

- Update from Homelessness Advisory Board.
- Carnegie Building Update.
- 2024 Annual Financial Review.
- Snow Recap.
- Street Rehab Discussion.

CITY COMMISSION
(Governing Body Comment)

This is the time for the Mayor and City Commissioners to make comments and reports to the public.

Mayor Harter made a motion to recess the meeting until 11:43 p.m., to conduct the Public Building Commission meeting. Commissioner Smith seconded the motion. The vote follows Mayor Harter, aye; Commissioner Smith, aye; Commissioner Brinkman, aye; and Commissioner Curtis, aye.

EXECUTIVE SESSION

Commissioner Smith made a motion to recess into Executive Session for 30 minutes inviting pertinent city staff to discuss confidential data of a third party relating to economic development. The justification of the executive session is provided by K.S.A. 75-4319(b)(4) to protect financial affairs and trade secrets of third parties. The open meeting will resume in this room at approximately 12:17 p.m. Commissioner Curtis seconded the motion. The vote follows: Commissioner Smith, aye; Commissioner Curtis, aye; Commissioner Brinkman, aye; and Mayor Harter, aye.

Upon reconvening the meeting in Regular Session, at 12:17 p.m., this same date, in the City Commission Meeting Room, Mayor Harter stated they had discussed confidential data of a third party relating to economic development and no action was taken.

EXECUTIVE SESSION

Commissioner Brinkman made a motion to recess into Executive Session for 20 minutes inviting pertinent city staff for the purpose of consulting with the City Attorney regarding a legal matter. The justification for executive session is provided in K.S.A. 75-4319(b)(2) to protect privileged communication in the attorney-client relationship. The open meeting will resume in this room at approximately 12:38 p.m. Commissioner Curtis seconded the motion. The vote follows: Commissioner Brinkman, aye; Commissioner Curtis, aye; Commissioner Smith, aye; and Mayor Harter, aye.

Upon reconvening the meeting in Regular Sesson, at 12:38 p.m., this same date, in the City Commission Meeting Room, Mayor Harter stated they had consultation with the City Attorney regarding a legal matter and no action was taken.

Mayor Harter made a motion to recess the meeting at 12:51 p.m., to Conference Room 1AB. Commissioner Smith seconded the motion. The vote follows: Mayor Harter, aye; Commissioner Smith, aye; Commissioner Brinkman, aye; and Commissioner Curtis, aye.

The following items were discussed at the Study Session:

1. Discuss Tyler Technology Reporting Tool, Work Order and Asset Management.
2. Discuss Downtown Common Consumption Area Sponsored by the City of Emporia.
3. Transient Guest Tax Advisory Board discussion.

Commissioner Smith then made a motion to adjourn. Commissioner Curtis seconded the motion. The vote follows: Commissioner Smith, aye; Commissioner Curtis, aye; Commissioner Brinkman, aye; and Mayor Harter, aye.

Erren Harter, Mayor

ATTEST:

Kerry Sull, City Clerk

CITY OF EMPORIA, LYON COUNTY, KANSAS
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