

MINUTES OF A MEETING  
OF THE GOVERNING BODY OF  
THE CITY OF HAYS, KANSAS  
HELD ON FEBRUARY 9, 2023

**1. CALL TO ORDER BY CHAIRPERSON:** The Governing Body of the City of Hays, Kansas met in regular session on Thursday, February 9, 2023 at 4:00 p.m.

Roll Call: Present: Mason Ruder

Shaun Musil

Sandy Jacobs

Reese Barrick

Alaina Cunningham

Mayor Ruder declared a quorum was present and called the meeting to order.

**2. MINUTES:** There were no corrections or additions to the minutes of the regular session held on January 26, 2023; the minutes stand approved as presented.

**3. FINANCIAL STATEMENT:** Kim Rupp, Director of Finance, reviewed the financial summaries of the revenue and expenditure activities of the City of Hays for the month ended December 31, 2022.

Month-to-date (MTD) general fund sales tax collections were at \$774,641, which was a decrease of \$147,461 or 16% as compared to last year. Year-to-date (YTD) general fund sales tax is at \$9,199,044 up \$650,276 or 7.6% from a year ago. The six-month average is at 3.98%, which was a drop of 9.81% when compared to a year ago. MTD county sales tax collections were at \$96,555. YTD county sales tax is at \$1,113,260.

The report of top ten quarter-to-date (QTD) sales tax collections by classification was up \$23,426 or 1%. These top ten represent 73% of the total sales tax collections for the running quarter. The total par value of the US Treasuries is \$66,100,000 with a weighted average yield to maturity of 2.27% up 2% from a year ago. The total balance of the Money Market account on

December 31, 2022 was \$4,000,000 with a current yield of 2.2%. Total investments are up \$2,571,635.

Mr. Rupp also reviewed the summary of general fund revenue and expenditures for year ended 2022. He noted that the numbers are unaudited at this point. Total operating expenditures, which does not include the transfer to commission capital reserve, finished the year \$263,448 under budget. Total revenues ended the year \$1,488,188 over budget. \$742,258 of that attributable to ARPA funding and \$650,276 to sales tax. This contributes to the ability to increase the transfer into commission capital reserves from the budgeted amount of \$2,420,919 to \$2,530,000. Additionally, the unreserved fund balance stays at a very strong \$4,839,000, which should contribute to increased reserve transfers for 2023.

Shaun Musil moved, Sandy Jacobs seconded, to approve the Financial Report for the month of December, 2022 as presented.

Vote: Ayes: Mason Ruder

Shaun Musil

Sandy Jacobs

Reese Barrick

Alaina Cunningham

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

**5. CONSENT AGENDA:** The following appointments were recommended by Mayor Ruder at the January 26, 2023 City Commission meeting and are now being presented for approval.

Hays Convention and Visitors Bureau Advisory Committee

Shandra Cosgriff (Avid Hotel) – three-year term to expire February 9, 2026 (1st term)

Ian Trevethan (Sternberg Museum of Natural History) – three-year term to expire February 9, 2026 (1st term)

Emmy VanDerWege (Fairfield by Marriott) – three-year term to expire February 9, 2026 (3rd term)

Jim Versluys (Hampton Inn) – three-year term to expire February 9, 2026 (1st term)

Sandy Jacobs moved, Reese Barrick seconded, to approve the Consent Agenda as presented.

Vote: Ayes: Mason Ruder  
Shaun Musil  
Sandy Jacobs  
Reese Barrick  
Alaina Cunningham

### **NEW BUSINESS**

#### **6. HADLEY CENTER MODERATE INCOME HOUSING GRANT –**

**RESOLUTION OF SUPPORT:** Collin Bielser, Deputy City Manager, stated last fall, David VanDoren, owner of the Hadley Office Center, applied for a Moderate-Income Housing (MIH) grant from the Kansas Housing Resources Corporation (KHRC). The grant is designed to serve the needs of moderate-income households that do not qualify for federal housing assistance. MIH funds are awarded to cities and counties to develop multi-family rental units and single-family purchase homes in communities with populations fewer than 60,000 people.

The application called for renovating the east wing of the third floor of the Hadley building to include 23, one- and two-bedroom apartment units. Unfortunately, the project was not awarded funding. Mr. VanDoren plans on resubmitting his grant application; however, grant applications must include a resolution from the governing body indicating support for the project. Adopting the MIH Resolution would allow the Developer to continue with the preparation and submission of an application for a \$650,000 MIH grant.

Mr. Bielser stated that the grant would technically be between the City of Hays and KHRC. The grant requires monthly reports, reimbursement requests, and tracking of tenant income for five years. Because of the reporting

requirements, an Assumption Agreement has been proposed, which would unconditionally assign all grant agreement rights and obligations to Dave VanDoren's LLC. The developer will agree to indemnify the City for any costs or expenses related to the MIH grant program.

Sandy Jacobs moved, Reese Barrick seconded, to adopt Resolution No. 2023-003 in support of a Moderate-Income Housing grant application.

Vote: Ayes: Mason Ruder

Shaun Musil

Sandy Jacobs

Reese Barrick

Alaina Cunningham

**7. BRAUN PROPERTY CONCEPTUAL PLAN DEVELOPMENT:** Collin Bielser, Deputy City Manager, stated over the last few months, City staff and Grow Hays representatives have coordinated with RDG professionals to develop a conceptual plan development for the City owned property located at the northeast corner of Interchange 161 of Interstate 70, more commonly known as the Braun Property. The property is bounded by 27<sup>th</sup> Street on the north, Commerce Parkway on the west, and Interstate 70 on the south. The 90-acre parcel is currently in agricultural production and is a prime location for future commercial uses. In 2019, the City Commission took action to purchase the property for \$800,000 or for approximately \$9,000/acre.

The City engaged the firm, RDG Planning and Design, to assist with the creation of the conceptual plan. RDG is the same firm that developed the City's existing Comprehensive Plan and recent Housing Study. The concept was developed by analyzing future land use needs correlated to population projections, future retail and commercial needs that will be needed as the community grows, and residential development strategies identified in the latest housing study.

Mr. Bielser noted that this is a long-term vision for the 90 acres and this conceptual development won't take complete shape for many years. Currently, the Braun Property does not have infrastructure readily available. Water and

sewer infrastructure is estimated to cost approximately \$4.8 million to extend to the site.

Economic incentives such as Tax Increment Financing (TIF) or Community Improvement Districts (CID's) are envisioned to finance this expense, and based on real-world projections, just a few establishments on the property are needed to cover the cost. However, a recent federal funding opportunity through the State presented itself, which could assist with that cost. Last month, the State announced a second round of BASE or Building a Stronger Economy Grants, through the Kansas Department of Commerce. Costs to extend infrastructure for development projects is an eligible expense. The City did apply for the Base Grant of approximately \$3.575 million. The grant does require a 25% local match, which would equate to a \$1.2 million commitment from the City of Hays. Mr. Bielser stated we remain cautiously optimistic as the State only has \$50 million to distribute. This is the same grant program that Grow Hays received funds for its micro-factory.

As the Governing Body continues to position this site for future development, there are a few tasks that could be pursued if desired by the Commission. Preemptively annex and rezone the property, use the conceptual development plan to begin the platting process, and proactively establish a TIF district.

Commissioner Jacobs clarified that a conceptual plan does not tie the Commission to anything, but it does provide the opportunity to show developers what is possible on this property. She added that if we could annex the property and get the infrastructure in place it would become that much more attractive.

Commissioner Barrick stated he thinks it is a great idea. He added that this development would be out there on its own by Interstate, but there is not a tourist attraction in the development and asked if something could be put up immediately to get things started. Toby Dougherty, City Manager, stated that any sort of attraction is easily insertable in the development. He added that Mr. Bielser is working on some options that could involve attractions and creative

ways to pay for infrastructure that will be presented to the Commission at a later date.

Commissioner Cunningham supported the idea as well and noted this development will add needed housing as we are growing to the east. It will also provide retail that people could easily access from that direction.

Mr. Dougherty added that the property to the north and east is perfect residential development ground and there is a lot of room for residential growth in that area.

Sandy Jacobs moved, Alaina Cunningham seconded, to approve the Braun Property Conceptual Plan Development as presented.

Vote: Ayes: Mason Ruder

Shaun Musil

Sandy Jacobs

Reese Barrick

Alaina Cunningham

**8. COMMISSION INQUIRIES AND COMMENTS:** Commissioner Cunningham stated that she was impressed with the City Departments she has toured recently.

Commissioner Jacobs stated she is excited about all of the things happening in our community and she is proud of the fact that this community is full of so many “can do people”.

Vice-Mayor Musil agreed and is looking forward to an exciting future.

Mayor Ruder stated it takes the entire community working together to make these things happen and it is exciting to see.

Toby Dougherty, City Manager, stated that Kate Armstrong has been an Inspector for the City of Hays and was recently promoted to Planning and Zoning Technician. She has been working with the Deputy City Manager on the Braun Property Conceptual Development Plan and noted that the Commission will be seeing more of her in the future.

The meeting was adjourned at 4:43 p.m.

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

Brenda Kitchen – City Clerk