

MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON JULY 24, 2025

1. CALL TO ORDER BY CHAIRPERSON: The Governing Body of the City of Hays, Kansas met in regular session on Thursday, July 24, 2025 at 4:00 p.m.

Roll Call: Present: Sandy Jacobs

Mason Ruder

Alaina Cunningham

Reese Barrick

Shaun Musil

Mayor Jacobs 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 July 10, 2025; 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 June 30, 2025.

Month to date (MTD) general fund sales tax collections were at \$816,000, which was an increase of \$51,000 or 6.7% as compared to last year. Year to date (YTD) general fund sales tax is still trending up at \$125,653 or 2.7%. The six-month average was at 2.7%, which was a year over year increase of 2.7%. YTD County sales tax collections were at \$580,223 up \$23,000.

The total par value of the US Treasuries for June was \$11,717,000 with a weighted average yield to maturity of 4.2% down 0.5% from a year ago. The total of the portfolio of certificates of deposit on June 30, 2025 was \$58,400,000 with a weighted average rate to maturity of 4.5% down 0.3%. The total balance of the Money Market account on June 30, 2025 was \$4,200,000 with a current yield of 3.388% down 0.77% from a year ago. Total investments were up \$1,465,701.

Commissioner Musil moved, Commissioner Cunningham seconded, to approve the Financial Statement for the month of June 2025 as presented.

Vote: Ayes: Sandy Jacobs

Mason Ruder

Alaina Cunningham

Reese Barrick

Shaun Musil

4. CITIZEN COMMENTS: There were no comments.

5. CONSENT AGENDA: There were no items on the Consent Agenda for consideration.

NEW BUSINESS

6. CDBG GRANT FOR PROPERTY AT 1012 MAIN STREET (ONE TWENTY SEVEN INVESTMENTS LLC) – PUBLIC HEARING: Jarrod Kuckelman, Assistant City Manager, stated that since the Community Development Block Grant (CDBG) has a very strict dated timeline, a publication was missed and Mr. Kuckelman apologized for having to do the public hearing again.

Mayor Jacobs declared the public hearing open to allow citizens to comment on the Community Development Block Grant (CDBG) request by One Twenty Seven Investments LLC.

There were no questions or comments.

Commissioner Barrick moved, Commissioner Ruder seconded, to close the public hearing to hear comments on the Community Development Block Grant (CDBG) request by One Twenty Seven Investments LLC.

Vote: Ayes: Sandy Jacobs

Mason Ruder

Alaina Cunningham

Reese Barrick

Shaun Musil

7. HAYS HOUSING STUDY UPDATE: Collin Bielser, Deputy City Manager, stated in 2022 the City of Hays contracted with the firm RDG to perform a housing study for the community. A housing study is required by state statute before the economic incentive tool, Reinvestment Housing Incentive District (RHID), can be used. The study included a market analysis and roundtables with lenders, builders, and other interested parties.

According to the City's policy, the housing study must be reviewed every three years. RDG was contracted once again to update the study, which focused on a current analysis of the community's housing market by looking at demographic, building, and market data.

Mr. Bielser presented that there has been higher permit activity in the previous five years, the mix of housing has shifted from single-family and duplex to single-family and multi-family, and the increase in interest rates beginning in late 2022 may have led to a lower number of houses being built in 2024.

The study does a development projection to show what is needed to support a 1% growth rate. Approximately 87 living units need to be built every year to achieve that growth.

Discussion was held about how in the last few years there have been more homes built in the City of Hays than there ever has been, and that is still not enough.

Doug Williams, Executive Director of Grow Hays, stated we can't guarantee 1% growth, but if we want to achieve 1% growth, we can't do it without building a sufficient amount of housing. However, 1% growth is a very aggressive growth rate, and Hays has not grown like that since the 1970's and 1980's. He added, the City of Hays currently has a backlog of demand for homes.

Mr. Williams stated that you have to take some of this information with a grain of salt because some of the statistical data is taken from the Census or other surveys, which the study tries to use broadly between cities.

Mr. Bielser agreed and stated that RDG and the report says that the City should use this to look for opportunities.

Mr. Dougherty, City Manager, stated that the housing study is a good guideline to use, especially since Commission policy requires an update every three years. It will give a report showing if the City is making progress or not.

Mayor Jacobs stated that she can't imagine the City ever basing all their actions off of one report; the City does a better job of that by investigating what is going on in the community before making decisions.

Mr. Bielser stated that the most popular tool for developers to finance low-income housing projects is the federal low-income housing tax credit. Recent federal legislation made improvements to this program and tax structure and due to those changes in federal law, analysts project an additional 1 million affordable housing units could be built over the next decade. Resources at the State are also available to encourage development of low-income housing units; however, last year the State legislature approved a bill to cut the Kansas Affordable Housing Tax Credit. Local governments typically help these types of developments through incentive programs. Given the cost of housing is so high and return is low, the ability to construct housing subdivisions with new roads and other infrastructure for the most vulnerable, is extremely difficult. Increasing supply in other price ranges could open up housing opportunities for other income ranges, but if new development were to be pursued, infill projects seem to be the most appropriate approach to tackling this challenge.

Commissioner Musil asked what the Commission can do to help developers develop low-income housing.

Discussion was held about all of the incentives that are offered. It was the consensus that the City of Hays offers support of all the Federal and State tax credit incentives.

One barrier to building low-income housing is that we do not have a developer that has been able to build a property to suffice the low-income market. Mr. Dougherty added that the City would have to have a construction market that would support and have the ability to sustain to be able to comply with all the Federal Regulations that come with low-income housing.

Mr. Dougherty added that there is such an imbalance of what it costs to build a property and then rent it out, it is a different animal because it is a loss for the developer to rent the property for low rates. Therefore, that is why it typically takes Federal and State tax credits to incentivize this type of building.

Commissioners agreed that they should all be proud of what the City of Hays has been doing in regard to encouraging development; however, the City should not be satisfied and should keep working toward the future to build the community.

8. PROGRESS REPORT: Collin Bielser, Deputy City Manager, presented a monthly report of city-related activities, services, and programs.

9. HAYS HAPPENINGS/UPCOMING EVENTS: Melissa Dixon, Director of the Convention and Visitors Bureau, presented information on events that will be going on in Hays during the month of August.

10. COMMISSION INQUIRIES AND COMMENTS: Commissioner Musil thanked everyone for the road work done on 32nd Street, it is complete and wonderful to drive on. The other Commissioners echoed these sentiments.

Commissioner Barrick stated the Sternberg Museum finished its summer camps and they had kids from 30 different States and three different Countries. He added there's so many cool things going on in Hays that bring people to town, and it is just a fun time of year.

Commissioner Cunningham stated that in regard to the housing study, the Commission did make updates to the Unified Development Code (UDC), and she has heard from many builders that it has helped, and they appreciate that their opinions were asked.

Commissioner Ruder commented about how being out at the airport he was impressed that the parking lot was full of vehicles from other Kansas Counties and out of State. It's great to see the airport always being utilized and packed with people.

Mayor Jacobs appreciated the presentation on housing. She wants the public to be assured that the Commission is cognizant of the risk when they bond, they are informed, they have researched, and they use incentives because they

have seen them work. Mayor Jacobs stated that she is proud of what they are doing and proud of the community and where we are heading.

The meeting was adjourned at 5:19 p.m.

Submitted by: _____

Jami Breit – City Clerk