

MINUTES OF A MEETING  
OF THE GOVERNING BODY OF THE  
CITY OF HAYS, KANSAS  
HELD ON JANUARY 24, 2006

**1. CALL TO ORDER BY CHAIRPERSON:** The Governing Body of the City of Hays, Kansas met in regular session on Tuesday, January 24, 2006 at 7:30 p.m.

Roll Call: Present: Wayne Billinger  
Troy Hickman  
Barbara Wasinger  
Henry Schwaller IV  
Absent: Kent Steward

Vice-chairperson Billinger declared that a quorum was present and called the meeting to order.

**2. MINUTES:** There were no corrections or additions to the minutes of the January 12, 2006 regular meeting; the minutes stand approved as written.

**3. FINANCIAL STATEMENT:** Director of Finance/City Clerk Mark Loughry reported that sales tax collections increased by \$337,966, due in large part to the collection of an additional  $\frac{3}{4}\%$  sales tax in 2005 for budget stabilization. Sales tax collections deposited in December 2005 to the General Fund totaled \$189,075, which is a 4.07% increase over sales tax collected last year for the same time period. Year-to-date sales tax collections for the General Fund totaled \$2,253,288, which is an increase of 4.49% over 2004. Sales tax in the amount of \$295,212 was receipted to the Budget Stabilization fund in December 2005 bringing the total year-to-date sales tax deposits to \$2,790,525. The Transportation Development District received \$12,484 in December 2005 bringing its year-to-date receipts to \$56,564.

Troy Hickman moved, Henry Schwaller IV seconded, that the Financial Statement for the month of December 2005 be approved.

Vote: Ayes: Wayne Billinger  
Troy Hickman

Barbara Wasinger  
Henry Schwaller IV

**4. CITIZEN COMMENTS:** There were no comments.

**5. CONSENT AGENDA:** Troy Hickman moved, Barbara Wasinger seconded, that the following items be approved:

**A.** Resolution Nos. AR - 01 and AR – 02, expressing appreciation to the following businesses for establishing a new business in the City of Hays:

Professional Financial Solutions – Allstate Insurance – Michael D. Graham  
Thirsty's Brew Pub and Grill – Brent Kitchen and Maurice Pfeifer

**B.** A Cereal Malt Beverage License for the I.C. 66 Division of Cerv's, LLC

Vote: Ayes: Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

### **UNFINISHED BUSINESS**

**6. FOX THEATRE:** Staff recommended that the Commission approve the proposal from Golden Edge Realty for the auctioning of the Fox Theatre.

Commissioner Schwaller left the Commission Chambers during the discussion and vote because he is interested in taking part in the auction.

Troy Hickman moved, Barbara Wasinger seconded, that the proposal submitted by Golden Edge Realty for the auction of the Fox Theatre be approved.

Commissioner Wasinger stated that she felt this was the fairest way to dispose of the property since two parties have shown interest in the building.

Vote: Ayes: Wayne Billinger

Troy Hickman

Barbara Wasinger

Not Voting: Henry Schwaller IV

**7. CITY-OWNED PROPERTY:** At the January 5, 2006 work session, the City Commission began discussing the possibility of selling the following City properties:

107 East 4<sup>th</sup> Street

111 East 4<sup>th</sup> Street

403 Oak Street

17<sup>th</sup> & Allen Street

Since that time, a request has been made to transfer ownership of the property at 17<sup>th</sup> & Allen Street to Habitat for Humanity to build their first home in Hays.

Henry Schwaller IV moved, Barbara Wasinger seconded, that the property at 17<sup>th</sup> & Allen Street be donated to Habitat for Humanity.

Vote: Ayes: Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

Troy Hickman moved, Henry Schwaller IV seconded, that the City solicit sealed bids for the remaining three lots.

Vice-chairperson Billinger stated he would be voting no. He would like the City to keep these properties until the City secures other property in the area for parking for special events that take place in the area.

Vote: Ayes: Troy Hickman

Barbara Wasinger

Henry Schwaller IV

No: Wayne Billinger

### **NEW BUSINESS**

**8. OVERLAND VENTURES - AFFORDABLE HOUSING UNITS:** Overland Ventures brought forward a proposal for the construction of 48 units of affordable housing under the Section 42 tax credit program that the group is planning to

build on land that is presently owned by USD 489 located in the 500 block of West 33<sup>rd</sup> Street. They are requesting the Commission to approve a Letter of Support to be submitted, along with their application, to Kansas Housing Resources for the purpose of building affordable housing that is income restricted.

City Attorney John Bird stated that low-income housing is administered by the State of Kansas through the federal government. Certain income criteria must be met in order to be eligible for this type of housing. The Commission would need to pass a resolution stating that it approves the housing development. The resolution needs to contain the location of the property, number of units, targeting of tenant population, amenities, type of construction, and financing information. He could not find anything about a Letter of Support; however, he did find that selection criteria for 2005 included an element for community acceptance and neighborhood consistencies.

Mr. Bird stated that he feels the developer is soliciting a Letter of Support so that Overland Ventures can demonstrate community acceptance. This would be presented for the first round of allocation. If the project is approved, they would then request a resolution that has more formality. The Commission could approve a Letter of Support without endorsing a particular location. The application that Overland Ventures plans on submitting would be for the West 33<sup>rd</sup> Street property. He feels that a Letter of Support from the Commission would indicate that the Commission is approving that location, unless indicated otherwise.

Henry Schwaller IV moved that the Commissioners not approve the request from Overland Ventures to submit a Letter of Support for affordable housing units in Hays.

There was no second to the motion; the motion failed.

Troy Hickman moved, Wayne Billinger seconded, that the request from Overland Ventures to submit a Letter of Support for affordable housing units in Hays be approved.

Commissioner Schwaller stated he will be voting no. He feels USD 489 should have offered this property for sale through seal bids or some other process. Additionally, this property is not zoned for this type of housing. He does not feel it would pass the muster of the Planning Commission. Even so, there is not enough time for Overland Ventures to go through the rezoning process; the deadline for the application is February 3, 2006. He feels this is an inappropriate use of the property.

Commissioner Wasinger stated she is not against building affordable housing in Hays. She is concerned about the Letter of Support indicating support for this location.

The City Attorney stated the letter does not have to be site specific, but can be site specific or exclude some sites if that is the Commissioners' wish.

Commissioner Schwaller stated that other entities have come forward in the past and their low-income housing projects have been approved. There is a need for affordable rental housing in Hays. He does not like the way this project has been conducted to date. The developers are pushing for this to happen too quickly.

Commissioner Hickman stated that he would have preferred that Overland Ventures had made a request for rezoning before requesting a Letter of Support. He does think that the Planning Commission would have approved their request. He does not like to turn down anyone that is willing to build affordable housing in Hays. There are many things that could stop this project along the way, but to not support an entity that is trying to bring affordable housing to Hays is not something the Commission should do.

Vice-chairman Billinger stated there would be many opportunities for citizens to voice their opinion about the project. He can support a reputable entity that wants to build affordable housing. There are two other sites they are looking at; the Letter of Support could be worded to not endorse the West 33<sup>rd</sup> site, but only support affordable housing in Hays.

Patty Stull, Doug Hedge, Warren Coates, and Christine Unrein voiced their disapproval of the project at the West 33<sup>rd</sup> Street location. They expressed

concern about what this would do to property values and additionally, the increased traffic in the area.

The City Manager suggested the Letter of Support state that the Commission feels that affordable housing is a worthwhile project, but the Letter of Support is not tied to any specific location.

Troy Hickman amended his motion to state that the Letter of Support be drafted to endorse affordable housing in Hays, but that the Commission does not support the project at this site. Wayne Billinger seconded the amended motion.

Commissioner Wasinger stated that what Overland Ventures needs is a resolution, not a Letter of Support. The Letter of Support would be meaningless.

The vote on the amendment to the motion:

Ayes: Wayne Billinger

Troy Hickman

No: Barbara Wasinger

Henry Schwaller IV

The vote on the original motion:

Ayes: Troy Hickman

No: Wayne Billinger

Barbara Wasinger

Henry Schwaller IV

**9. BLEACHER BID:** The Commissioners were requested to approve the bid from Fry and Associates for two bleachers for Stramel Ball Fields. Their bid, in the amount of \$4,894 is not the lowest bid that was received. The three lowest bids did not meet the specifications outlined in the request for bid document. An amount of \$5,500 is budgeted in the 2006 Budget for this purchase.

Barbara Wasinger moved, Troy Hickman seconded, that the bid from Fry and Associates in the amount of \$4,894 for two bleachers for Stramel Ball Fields be accepted.

Vote: Ayes: Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

**10. REQUEST FOR RESERVED PARKING:** The Hays Public Library Board has requested four spaces in the City-owned public parking lot on the south side of the 100 block of West 12<sup>th</sup> Street for Library staff parking. Library staff has indicated the need for reserved staff parking close to the west entrance of the library due to the continual need for librarians to carry/deliver books, displays, and other educational material from their cars to the library.

Commissioner Wasinger stated she cannot support this request. Parking is difficult for everyone downtown. Every business owner would like to have their own reserved parking spaces.

There was no motion made to approve the request.

**11. 55<sup>th</sup> STREET CONSTRUCTION – KANSAS DEPARTMENT OF TRANSPORTATION (KDOT) SUPPLEMENTAL AGREEMENT:** KDOT has issued a supplement to the existing Corridor Management Grant Agreement for the paving of East 55<sup>th</sup> Street from Vine Street to General Hays Road. The original agreement limited KDOT's participation to \$102,500. The Supplemental Agreement increases KDOT's maximum participation to \$140,002.

Troy Hickman moved, Barbara Wasinger seconded, that the Supplemental Agreement to the existing Corridor Management Agreement for the paving of East 55<sup>th</sup> Street from Vine to General Hays Road be approved.

Vote: Ayes: Wayne Billinger

Troy Hickman

Barbara Wasinger

Henry Schwaller IV

**12. WATERLINE ALONG 48<sup>TH</sup> STREET FOR CARRICO IMPLEMENT:** Carrico Implement is constructing a new John Deere dealership along 48<sup>th</sup> Street west of Vine Street. An extension of the public water main line is required. Studies indicate the line should be 12 inches in diameter to account for future growth in the area. The Development Policy requires the developer to pay for an 8-inch line and allows the City to pay for the costs associated with any over-sizing required. The cost to oversize the line to 12 inches is \$23,614.36.

Henry Schwaller IV moved, Barbara Wasinger seconded, that authorization be given for the City's participation in the cost of a 12" waterline along 48<sup>th</sup> Street for Carrico Implement in the amount of \$23,614.36.

Vote: Ayes: Wayne Billinger  
Troy Hickman  
Barbara Wasinger  
Henry Schwaller IV

**13. ORDINANCE FOR INDUSTRIAL REVENUE BONDS FOR UNIPLACE, LLC:** Troy Hickman moved, Barbara Wasinger seconded, that Ordinance No. 3697, being an ordinance authorizing the City of Hays, Kansas to issue its taxable variable rate demand Industrial Revenue Bonds, Series 2006 (Uniplace, LLC) in the aggregate principal amount of \$5,500,000 for the purposes of acquiring, construction, equipping and furnishing certain apartment buildings, located on the campus of Fort Hays State University, be approved.

Vote: Ayes: Wayne Billinger  
Troy Hickman  
Barbara Wasinger  
Henry Schwaller IV

**14. REPORT OF THE CITY MANAGER:** The City Manager requested the Commissioners consider approving a letter to support the Hays City Sportsman's Club's application for an exemption from property tax for the improvements to the property. The property is leased from the City of Hays and utilized for sporting activities.

Henry Schwaller IV moved, Barbara Wasinger seconded, that a letter supporting the Hays City Sportsman's Club request for exemption from personal property taxes for improvements on City-owned land, be approved.

Vote: Ayes: Wayne Billinger  
Troy Hickman  
Barbara Wasinger  
Henry Schwaller IV

**15. COMMISSION INQUIRIES AND COMMENTS:** There were no inquiries or comments.

**16. EXECUTIVE SESSION:** There was no executive session.

Thereupon the Governing Body adjourned.

Submitted by: \_\_\_\_\_

City Clerk