

City of Hays
City Commission
Work Session Notes
November 17, 2011

Present: Barbara Wasinger, Troy Hickman, Kent Steward, Henry Schwaller IV, Ron Mellick, John Bird, Toby Dougherty

Reconsideration of Rayes, Inc. – Wheelchairs of Kansas Property

Rayes, Inc. dba Wheelchairs of Kansas received Commission approval for tax abatements in 2010. While submitting preliminary information to the state, it was discovered their application did not meet necessary state requirements. Specifically, they needed to note one piece of personal property owned by Rayes, Inc. within the Commission approved documents. Raye's leases the property from a majority of the company's owners. This lease relationship requires the addition of the one piece of personal property to obtain the real property tax abatement. If approved, the Commission would not be giving any further incentive than was previously given. Without including the one piece of personal property, the Court of Tax Appeals will not approve abatement of the real property.

The Commissioners will consider approval of the abatement at the November 22, 2011 Commission meeting.

Industrial Revenue Bond Policy

A recent Industrial Revenue Bond (IRB) application, along with discussion with other entities curious about IRBs, has prompted the possible need for establishing a policy on the subject. The current City of Hays Economic Development Policy does not have a section addressing the application and/or approval process for IRBs. Therefore, all the City has to fall back on is Kansas Statute 12-1740 for guidance, which doesn't necessarily address the needs of our community.

Gina Riekhof, representing Gilmore and Bell, the City's bond counsel, discussed the present Development Policy along with the proposed changes and additions to the Development Policy as it relates to IRBs and property tax abatements.

The Commissioners will re-visit this issue at a future work session.

Resolution Authorizing the Sale and Conveyance of Certain Property by the City of Hays, Kansas to C.T. Residences, L.C.

In July 1999, the City issued a series of Industrial Revenue Bonds (IRB) to finance construction of the Centennial Towers apartment project within the City. In conjunction with the issuance of the bonds, the City granted C.T. Residences, L.C., the owner of the apartments, a ten-year ad valorem property tax abatement on all bond-financed property. The tax abatement period has expired and C.T. Residences, L.C. is refinancing the property with a conventional loan. The City Commission is being asked to approve the retirement of the bonds and conveyance of the bond-financed property to C.T. Residences, L.C.

The Commissioners will consider taking formal action on this matter at the November 22, 2011 Commission meeting.

Parks Storage Building

At the November 22, 2011 Commission meeting, the Commissioners will be requested to approve the low bid, in the amount of \$136,218, submitted by Denies Construction, for the construction of a storage/maintenance building at the Parks Department location on Highway 40 Bypass.

Golden Belt Estates 4th Addition Resolution to Establish Benefit District

Western Plains Service Corporation has petitioned the City for street, storm sewer, water and sanitary sewer improvements to an area containing 21 lots adjacent to 45th and Hall within the Golden Belt Estates 4th Addition. The Commissioners will be requested to approve a resolution authorizing the

improvements in the estimated amount of \$700,000 at the November 22, 2011 Commission meeting.

Rezoning of 3301 U.S. Highway 183 Alternate

This item has been tabled.

Purchase of Compost Screener

At the November 22, 2011 Commission meeting, the Commissioners will be requested to approve the purchase of a 2006 Wildcat M&I 516T Screener to be used at the Yard Waste Compost site at the south end of General Custer Road. The cost of the Screener is \$62,500.

Purchase of Property at 213 West 17th Street

The property owner of 213 West 17th Street recently passed away. The estate's representative contacted the City regarding purchase of the property. The property sits at one of the lowest points along the floodplain and is one of the first to flood. Lincoln Tunnel runs under the north side. If approved, the dwelling will be demolished and the property would be maintained as a "pocket park", while staff explores other avenues to fully maximize the property's potential to aid in the alleviation of stormwater. A sale price of \$10,000 with split closing costs has been tentatively agreed upon by both parties. The demolition of the house would take place in 2012 and is estimated to cost \$5,500 to \$8,500.

The Commissioners will be requested to approve purchase of the property at the November 22, 2011 Commission meeting.

The work session was adjourned at 7:44 p.m.

Submitted by: _____

City Clerk