



Memo

To: City Commission
From: Toby Dougherty, City Manager
Date: April 28, 2025
Re: May 1, 2025, Work Session

Please find the attached agenda and supporting documentation for the May 1, 2025, Work Session.

Item 2 – Ordinance to Establish a Reinvestment Housing Incentive District (RHID) and Adopting a Plan for the Development of Housing and Public Facilities in the District (Tallgrass 2nd Addition, Phase 4)

Please refer to the attached memorandum from Jarrod Kuckelman, Assistant City Manager, regarding the establishment of an RHID, a Development Agreement, and a Development Plan. This is the nuts and bolts of a joint venture between the City of Hays and the Heart of America Development Corporation to create approximately 100 residential lots on the east side of Hays.

Item 3 – Property Abatement for 810 East 8th Street

Please refer to the attached memorandum from Curtis Deines, Planning and Development Superintendent, regarding the property abatement for a structure on East 8th Street.

Item 4 – Property Abatement for 3404 Vine Street

Please refer to the attached memorandum from Curtis Deines regarding the property abatement for a former hotel facility on North Vine Street. This hotel has previously received a cease and desist order from the State of Kansas. The building is in a deteriorated condition, and City Staff is suggesting the Commission move forward with the abatement process.

Item 5 – Stormwater Equipment Building – Award of Bid

Please refer to the attached memorandum from Jesse Rohr, Director of Public Works, regarding the award of bid for a stormwater equipment building. As the Public Works fleet has grown to provide the necessary operational support, more and more pieces of expensive equipment are being stored in an unsheltered condition. Since the Stormwater Division is responsible for

several pieces of equipment, City Staff thought it best for that division to pay for a new equipment storage building that would free up space in other Public Works buildings. The suggested award of bid to QMC is below the budgeted amount for the facility.

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CITY COMMISSION WORK SESSION

City Hall, 1507 Main Street, Hays, KS

Thursday, May 1, 2025 – 4:00 P.M.

AGENDA

1. **April 17, 2025 Work Session Notes (PAGE 1)**
Department Head Responsible: Kim Rupp, Director of Finance
2. **Ordinance to Establish a Reinvestment Housing Incentive District and Adopting a Plan for the Development of Housing and Public Facilities in the District (Tallgrass 2nd Addition, Phase 4) (PAGE 7)**
Staff Member Responsible: Jarrod Kuckelman, Assistant City Manager
3. **Property Abatement for 810 East 8th Street (PAGE 45)**
Department Head Responsible: Jesse Rohr, Director of Public Works
4. **Property Abatement for 3404 Vine Street (PAGE 59)**
Department Head Responsible: Jesse Rohr, Director of Public Works
5. **Stormwater Equipment Building – Award of Bid (PAGE 91)**
Department Head Responsible: Jesse Rohr, Director of Public Works
6. **Other Items for Discussion**
7. **Executive Session (if required)**
8. **Adjournment**

ANY PERSON WITH A DISABILITY NEEDING SPECIAL ACCOMMODATIONS TO ATTEND THIS MEETING SHOULD CONTACT THE CITY MANAGER'S OFFICE 48 HOURS PRIOR TO THE SCHEDULED MEETING TIME. EVERY ATTEMPT WILL BE MADE TO ACCOMMODATE ANY REQUESTS FOR ASSISTANCE.

City of Hays
City Commission
Work Session Notes
Thursday, April 17, 2025 – 4:00 p.m.

Present: Sandy Jacobs, Mason Ruder, Alaina Cunningham by Zoom, Reese Barrick, Shaun Musil, Toby Dougherty, Collin Bielser, and Don F. Hoffman

March 20, 2025 Work Session Notes

There were no corrections or additions to the minutes of the work session held on March 20, 2025; the minutes stand approved as presented.

Fort Hays Tech | North Central: Big Creek Technical Training Center Annual Report

Eric Burks, President of Fort Hays Tech | North Central, presented the Annual Report summarizing the activities at the Big Creek Technical Training Center housed at 101 Main Street. Annual reporting is a requirement of their contract with the City of Hays for their utilization of space at the former Army Reserve facility, which is owned by the City. NCK Tech maintains the building's condition to provide a comfortable educational learning environment for students at the Big Creek Technical Training Center.

Mr. Burks stated that Fort Hays Tech | North Central is a fully accredited college and provides transferable credits. They serve an average of 1,200 students a year with campuses in Hays (2205 Wheatland) and Beloit, Kansas. He noted that Fort Hays Tech | North Central has been consistently ranked in the top 10 nationally for college graduation rates.

Mr. Burks noted some exciting changes:

- A new Respiratory Care Program will launch in the Fall of 2025 in partnership with HaysMed.
- A new Powersports Program will be started on the Beloit Campus.

- The Culinary Arts Program will be moving to Gella's in the Fall of 2025.
- Fort Hays Tech | North Central is constructing a 30,000-square-foot facility to house its Construction, Electrical, and Plumbing, Heating & Air-Conditioning Programs. This expansion will double student capacity, introduce a two-year Electrical Program, and launch a second-year PHAC Program. They are in the process of determining which programs will move into Big Creek Technical Training Center housed at 101 Main Street once construction programs move into the new building.

Mr. Burks stated Fort Hays Tech | North Central is building another single-family home on the Hays campus this year. Although this project is not directly for the City of Hays, last year's house sold for \$174,000 generating \$16,095 in sales tax. It also represented over \$143,000 worth of building materials, with most being purchased from Hays area businesses.

Mr. Burks thanked the City Commissioners for their support and partnership.

Resolution Evidencing an Intent to Issue Industrial Revenue Bonds (A&A Coors, Inc.)

Jarrod Kuckelman, Assistant City Manager, stated that A&A Coors Inc., submitted an application for economic incentives relating to the planned construction of a new 43,000 square foot commercial warehouse and distribution facility. A&A Coors has operated in Hays since 1969, serving 22 counties in NW Kansas. The Developer seeks to expand its business through the construction of a new facility to be located northeast of the intersection of East 9th Street and Commerce Parkway.

The Developer is requesting Industrial Revenue Bonds (IRBs) be issued to benefit the Project. Utilization of the IRBs will allow the Developer to obtain a sales tax exemption for all purchases related to the construction of the Project and a real property tax abatement for the Project for up to 10 years. IRBs do not affect the

city's debt limit or rating and do not require taxpayer commitment, as the developer is solely responsible for the payment obligations. For the purposes of this project, the sales tax benefit for the Developer is estimated to be just under \$39,000.

This project is estimated to have a total investment of about \$7 million. Based on this amount, the City's current Economic Development Policy would support a 50% property tax abatement, which would offer A&A Coors potentially about \$260,000 in City property taxes over the full 10 years (\$26,000 per year). However, the exact numbers for the final abatement percentage and benefit to the Developer won't be finalized until construction is complete and the exact construction cost numbers are determined.

Prior to approving an IRB granting a property tax abatement, a public hearing must be held. Notice of the public hearing has been published as required by statute and sent to USD 489 and Ellis County. Following the public hearing, adopting the Resolution of Intent would allow the Developer to request a sales tax exemption certificate from the State of Kansas for the Project and is a strong indication of the City's intent to issue the IRBs in the future.

At the April 24, 2025 Commission meeting, Commissioners will be asked to hold a public hearing regarding the issuance of IRBs for A&A Coors and an exemption from ad valorem taxation of property constructed or purchased with the proceeds of such IRBs and adopt a resolution evidencing an intent to issue Industrial Revenue Bonds.

2025 Water Resources Department Parking Lot / Access Improvements – Award of Bid

Jeff Crispin, Director of Water Resources, reported that the parking lot and entrance between the Water Plant and Water Resources Maintenance Facility have been a concern for years. Most of the parking areas at the Maintenance Facility, including the stormwater conveyance ditch between the two buildings, are comprised of dirt and asphalt millings. Any rain or snow event makes parking and traveling through this area a mess, causing ruts and maintenance issues. Furthermore, the existing stormwater ditch has settled to the point that stormwater

does not easily transfer into the stormwater retention pond along Vine Street. The south entrance to the Water Plant is made up of asphalt and over time has deteriorated and needs replaced as well. This project would require the contractor to replace the Vine Street entrance with a reduced slope approach, making entering and exiting safer.

One bid for installation of a new concrete parking lot and entrance between the Water Plant at 1000 Vine Street and the Maintenance Facility at 1004 Vine Street was opened on March 18, 2025. Morgan Brothers Construction Inc. of La Crosse, Kansas bid the project in an amount of \$136,483.72.

At the April 24, 2025 Commission meeting, Commissioners will be asked to authorize the City Manager to sign a contract with Morgan Brothers Construction Inc. of La Crosse, Kansas for parking lot and access improvements at the Water Resources facility in the amount of \$136,483.72 to be funded from Water Capital and Water Reclamation Capital (50/50 Split).

2025 Street Maintenance Program – Award of Bid for Extra Work (Pavement Markings)

Jesse Rohr, Director of Public Works, stated that at the February 27, 2025, City Commission meeting, the City Commission awarded nearly \$800,000 in various street contract work. No bids were received for the pavement marking portion of the project. Staff rebid the pavement marking portion of the project, which included a base bid for markings on Hall Street from 8th to 27th and an add alternate bid for markings on East 13th from Main Street to Milner Street. Bids from four different contractors were received, and staff recommends entering a contract with the low bidder. The low bid is from C-Hawkk Construction, LLC of Eudora, Kansas at the cost of \$54,691.40. C-Hawkk has not performed work in Hays in the past. Upon checking references, the company came highly recommended by a representative of KDOT who has worked with them on projects for the past 16 years, primarily in the eastern part of Kansas. Also, because the bids came in under the estimated budget amount of \$110,000 for the project, City staff reached out to the contractor asking if they would be interested in additional work while they

are in Hays, specifically the pavement markings within the roundabouts on Vine Street, which need replaced. The total of the low bid from C-Hawkk Construction, LLC for pavement markings is \$101,420.40.

At the April 24, 2025 Commission meeting, Commissioners will be asked to authorize the City Manager to enter a contract with C-Hawkk Construction, LLC, in the amount of \$101,420.40, for pavement markings on Hall Street, East 13th Street, and the Vine Street roundabouts, to be funded out of Special Highway – Budgeted Projects.

Other Items for Discussion

Mayor Jacobs thanked Jim Aubel, President of A&A Coors, and the Aubel family for investing in our community by expanding their business in Hays.

The work session was adjourned at 4:59 p.m.

Submitted by: _____
Jami Breit –City Clerk



City Commission Work Session

Agenda Memo

From: Jarrod Kuckelman, Assistant City Manager

Work Session: May 1, 2025

Subject: Public Hearing and Ordinance to Establish a Reinvestment Housing Incentive District, Adopt a Plan for the Development of Housing and Public Facilities in the District, and Approve a Development Agreement (Tallgrass 2nd Addition, Phase 4)

Person(s) Responsible: Jarrod Kuckelman, Assistant City Manager

Summary

Heart of America Development Corporation (the “Developer”) has submitted an Application for Economic Incentives and the required application fee relating to a residential project and related infrastructure for Phase 4 of the Tallgrass 2nd Addition project.

The Developer is requesting that a Reinvestment Housing Incentive District (RHID) be established on the property to be developed. Developer proposes that the City finance and construct the RHID eligible costs related to the project, and that the City utilize RHID revenues to offset the City’s costs, including debt service requirements on any bonds issued for the project. In addition, the Developer will provide a deposit equal to 30% of the projected infrastructure costs (the “Deposit”). The Deposit could be utilized by the City to pay for infrastructure costs or to pay debt service on general obligation temporary notes and bonds that are issued to pay for the project costs. Any RHID revenues generated in excess of City costs and debt service requirements would be used to reimburse Developer for RHID-eligible expenses on a pay-as-you-go basis. RHID collection will cease upon the earlier of 25 years or full payment or reimbursement of all RHID-eligible project costs.

A proposed Development Plan and Development Agreement (both attached) have been created to describe the housing development and to govern the rights and responsibilities of the City and the Developer.

The Commission previously adopted a Resolution to call for a public hearing on the establishment of an RHID at the March 27, 2025, City Commission meeting.

Following the public hearing, the consideration of an Ordinance establishing the RHID is the final action required by the Commission to create the RHID and approve the associated Development Agreement. If passed, the RHID will be created unless the USD 489 Board of Education or the Ellis County Board of County Commissioners adopts a resolution in opposition within 30 days after the public hearing.

Background

The Developer seeks to develop Phase 4 of the Tallgrass 2nd Addition project located at the northeast corner of 22nd Street and Wheatland Avenue. Preliminary plans include approximately 101 single-family homes and infrastructure to support and serve the development (collectively, the “Project”). Developer reports that some lots may be converted to multi-family use.

Discussion

The Developer seeks City financing of the majority of RHID-eligible costs related to the Project and Developer reimbursement of any remaining RHID-eligible costs from RHID revenues.

The Developer requests RHID financing on a pay-as-you-go basis for 25 years. Developer proposes that the City finance the majority of the RHID-eligible costs and construct the infrastructure related to the Project, and that the City utilize RHID revenues to offset the City's costs, including debt service requirements on any bonds issued for the Project costs. RHID revenues will be derived from incremental property tax revenues collected on the Project site. In addition, the Developer will provide the Deposit which could be utilized by the City to pay for Project costs or to pay debt service on general obligation temporary notes and bonds that are issued to pay for Project costs. Any RHID revenues generated in excess of City costs and debt service requirements would be used to reimburse RHID-eligible expenses incurred by the Developer on a pay-as-you-go basis. RHID collection will cease upon the earlier of 25 years or full payment or reimbursement of all RHID-eligible project costs.

Developer estimates RHID-eligible project costs requested to be financed by the City of approximately \$6.0M (excluding interest on borrowings), and that the RHID will generate approximately \$6.867M of revenue over the maximum 25-year term. RHID collection will cease upon the earlier of 25 years or full payment or reimbursement of all RHID-eligible project costs.

Passage of the Ordinance would establish the RHID, adopt the Development Plan, and approve the Development Agreement. The Development Agreement requires that an escrow account be established in an amount equal to \$1.8M (30% of the estimated infrastructure costs). In addition, any Midwest Energy reimbursement payments related to the Project will be deposited into the account to be available for City debt service. If the Development does not generate sufficient increment after six years, the City would have the option to take ownership of all undeveloped parcels at that time.

Legal Consideration

Special legal counsel, Gilmore & Bell P.C. has reviewed all the documentation submitted. All aspects as set forth in the Term Sheet comply with Kansas law and the City's Economic Development Policy.

Financial Consideration

If the RHID is created, the RHID fund would collect incremental property tax revenues for a maximum period of 25 years. The Developer estimates that the RHID would generate approximately \$6.867M in revenues during such term based upon current plans. However, Developer estimates RHID-eligible project costs of approximately \$6.0M, excluding interest on any borrowings. RHID collection will cease upon the earlier of 25 years or full reimbursement of all RHID-eligible project costs.

The Developer requests that the City finance the RHID eligible costs related to the Project. The Developer will advance other costs of the Project. Developer proposes that the City utilize RHID revenues as well as the Deposit to offset the City's Project costs, including debt service requirements on any bonds issued for the Project. Any RHID revenues generated in excess of City costs and debt service requirements would be used to reimburse RHID-eligible expenses incurred by the Developer on a pay-as-you-go basis. If the Development does not generate sufficient increment after six years, the City would have the option to take ownership of all undeveloped parcels at that time.

Options

The City Commission has the following options:

- Pass the Ordinance
- Decline to pass the Ordinance
- Provide other direction to City Staff

Recommendation

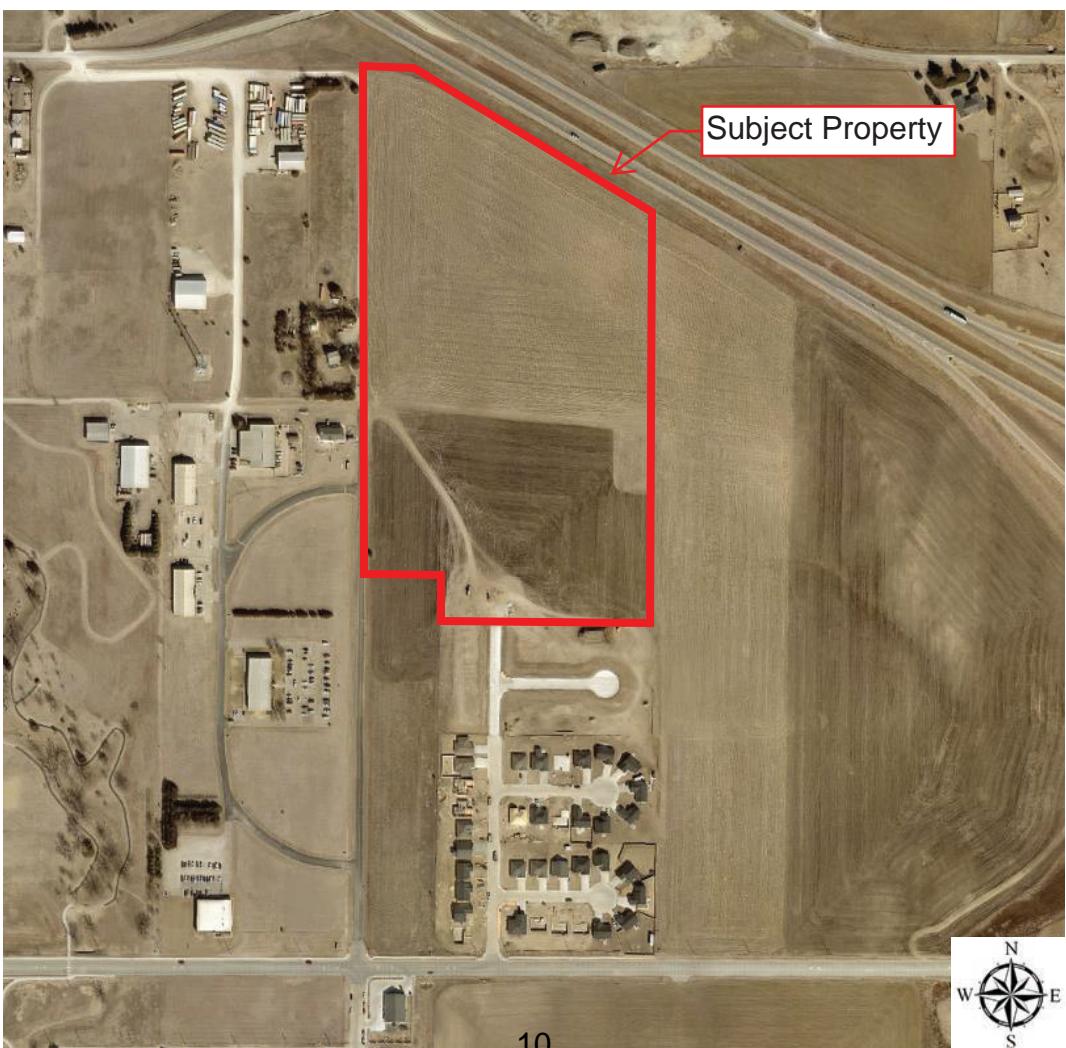
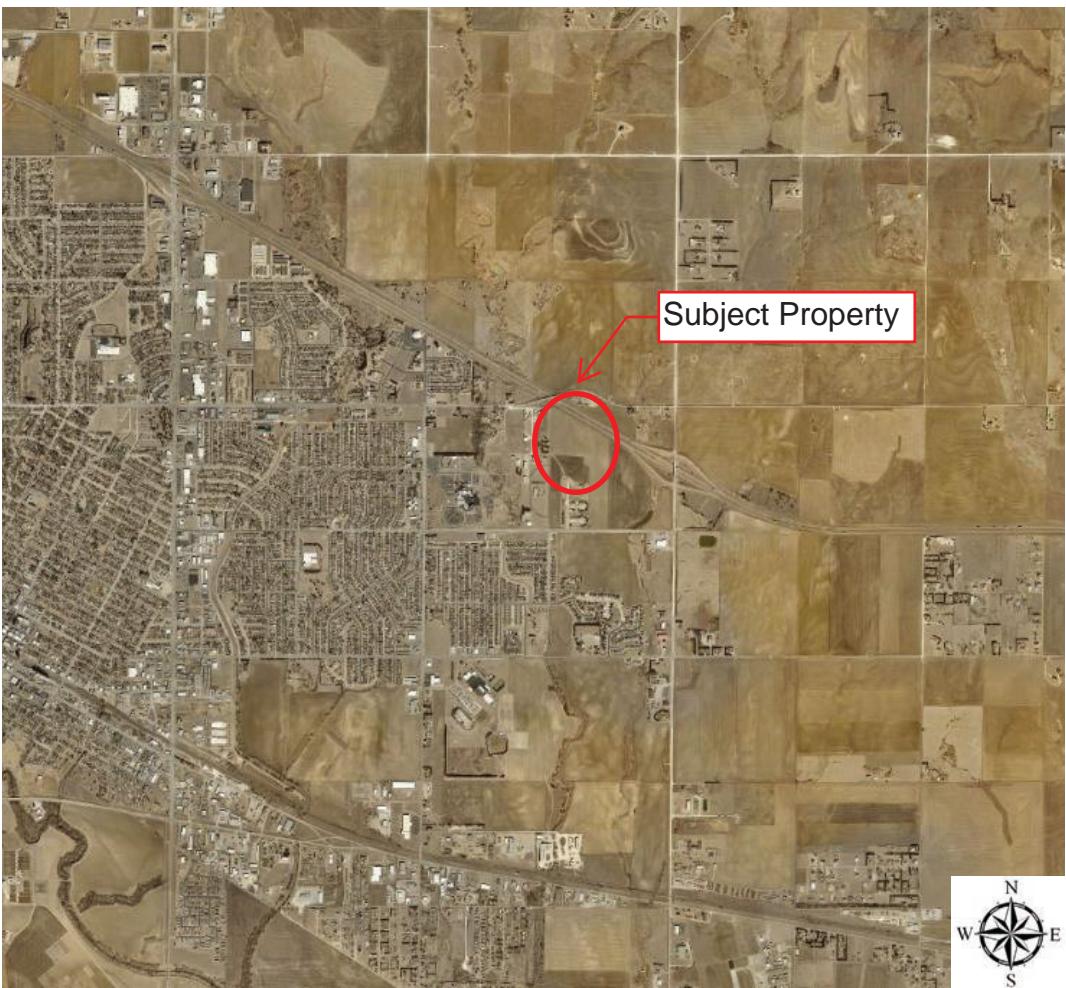
Advance the project by adopting the Resolution.

Action Requested

Pass an Ordinance to establish an RHID, adopt a Development Plan, and approve the Development Agreement.

Supporting Documentation

Visuals
Calendar
Ordinance
Development Plan
Development Agreement



**Final Plat of
TALLGRASS 4TH ADDITION**

Being a Replat of Block A; Lots 1 through 9, and Lot 16, Block B

in Tallgrass 2nd Addition

City of Hays, Ellis County, Kansas



LEGAL DESCRIPTION:
Block A: NW corner of NE 1/4, Section 35, Township 13 South, Range 18 West, or the SW corner of Section 35, Township 13 South, Range 18 West, or the SW corner of Section 35, Township 13 South, Range 18 West, Thence on a bearing of North 00 degrees 04 minutes 15 seconds East along the West line of the Northeast Quarter of said Section 35 a distance of 113.64 feet; South along the South line of the Northeast Quarter of said Section 35 a distance of 142.89 feet to the Point of Beginning; Thence North 89 degrees 45 minutes 41 seconds East along the West line of and Northwest Quarter a distance of 142.89 feet to a point on the South Right-of-Way of intersecting 70; Thence North 89 degrees 41 minutes 07 seconds East along the South Right-of-Way of intersecting 70; Thence North 89 degrees 45 minutes 22 seconds East a distance of 119.26 feet; Thence North 89 degrees 55 minutes 45 seconds East a distance of 50.67 feet; Thence North 89 degrees 45 minutes 22 seconds East a distance of 17.70 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 12.03 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 142.89 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 142.89 feet; Thence North 89 degrees 45 minutes 22 seconds West, a chord distance of 17.04 feet, a radius of 140.00 feet, and an angle of 30.90 degrees to the Point of Beginning. Said tract contains 27.69 acres more or less and is subject to any easements or right-of-way of record.

Comings and goings: From the Southwest corner of Section 35, Township 13 South, Range 18 West, Thence on a bearing of North 00 degrees 04 minutes 15 seconds East along the West line of the Northeast Quarter of said Section 35 a distance of 113.64 feet; South along the South line of the Northeast Quarter of said Section 35 a distance of 142.89 feet to the Point of Beginning; Thence North 89 degrees 45 minutes 41 seconds East along the West line of and Northwest Quarter a distance of 142.89 feet to a point on the South Right-of-Way of intersecting 70; Thence North 89 degrees 41 minutes 07 seconds East along the South Right-of-Way of intersecting 70; Thence North 89 degrees 45 minutes 22 seconds East a distance of 119.26 feet; Thence North 89 degrees 55 minutes 45 seconds East a distance of 50.67 feet; Thence North 89 degrees 45 minutes 22 seconds East a distance of 17.70 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 12.03 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 142.89 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 142.89 feet; Thence North 89 degrees 45 minutes 22 seconds West, a chord distance of 17.04 feet, a radius of 140.00 feet, and an angle of 30.90 degrees to the Point of Beginning. Said tract contains 27.69 acres more or less and is subject to any easements or right-of-way of record.

STREETS AND EASEMENTS:

Streets are shown on this plat and heretofore dedicated to and for public use are hereby defined.

Easements are hereby dedicated to and for public use, as utility easements, ingress/egress, which are shown by lines between the dashed lines in widths indicated and as set forth in this plat, and said easements may be employed for the purpose of installing, repairing and maintaining gas lines, electric lines, telephone lines, and all other forms and types of public utilities, now or hereafter used, by the public over, under, and along the strips marked "Utility Easement".

OWNER'S CERTIFICATE:

Know all men by these presents, that I, the undersigned, property owners(s) of the land above described have caused the same to be surveyed and platted into Lots, Streets, and Easements, the same to be known as "Tallgrass 4th Addition", to the City of Hays, Ellis County, Kansas. The Streets are hereby dedicated to and for the use of the public, and the Easements are hereby dedicated to and for the use of the public, and the utility lines for the purpose of constructing, operating, maintaining and repairing all public utilities.

Bryan Venfield, Board President
Heart of America Development Corporation, Inc.

Date

NOTARY CERTIFICATE:

State of Kansas, County of Ellis, ss:

I, a Notary Public, to and for said County and State, name Bryan Venfield,
Board President of Heart of America Development Corporation, Inc., to me
personally known to be the same person who executed the foregoing instrument of
writings, do hereby acknowledge the execution of same in testimony whereof, I have
hereunto set my hand and affixed my notarial seal, the day and year above written.

Notary Public

My Commission Expires _____

APPROVALS:

This plat, Tallgrass 4th Addition, has been submitted to and approved by the Hays
Planning Commission this ____ day of ____ 2025

Matthew Wheeler, Chairperson

Joseph Breckner, Secretary

The Dedications shown on this plat are accepted by the City Commission of the City of Hays,
Kansas, this ____ day of ____ 2025

Sandy Jacobs, Mayor

ATTEST:

Jean Britt, City Clerk

Donald F. Hollings, Attorney for the City of Hays

TRANSFER:

Entered on transfer record this ____ day of ____ 2025

Bobbie Dreiling, County Clerk

RECORDED:

State of Kansas, County of Ellis, ss:

This is to certify that this instrument was filed for record in the Register of Deeds Office on the ____ day of ____ 2025, in book ____ Page ____

Rebecca Herzog, Register of Deeds

Resolution #_____, filed for record in Book ____ Page ____

Plat and Dedication documents filed for record in Book ____ Page ____

REVIEW OR REVAL:
This survey has been reviewed and approved for filing
by the KRS-2025 committee only and is in compliance
with KRS-2025. No other surveys are recorded or required.

____ day of ____ 2025

Leland C. Christen, Professional Surveyor #1367
in the State of Kansas, certify that the survey shown
on this plat was made by me or under my direct
supervision on _____ Month _____ Year, 2025.
This plat is true and correct to the best of my
knowledge and belief.



Frank W. Adams
Surveyor Reg. No. 1185

Gwin Hays
Tallgrass 4th Addition
Hays, KS 67601

ADVANCED LAND SURVEYING & DRAFTING
801 16th Street • Topeka, KS 66601 • Tel: (785) 233-1500 • Fax: (785) 233-1500

Sheet: 1 of 1 | Project #: 24-028

Drawn: DEC Scale: 1" = 50'

Approved: DEC Date: 11/18/2024

DRAFT: FEBRUARY 28, 2025

CITY OF HAYS, KANSAS
Tallgrass 2nd Addition Phase 4 Project
RHID Schedule

| | |
|--------------------------|--|
| November 21, 2024 | Work Session: City Commission considers Resolution making findings as to proposed RHID |
| | |
| November 26, 2024 | City Commission considers Resolution making findings as to proposed RHID |
| | |
| November 27, 2024 | Resolution making findings published in official City news outlet |
| | |
| December 2, 2024 | Letter to Secretary of Commerce containing certified copy of Resolution making findings and requesting Secretary to review and advise the City whether the Secretary agrees with the findings |
| | |
| December 5, 2024 | Letter from Secretary of Commerce to the City advised of the Secretary's agreement |
| | |
| March 6, 2025 | Development Plan finalized |
| | |
| March 20, 2025 | Work Session: City Commission considers Resolution of intent to consider adoption of development plan and establishment of district and calling public hearing |
| | |
| March 27, 2025 | City Commission considers Resolution of intent to consider adoption of development plan and establishment of district and calling public hearing |
| | |
| April 2, 2025 | Certified copy of the Resolution of intent delivered to City Planning Commission, BOCC, and USD (receipt requested) |
| | |
| April 25, 2025 | Resolution of intent and calling public hearing published in official City news outlet (<i>at least 1 week, no more than 2 weeks, before hearing</i>) |
| | |
| May 1, 2025 | Work Session: City Commission considers Ordinance adopting the development plan and establishing the district |
| | |
| May 8, 2025 | Public Hearing (<i>not less than 30, no more than 70 days following adoption of Resolution of Intent</i>) City Commission considers Ordinance adopting the development plan and establishing the district |
| | |
| May 9, 2025 | Publish Ordinance in official City news outlet |
| | |
| June 9, 2025 | BOCC and USD veto period expires (<i>30 days following public hearing</i>) |
| | |
| June 13, 2025 | Copy of the Ordinance, legal description of the land within the District, and map indicating the boundaries of the District certified mailed to County Clerk/Treasurer/Assessor, BOCC, and USD (<i>by Jan. 1, 2026</i>) |

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON MAY 8, 2025**

The City Commission (the “Governing Body”) met in regular session at the usual meeting place in the City at 4:00 p.m., the following members being present and participating, to-wit:

Absent:

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

* * * * *

(Other Proceedings)

Among other business, in accordance with Resolution No. 2025-002 published in the official City news outlet on April 25, 2025, a public hearing was held by the governing body relating to the proposed establishment of a Reinvestment Housing Incentive District within the City and adopting a plan for the development of housing and public facilities in such District. At the hearing, each project proposed for the District was identified and explained, and the developer that intends to contract with the City to undertake such project was identified. Following the presentation, all interested persons were afforded an opportunity to present their views on the establishment of the District and the proposed projects.

Following the close of the public hearing, Commissioner _____ presented and moved for the passage of an Ordinance entitled:

**AN ORDINANCE OF THE CITY OF HAYS, KANSAS, ESTABLISHING A
REINVESTMENT HOUSING INCENTIVE DISTRICT WITHIN THE CITY,
ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC
FACILITIES IN SUCH DISTRICT, APPROVING A DEVELOPMENT
AGREEMENT, AND MAKING CERTAIN FINDINGS IN CONJUNCTION
THEREWITH (TALLGRASS PHASE 4 REINVESTMENT HOUSING
INCENTIVE DISTRICT).**

Commissioner _____ seconded the motion. The Ordinance was duly read and considered, and upon being put, the motion for the passage of the Ordinance was carried by the vote of the governing body as follows:

Yea: _____.

Nay: _____.

The Mayor declared the Ordinance duly passed and the ordinance was duly numbered Ordinance No. _____, was signed by the Mayor and attested by the City Clerk, and was directed to be published one time in the official City news outlet.

* * * * *

On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I certify that the foregoing Excerpt of Minutes is a true and correct summary of the proceedings of the governing body of the City of Hays, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

City Clerk

(Published in the official City news outlet on May 9, 2025)

ORDINANCE NO. [_____]

AN ORDINANCE OF THE CITY OF HAYS, KANSAS, ESTABLISHING A REINVESTMENT HOUSING INCENTIVE DISTRICT WITHIN THE CITY, ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC FACILITIES IN SUCH DISTRICT, APPROVING A DEVELOPMENT AGREEMENT, AND MAKING CERTAIN FINDINGS IN CONJUNCTION THEREWITH (TALLGRASS PHASE 4 REINVESTMENT HOUSING INCENTIVE DISTRICT).

WHEREAS, K.S.A. 12-5241 *et seq.* (the “Act”) authorizes cities incorporated in accordance with the laws of the state of Kansas (the “State”) to designate reinvestment housing incentive districts within such city; and

WHEREAS, prior to such designation the governing body of such city shall conduct a housing needs analysis to determine what, if any, housing needs exist within its community; and

WHEREAS, after conducting such analysis, the governing body of such city may adopt a resolution making certain findings regarding the establishment of a reinvestment housing incentive district and providing the legal description of property to be contained therein; and

WHEREAS, after publishing such resolution, the governing body of such city shall send a copy thereof to the Secretary of the Kansas Department of Commerce (the “Secretary”) requesting that the Secretary agree with the finding contained in such resolution; and

WHEREAS, if the Secretary agrees with such findings, such city may proceed with the establishment of a reinvestment housing incentive district within such city and adopt a plan for the development or redevelopment of housing and public facilities in the proposed district; and

WHEREAS, the governing body (the “Governing Body”) of the City of Hays, Kansas (the “City”) has performed a Housing Needs Analysis, dated June 2022 (the “Analysis”), a copy of which is on file in the office of the City Clerk; and

WHEREAS, Resolution No. 2024-034 adopted by the Governing Body made certain findings relating to the need for financial incentives relating to the construction of quality housing within the City, declared it advisable to establish a reinvestment housing incentive district pursuant to the Act, and authorized the submission of such Resolution and the Analysis to the Kansas Department of Commerce in accordance with the Act; and

WHEREAS, the Secretary of the Kansas Department of Commerce, pursuant to a letter dated December 5, 2024, authorized the City to proceed with the establishment of a reinvestment housing incentive district pursuant to the Act; and

WHEREAS, the City has caused to be prepared a plan (the “Plan”) for the development or redevelopment of housing and public facilities in the proposed Tallgrass Phase 4 Reinvestment Housing Incentive District (the “District”) in accordance with the provisions of the Act; and

WHEREAS, the Plan includes:

1. The legal description and map required by K.S.A. 12-5244(a).
2. The existing assessed valuation of the real estate in the proposed District listing the land and improvement value separately.
3. A list of the names and addresses of the owners of record of all real estate parcels within the proposed District.
4. A description of the housing and public facilities project or projects that are proposed to be constructed or improved in the proposed District, and the location thereof.
5. A listing of the names, addresses, and specific interests in real estate in the proposed District of the developers responsible for development of the housing and public facilities in the proposed District.
6. The contractual assurances, if any, the Governing Body has received from such developer or developers, guaranteeing the financial feasibility of specific housing tax incentive projects in the proposed District.
7. A comprehensive analysis of the feasibility of providing housing tax incentives in the proposed District as provided in the Act, which shows the public benefit derived from the District will exceed the costs and that the income therefrom, together with all public and private sources of funding, will be sufficient to pay for the public improvements that may be undertaken in the District.

WHEREAS, the Governing Body of the City has heretofore adopted Resolution No. 2025-002, which made a finding that the City is considering establishing the proposed District and adopting the proposed Plan pursuant to the Act, set forth the boundaries of the proposed District, provided a summary of the proposed Plan, called a public hearing concerning the establishment of the proposed District for May 8, 2025, and provided for notice of such public hearing as provided in the Act; and

WHEREAS, a public hearing was held on May 8, 2025, after notice was duly published and delivered in accordance with the provisions of the Act; and

WHEREAS, upon and considering the information and public comments received at the public hearing, the Governing Body of the City hereby deems it advisable to make certain findings to establish the proposed District and to adopt the proposed Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS:

Section 1. Findings. The Governing Body hereby finds that notice of the public hearing conducted May 8, 2025, was duly made in accordance with the provisions of the Act.

Section 2. Creation of Reinvestment Housing Incentive District. A Reinvestment Housing Incentive District is hereby created within the City in accordance with the provisions of the Act, which shall consist of the following described real property:

A tract of land in the Northeast Quarter of Section 35, Township 13 South, Range 18 West of the Sixth Principal Meridian, Ellis County, Kansas, as authored by Darrell E. Christen, PS 1367, on September 19, 2024, and more particularly described as follows:

Commencing at the Southwest Comer of the Northeast Quarter Section 35, Township 13 South, Range 18 West; Thence on a bearing of North 00 degrees 04 minutes 15 seconds East along the West line of the Northeast Quarter of said Section 35 a distance of 1132.64 feet to the Point of Beginning; Thence continuing North 00 degrees 04 minutes 15 seconds East along the West line of said Northeast Quarter a distance of 1421.89 feet to a point on

the South Right-of-Way of Interstate 70; Thence North 89 degrees 41 minutes 07 seconds East along the said South Right-of-Way of Interstate 70 a distance of 206.90 feet; Thence continuing along the said South Right-of-Way of Interstate 70 a bearing of South 60 degrees 27 minutes 28 seconds East a distance of 762.34 feet; Thence South 00 degrees 14 minutes 22 seconds West a distance of 1197.26 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 506.17 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 1.73 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 123.00 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 146.27 feet; Thence on a non-tangent curve to the West, having a chord bearing of North 86 degrees 26 minutes 31 seconds West, a chord distance of 17.03 feet, a radius of 140.00 feet, and an arc length of 17.04 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 220.90 feet to the Point of Beginning.

Said Tract contains 27.697 acres more or less and is subject to any easements or rights-of-way of record.

Together with all public rights of way adjacent thereto

The District's boundaries do not contain any property not referenced in Resolution No. 2025-002, which provided notice of the public hearing on the creation of the District and adoption of the Plan.

Section 3. Approval of Development Plan and Development Agreement. The Plan for the development or redevelopment of housing and public facilities in the District, as presented to the Governing Body this date, is hereby approved.

In addition, the City has negotiated a development agreement (the "Development Agreement") between the City and Heart of America Development Corporation (the "Developer"), relating to the Tallgrass Phase 4 Reinvestment Housing Incentive District, the development thereof, and the construction and payment of improvements related thereto. The Development Agreement is hereby approved in substantially the form presented to the Governing Body, with such changes or modifications as may be approved by the City Manager and as may be approved as to form by the City Attorney. The Mayor is hereby authorized to execute the Development Agreement and such other documents as may be necessary to implement the intent of this Resolution and the Development Agreement, as may be approved by the City Manager and as may be approved as to form by the City Attorney, by and on behalf of the City and the City Clerk is hereby authorized to attest such signature

Section 4. Adverse Effect on Other Governmental Units. If, within 30 days following the conclusion of the public hearing on May 8, 2025, any of the following occurs, the Governing Body shall take action to repeal this Ordinance:

(a) The Board of Education of Unified School District No. 489, Ellis County, Kansas (Hays) determines by resolution that the District will have an adverse effect on such school district; or

(b) The Board of County Commissioners of Ellis County, Kansas, determines by resolution that the District will have an adverse effect on such county.

As of this date, the City has not received a copy of any such resolution and is not aware of the adoption of any such resolution by the governing body of either Unified School District No. 489, Ellis County, Kansas (Hays) or of Ellis County, Kansas.

Section 5. Further Action. The Mayor, City Clerk, city officials and employees, including the City Attorney, and Gilmore & Bell, P.C., are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Ordinance.

Section 6. Effective Date. This Ordinance shall be effective upon its passage by the Governing Body and publication one time in the official City news outlet.

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PASSED by the Governing Body of the City of Hays, Kansas, and **SIGNED** by the Mayor on May 8, 2025.

(SEAL)

Mayor

ATTEST:

City Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that the Ordinance was passed on May 8, 2025; that the record of the final vote on its passage is found on page ____ of journal ____; and that it was published in the official City news outlet on May 9, 2025.

DATED: May 9, 2025.

City Clerk

**DEVELOPMENT PLAN
OF THE CITY OF HAYS, KANSAS
TALLGRASS PHASE 4
REINVESTMENT HOUSING INCENTIVE DISTRICT**

MARCH 2025

INTRODUCTION

On November 26, 2024 the City Commission (the “Governing Body”) of the City Hays, Kansas (the “City”) adopted Resolution 2024-034, which found and determined that:

1. There is a shortage of quality housing of various price ranges in the City despite the best efforts of public and private housing developers.
2. The shortage of quality housing can be expected to persist and that additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in the City.
3. The shortage of quality housing is a substantial deterrent to the future economic growth and development of the City.
4. The future economic wellbeing of the City depends on the Governing Body providing additional incentives for the construction of/or renovation of quality housing in the City.

Based on these findings and determinations, the Governing Body proposed the establishment of a Reinvestment Housing Incentive District within the City pursuant to K.S.A. 12-5241 *et seq.* (the “Act”).

Following the adoption of Resolution 2024-034, a certified copy was submitted to the Secretary of Commerce for approval of the establishment of the Reinvestment Housing Incentive District in the City as required by K.S.A. 12-5244(c). On December 5, 2024, the Secretary of Commerce provided written confirmation approving the establishment of the Reinvestment Housing Incentive District within the City.

DEVELOPMENT PLAN ADOPTION

K.S.A. 12-5245 states that once a city receives approval from the Secretary of Commerce for the development of a reinvestment housing incentive district, the governing body must adopt a plan for the development of housing and public facilities within the proposed district.

DEVELOPMENT PLAN

As a result of the shortage of quality housing, the City proposes this development plan (the “Development Plan”) to assist in the development of quality housing within the City.

(1) ***Legal Description and Map of the District.*** The legal description of the Tallgrass Phase 4 Reinvestment Housing Incentive District (the “District”) is attached as ***Exhibit A*** to this Development Plan. A map of the District is attached as ***Exhibit B*** to this Development Plan.

(2) ***Existing Assessed Valuation of the District.*** The assessed valuation of all real estate within the District for 2025 is:

| | |
|--------------|----------------|
| Land | \$1,158 |
| Improvements | <u>0</u> |
| Total | <u>\$1,158</u> |

(3) ***Owners of Record.*** The name and address of the owner of record for the real estate within the District is:

Heart of America Development Corporation
2510 Canterbury Dr.
Hays, Kansas 67601

(4) ***Description of Housing and Public Facilities Projects.*** The housing and public facilities projects that are proposed to be constructed include the following:

Housing Facilities

The housing facilities are currently anticipated to consist of constructing up to 101 single family homes, with the potential for some lots to be converted to multi-family use.

Public Facilities

Public facilities and public improvements will include construction of infrastructure improvements located within the boundaries of the District, including but not limited to street, sidewalk, parking, water, sanitary sewer, storm sewer, gas, and electric improvements. Infrastructure improvements may be constructed prior to or concurrently with the housing facilities in the project.

(5) ***Developer's Information.*** The City of Hays will be responsible for a portion of the development of public facilities in the District. The names, addresses and specific interests in the real estate in the District of the other developers responsible for development of the housing and public facilities is:

| | |
|-------------------------|---|
| Owner of Real Property: | Heart of America Development Corporation 2510 Canterbury Dr. Hays, Kansas 67601 |
|-------------------------|---|

| | |
|------------|---|
| Developer: | Heart of America Development Corporation 2510 Canterbury Dr. Hays, Kansas 67601 |
|------------|---|

(6) ***Contractual Assurances.*** The Governing Body anticipates entering into a Development Agreement (the "Development Agreement"), with Heart of America Development Corporation, a Kansas not for profit corporation (the "Developer"). The Development Agreement, as supplemented and amended, is expected to include a description of projects to be constructed, financial obligations of the developer, and financial and administrative support from the City. The Development Agreement will include contractual assurances, if any, the Governing Body will receive from the Developer guaranteeing the financial feasibility of specific housing tax incentive projects in the proposed district.

(7) ***Comprehensive Analysis of Feasibility.*** A comprehensive analysis was conducted to determine whether the public benefits derived from the District will exceed the costs and that the income from the District, together with other sources of revenue, would be sufficient to pay for the public improvements to be undertaken in the District. A copy of the analysis is attached as ***Exhibit C*** to this Development Plan. The analysis estimates the property tax revenues that will be generated from the District, less existing property taxes, to determine the revenue stream available to support reimbursement to the City and the Developer for all or a portion of the costs of financing the public infrastructure. The estimates indicate that the revenue realized from the project, together with funds of the developer, will be adequate to pay the eligible costs.

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EXHIBITA
DEVELOPMENT PLAN
TALLGRASS PHASE 4
REINVESTMENT HOUSING INCENTIVE DISTRICT

LEGAL DESCRIPTION OF THE DISTRICT

A tract of land in the Northeast Quarter of Section 35, Township 13 South, Range 18 West of the Sixth Principal Meridian, Ellis County, Kansas, as authored by Darrell E. Christen, PS 1367, on September 19, 2024, and more particularly described as follows:

Commencing at the Southwest Comer of the Northeast Quarter Section 35, Township 13 South, Range 18 West; Thence on a bearing of North 00 degrees 04 minutes 15 seconds East along the West line of the Northeast Quarter of said Section 35 a distance of 1132.64 feet to the Point of Beginning; Thence continuing North 00 degrees 04 minutes 15 seconds East along the West line of said Northeast Quarter a distance of 1421.89 feet to a point on the South Right-of-Way of Interstate 70; Thence North 89 degrees 41 minutes 07 seconds East along the said South Right-of-Way of Interstate 70 a distance of 206.90 feet; Thence continuing along the said South Right-of-Way of Interstate 70 a bearing of South 60 degrees 27 minutes 28 seconds East a distance of 762.34 feet; Thence South 00 degrees 14 minutes 22 seconds West a distance of 1197.26 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 506.17 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 1.73 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 123.00 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 146.27 feet; Thence on a non-tangent curve to the West, having a chord bearing of North 86 degrees 26 minutes 31 seconds West, a chord distance of 17.03 feet, a radius of 140.00 feet, and an arc length of 17.04 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 220.90 feet to the Point of Beginning.

Said Tract contains 27.697 acres more or less and is subject to any easements or rights-of-way of record.

Together with all public rights of way adjacent thereto

EXHIBIT B
DEVELOPMENT PLAN
TALLGRASS PHASE 4
REINVESTMENT HOUSING INCENTIVE DISTRICT

MAP OF THE DISTRICT



EXHIBIT C
DEVELOPMENT PLAN
TALLGRASS PHASE 4
REINVESTMENT HOUSING INCENTIVE DISTRICT

COMPREHENSIVE FINANCIAL FEASIBILITY ANALYSIS

City of Hays, Kansas
Tallgrass Second Addition Phase 4 RHID Project

| | |
|-----------------------------|-------------|
| Estimated Eligible Expenses | \$6,000,000 |
| Estimated RHID Increment | \$6,867,430 |

| <u>Taxing Units:</u> | 2023/2024 <u>Mill Levy</u> | Aggregate Fiscal Impact | |
|----------------------------------|-------------------------------|----------------------------|--|
| | | 25 years | |
| City | 24.997 | \$ 1,530,335 | |
| USD 489 | 52.966 | 2,018,203 | |
| State | 1.500 | - | |
| Rec Commission | 3.382 | 207,049 | |
| Cottonwood Ext Dist 17 | 0.666 | 40,773 | |
| County | 35.995 | 2,203,641 | |
| Total | 119.506 | \$ 6,000,000 | |
| Total Current Assessed Valuation | \$1,158 | | |
| Property Tax On Base Value | \$138 | | |

| Single Family Homes | Estimated Completed <u>Appraised Value Per Unit</u> | Property <u>Class</u> | Estimated Total <u>Property Tax Per Unit</u> | Less State <u>1.5 Mills</u> | Less State levy for <u>USD 20 Mills</u> | Annual Eligible <u>Tax Generated</u> |
|---------------------|--|--------------------------|---|--------------------------------|--|---|
| | \$300,000 | 11.50% | \$4,123 | \$52 | \$690 | \$3,381 |

Assumptions:

101 single family homes, with 15 constructed each of 2026, 2027, 2028, 2029, 2030, 2031 and 11 in 2031

Constant AV

11.5% property class for assessed value

Constant mill levy based on 2024/25 levy

District created 1Q2025

| Year | Tax Collection Years | Estimated Annual Total Increment | Estimated Cumulative Total Increment |
|------|----------------------|-------------------------------------|---|
| 1 | 2025/26 | \$0 | \$0 |
| 2 | 2026/27 | \$0 | \$0 |
| 3 | 2027/28 | \$50,580 | \$50,580 |
| 4 | 2028/29 | \$101,298 | \$151,878 |
| 5 | 2029/30 | \$152,016 | \$303,893 |
| 6 | 2030/31 | \$202,734 | \$506,627 |
| 7 | 2031/32 | \$253,452 | \$760,080 |
| 8 | 2032/33 | \$304,170 | \$1,064,250 |
| 9 | 2033/34 | \$341,364 | \$1,405,613 |
| 10 | 2034/35 | \$341,364 | \$1,746,977 |
| 11 | 2035/36 | \$341,364 | \$2,088,340 |
| 12 | 2036/37 | \$341,364 | \$2,429,704 |
| 13 | 2037/38 | \$341,364 | \$2,771,067 |
| 14 | 2038/39 | \$341,364 | \$3,112,431 |
| 15 | 2039/40 | \$341,364 | \$3,453,795 |
| 16 | 2040/41 | \$341,364 | \$3,795,158 |
| 17 | 2041/42 | \$341,364 | \$4,136,522 |
| 18 | 2042/43 | \$341,364 | \$4,477,885 |
| 19 | 2043/44 | \$341,364 | \$4,819,249 |
| 20 | 2044/45 | \$341,364 | \$5,160,612 |
| 21 | 2045/46 | \$341,364 | \$5,501,976 |
| 22 | 2046/47 | \$341,364 | \$5,843,339 |
| 23 | 2047/48 | \$341,364 | \$6,184,703 |
| 24 | 2048/49 | \$341,364 | \$6,526,066 |
| 25 | 2049/50 | \$341,364 | \$6,867,430 |

**DEVELOPMENT AGREEMENT
TALLGRASS PHASE 4
REINVESTMENT HOUSING INCENTIVE DISTRICT**

THIS DEVELOPMENT AGREEMENT (“Agreement”) is entered into effective as of [May 8, 2025] (the “Effective Date”), by and between the **CITY OF HAYS**, Kansas, a municipal corporation of the State of Kansas (“City”), and **HEART OF AMERICA DEVELOPMENT CORPORATION**, a Kansas not for profit corporation (“Developer”). The City and the Developer are each a “Party” and collectively the “Parties.”

RECITALS

A. Developer owns certain real property located within the boundaries of City and described on *Exhibit A* attached hereto and incorporated herein by reference (the “Property”).

B. Developer desires to develop the Property by constructing a residential development known as “Tallgrass Phase 4” (“**Tallgrass Phase 4**”) as more fully described herein.

C. City has determined that the construction of Tallgrass Phase 4 will foster the economic development of City and surrounding area of Ellis County, Kansas.

D. The Parties are authorized to enter into this Agreement and to complete the responsibilities set forth herein with respect to Tallgrass Phase 4.

AGREEMENT

NOW THEREFORE, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION**

1.1 Definitions. As used in this Agreement, the following words and terms have the meaning set forth below:

“**Agreement**” means this Development Agreement, as the same may be from time to time modified, amended or supplemented in writing by the Parties hereto.

“**Bonds**” means any of the City’s general obligation temporary notes and general or special obligation bonds issued to finance Eligible Costs.

“**City**” means the City of Hays, Kansas.

“**City Infrastructure Improvements**” means the water, sewer, storm sewer, street, sidewalk, and other infrastructure improvements necessary for Tallgrass Phase 4 agreed to be constructed by the City, including engineering costs and appurtenances related thereto.

“**Developer**” means Heart of America Development Corporation, a Kansas not for profit corporation, or its permitted successors or assigns.

“Development Plan” means the Development Plan prepared by the City in accordance with the provisions of the Reinvestment Housing Incentive District Act.

“Development Project” means a residential housing development with up to 101 single family homes, with the potential for some lots to be converted to multi-family use, to be constructed on the Property in accordance with site plans approved by the Governing Body, including any approved amendments to the site plans that are approved by the Governing Body.

“District” means Tallgrass Phase 4 Reinvestment Housing Incentive District to be established pursuant the Reinvestment Housing Incentive District Act and the RHID Ordinance.

“Eligible Costs” means costs which are reimbursable pursuant to the provisions of K.S.A. 12-5249, including associated legal, engineering and project finance costs.

“Governing Body” means the City Commission of the City of Hays, Kansas.

“Lot(s)” means a portion or portions of the Property to be sold by the Developer in the ordinary course of the development of the Development Project.

“Mayor” means the Mayor of the City of Hays, Kansas or his or her duly authorized agent.

“Property” means the real property (including but not limited to fee interests, leasehold interests, tenant-in-common interests, and such other like or similar interests) on which the Development Project will be located, more specifically described in **Exhibit A** attached hereto and depicted on **Exhibit B** attached hereto.

“RHID Funds” means those amounts paid from the Ellis County Treasurer to the Treasurer of the City pursuant to K.S.A. 12-5250(b)(2)(A) as a result of the Development Project.

“RHID Ordinance” means the ordinance passed by the Governing Body approving the Development Plan and establishing the District.

“Reinvestment Housing Incentive District Act” means K.S.A. 12-5241 *et seq.*, as amended.

1.2 Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement:

(a) The terms defined in this Article include the plural as well as the singular.

(b) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for will be made, in accordance with generally accepted accounting principles.

(c) All references herein to “generally accepted accounting principles” refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.

(d) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed.

(e) The words "herein," "hereof" and "hereunder" and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.

(f) The Article and Section headings herein are for convenience only and will not affect the construction hereof.

ARTICLE II **REPRESENTATIONS AND WARRANTIES**

2.1 Representations of the City. The City makes the following representations and warranties, which are true and correct on the date hereof, to the best of the City's knowledge:

(a) **Due Authority.** The City has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

(b) **No Defaults or Violation of Law.** The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

(c) **No Litigation.** There is no litigation, proceeding or investigation pending or, to the knowledge of the City, threatened against the City with respect to this Agreement or affecting the Property. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the City, threatened against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

(d) **Governmental or Corporate Consents.** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement other than as set forth herein.

(e) **No Default.** No default or Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the City under this Agreement.

2.2 Representations of the Developer. The Developer makes the following representations and warranties, which are true and correct on the date hereof, to the best of the Developer's knowledge:

(a) **Due Authority.** The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

(b) ***No Defaults or Violation of Law.*** The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which they are now a party, and do not and will not constitute a default under any of the foregoing.

(c) ***No Litigation.*** No litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Development Project, the Developer or any officer, director, member or shareholder of the Developer. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer, of the terms and provisions of this Agreement.

(d) ***No Material Change.*** (1) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could affect the Developer's ability to perform its obligations pursuant to this Agreement from that shown in the financial information provided by the Developer to the City prior to the execution of this Agreement.

(e) ***Governmental or Corporate Consents.*** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution, delivery and performance by the Developer of this Agreement other than as set forth herein.

(f) ***No Default.*** No default or Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument to which the Developer is a party or by which Developer is or may be bound.

(g) ***Compliance with Laws.*** The Developer is in material compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

(h) ***Other Disclosures.*** The information furnished to the City by the Developer in connection with the matters covered in this Agreement is true and correct and does not contain any untrue statement of any material fact and does not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

(i) ***Approvals.*** The Developer has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased by it. The Developer has obtained, or reasonably believes it will obtain in due course, all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Development Project; or reasonably

believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

(j) **Construction Permits.** All governmental permits and licenses required by applicable law to construct, occupy and operate the Development Project have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Development Project to be constructed.

2.3 Maintenance of Existence. During the term of this Agreement the Developer will maintain its legal existence, will continue to be in good standing under the laws of the State of Kansas and will not dissolve consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it.

2.4 Conditions to the Effectiveness of this Agreement. As a precondition to the effectiveness of this Agreement, the Developer will ensure that the City has received the following documents:

- (a) a copy of the Developer's Articles of Incorporation certified by the Kansas Secretary of State; and
- (b) a certified copy of the Bylaws of the Developer.

2.5 Additional Approvals Required. This Agreement will be void if the District is nullified in the manner set forth in K.S.A. 12-5246. In addition, the zoning commission and the City retain full discretion within existing ordinances and policy regarding its zoning, planning, permitting and inspection requirements.

ARTICLE III REINVESTMENT HOUSING INCENTIVE DISTRICT

3.1 Preliminary Resolution. The Governing Body has heretofore adopted Resolution No. 2024-034 (the "Preliminary Resolution"), which made certain findings pursuant to the Reinvestment Housing Incentive District Act, relative to the need for housing in the City and declaring an intent to establish reinvestment housing incentive districts within the City.

3.2 Department of Commerce Finding. Pursuant to the Preliminary Resolution, the City caused to be prepared a Housing Needs Analysis and forwarded the same with the Preliminary Resolution, to the Kansas Secretary of Commerce. On December 5, 2024, the Kansas Secretary of Commerce issued a letter to the City making certain findings required by the Reinvestment Housing Incentive District Act, and approved the City's ability to establish reinvestment housing incentive districts.

3.3 District Established. The City prepared the Development Plan in accordance with the provisions of the Reinvestment Housing Incentive District Act, and considered a resolution calling a public hearing relative to the Development Plan, conducted a public hearing, and passed the RHID Ordinance approving the Development Plan and establishing the District. The Parties acknowledge that the creation of the District is subject to nullification in the manner set forth in K.S.A. 12-5246.

ARTICLE IV CONSTRUCTION

4.1 Site Plan. The City retains full and complete discretion to review, modify and approve or not approve the site plan for the Development Project through its normal planning, zoning and permitting process. Any approvals related to this Development Agreement will not act as a waiver, alteration, or replacement of any required zoning, planning, permitting and inspection requirements.

4.2 City Purchase Option.

(a) In consideration of the City entering into this Agreement and the City's financing of certain infrastructure costs to serve Tallgrass Phase 4, the Developer grants to the City an option to purchase Lots at a purchase price of \$1 per lot (the "**City Purchase Option**"). The City may exercise the City Purchase Option for all or any portion of the Lots still owned by the Developer upon the Developer's failure to meet the Progress Benchmark set forth in **Section 4.3**. A notice of the City Purchase Option will be recorded against the Property owned by the Developer.

(b) The City will give notice of its election to exercise the City Purchase Option in writing to the Developer, which will include a proposed closing date and title company and may include a form real estate purchase agreement consistent with the terms of this Section. The Developer will convey to the City via special warranty deed good and marketable title to all Lots subject to the City Purchase Option free and clear of all liens and encumbrances. Each of the parties will be responsible for its own attorney's fees related to the exercise of the City Purchase Option and all closing costs will be paid by the Developer. Each party represents to the other that no real estate broker commission will be due on the purchase contemplated hereby, but in the event one is claimed, it will become the sole obligation of the party who engaged any such broker.

4.3 Progress Benchmark.

(a) Beginning on the 6th anniversary of the Effective Date, the Developer will be in compliance with the Progress Benchmark or the Developer will be in default of this Agreement. The Developer will be in compliance with the Progress Benchmark if:

(1) Bonds have been issued by the City and annual RHID Funds are generated in an amount equal to or greater than the related debt service requirements; or

(2) the City has paid for the City Infrastructure Improvements from sources other than Bonds and annual RHID Funds are generated in an amount equal to or greater than the pro-rata amount necessary to fully reimburse the City in equal annual installments through the remaining life of the District.

(b) In addition to the remedies set forth in **Section 7.4**, if Developer fails to meet the Progress Benchmark, and for so long as that failure is continuing, the City may:

(1) retain all Escrowed Funds then held by the City; and

(2) exercise the City Purchase Option.

4.4 Infrastructure Improvements Construction.

(a) The City will construct the City Infrastructure Improvements in accordance with City standards and specifications for similar projects.

(b) Developer is responsible for securing any rights-of-way and/or easement rights from private parties necessary to improve or build the City Infrastructure Improvements and City will reasonably cooperate with Developer with respect to any such acquisition. All costs associated with the acquisition of rights-of-way and/or easements from third-parties unrelated to Developer will be considered an Eligible Cost.

4.5 No Waiver. Nothing in this Agreement shall constitute a waiver of the City's right to consider and approve or deny governmental approvals pursuant to the City's regulatory authority as provided by city building code and applicable State law. The Developer acknowledges that satisfaction of certain conditions contained in this Agreement require the reasonable exercise of the City's discretionary zoning authority by the City's planning commission and governing body in accordance with the City's zoning ordinance, the City building code and applicable State law.

4.6 Land Use Restriction. The Developer agrees that the Property will be utilized for residential purposes only and all other types of land uses are prohibited in the Development Project or on the Property unless approved in writing by the City prior to the execution of a letter of intent, lease or prior to the sale of land.

4.7 Financing of Improvements. The City, in its sole discretion, may finance any Eligible Costs through the issuance of Bonds. The City will be the primary party entitled to reimbursement of Eligible Costs from RHID Funds. If any excess RHID Funds remain following reimbursement to the City of all Eligible Costs incurred by the City, including any debt service on any Bonds utilized to finance Eligible Costs, then the Developer may be reimbursed for any Eligible Costs incurred by the Developer including any portion of the Deposit that was not reimbursed to the Developer.

ARTICLE VI

LOT SALES; ADDITIONAL DEVELOPER OBLIGATIONS

6.1 Lot Sales. The Developer has the right to sell portions of the Property ("Lot(s)") in the ordinary course of the development of the Development Project. The Developer agrees to include in each Lot sale contract a condition requiring the purchaser to obtain a building permit to commence construction on the applicable Lot within 12 months after closing on the purchase of the Lot, with the Developer retaining the right to repurchase the Lot at a price equal to the original sale price if the condition is not met.

6.2 Escrow.

(a) Developer agrees to deposit with the City to be held in escrow (collectively, the "Escrowed Funds"):

(1) \$1,800,000 (representing 30% of the estimated City Infrastructure Costs) within 10 days following the Effective Date; and

(2) any rebate amounts received by the Developer from Midwest Energy related to Tallgrass Phase 4 Development.

(b) If the City has issued Bonds and RHID Funds are insufficient to pay the related debt service requirements, then the City's may use the Escrowed Funds to pay any shortfall.

(c) If on the 6th anniversary of the Effective Date (1) the City has issued Bonds and (2) RHID Funds are available to pay the related debt service requirements and (3) the City reasonably believes that annual RHID Funds will continue to be generated and available to pay all future related debt service requirements, then the City may release the then available Escrowed Funds to the Developer.

ARTICLE VII GENERAL PROVISIONS

7.1 City's Right to Terminate. In addition to all other rights of termination as provided herein, (i) the City may terminate this Agreement if bids received for construction of the City Infrastructure Improvements are greater than the engineering estimates that have been prepared and submitted to the City as of the Effective Date, and (ii) City may terminate this Agreement at any time if Developer defaults in or breaches any material provision of this Agreement and fails to cure such default or breach within 30 days after receipt of written notice from City of such default or breach.

7.2 Developer's Right to Terminate. In addition to all other rights of termination as provided herein, Developer may terminate this Agreement at any time if City defaults in or breaches any material provision of this Agreement and fails to cure such default or breach within 30 days after receipt of written notice from Developer of such default or breach.

7.3 Successors and Assigns.

(a) This agreement will be binding on and inure to the benefit of the Parties and their respective heirs, administrators, executors, personal representatives, agents, successors and assigns.

(b) The obligations of Developer under this Agreement may not be assigned in whole or in part without the prior written approval of City.

7.4 Remedies.

(a) Except as otherwise provided in this Agreement and subject to Developer's and City's respective rights of termination, in the event of any breach of any term or condition of this Agreement by either Party, or any successor, the breaching Party (or successor) will, upon written notice from the other Party specifying such claimed breach, proceed immediately to cure or remedy such breach, and will, in any event, within 30 days after receipt of notice, cure or remedy such default. If the breach is not cured or remedied, the aggrieved Party may hold the breaching Party in default of this Agreement and thereupon may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to proceedings to compel specific performance by the defaulting or breaching Party, withholding funds received pursuant to K.S.A. 12-5250(b)(2)(A) and/or repeal of the ordinance establishing the District. For purposes of this **Section 7.4**, no Party may be deemed in default of this Agreement unless and until it has received notice of any claimed breach and has been given an opportunity to cure the same.

(b) Notwithstanding any other provision of this Agreement, in no event will the Developer or the City ever be liable for any punitive, special, incidental, or consequential damages in connection with this Agreement, or otherwise. For purposes of this **Section 7.4**, consequential damages include, but are not limited to, lost profits, lost tax revenue, or other similar losses which are not direct out-of-pocket costs

incurred by the non-defaulting Party. Any monetary damages owed by the City will be limited to and will only be payable from RHID Funds actually received by the City as a result of the creation of the District.

(c) Notwithstanding any other provision of this Agreement, if Developer defaults in or breaches any material provision of this Agreement and fails to cure such default or breach within 60 days after receipt of written notice from City of such default or breach, the City may continue to collect and utilize RHID Funds until all Bonds have been paid in full, after which the City may terminate this Agreement and repeal the Ordinance establishing the District.

7.5 Force Majeure. Neither City nor Developer nor any successor in interests will be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder will be extended in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or casualty; strike; lockout; civil disorder; act of terror; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by any governmental entity necessary for the Developer to proceed with construction of the project or any portion thereof, shortage of delay in shipment of material or fuel; acts of God; unusually adverse weather or soil conditions; unforeseen site conditions that render the site economically or physically undevelopable (as a result of additional cost or delay), or any other cause or contingency similarly; or other causes beyond the Parties' reasonable control, including but not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of this Agreement; provided that such event of force majeure will not be deemed to exist as to any matter initiated or unreasonably sustained by Developer, and further provided that Developer notifies city in writing within thirty (30) days of the commencement of such claimed event of force majeure.

7.6 Notices. Any notice, demand or other communication required by this Agreement to be given by either Party hereto to the other will be in writing and will be sufficiently given or delivered if dispatched by certified United States first class mail, postage prepaid, or delivered personally,

(a) In the case of Developer, to:

Heart of America Development Corporation
Attn: President
2510 Canterbury Dr.
Hays, Kansas 67601
Email: doug@growhays.com
Phone: (785) 623-1100

(b) In the case of City, to:

City of Hays, Kansas
Attention: City Manager
P.O. Box 490
1507 Main Street
Hays, Kansas 67601
Email: tdougherty@haysusa.com
Phone: (785) 628-7320

with a copy to:
Gilmore & Bell, P.C.
Attention: Dominic Eck
100 North Main
Suite 800
Wichita, Kansas 67202
Email: deck@gilmorebell.com
Phone: (316) 267-2091

Or to such other address with respect to either Party as that Party may, from time to time, designate in writing and forward to the other as provided in this **Section 7.6**.

7.7 Conflict of Interest. No member of the Governing Body or any branch of City's government who has any power of review or approval of any of Developer's undertakings, or of City's contracting for goods or services for the Development Project, will participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interests will immediately, upon knowledge of such possible conflict, disclose, in writing, to the Governing Body the nature of such interest and seek a determination by the Governing Body with respect to such interest and, in the meantime, will not participate in any actions or discussions relating to the activities herein proscribed. City represents to Developer that no such conflicts of interest exist as of the date hereof.

7.9 Inspection. Developer will allow City and its employees, agents and representatives to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents as City determines is reasonable and necessary to verify Developer's compliance with the terms of this Agreement.

7.10 Choice of Law. This Agreement will be deemed to have been fully executed, made by the Parties in, and governed by the laws of State of Kansas for all purposes and intents.

7.11 Entire Agreement; Amendment. The Parties agree that this Agreement and the Development Plan collectively constitute the entire agreement between the Parties and that no other agreements or representations other than those contained in this Agreement have been made by the Parties. This Agreement may be amended only in writing and effective when signed by the authorized agents of the Parties.

7.12 Counterparts. This Agreement is executed in multiple counterparts, each of which constitute one and the same instruments.

7.13 Severability. If any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder will continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

7.14 Representatives Not Personally Liable. No elected or appointed official, agent, employee or representative of City will be personally liable to Developer in the event of any default or breach by any Party under this Agreement or for any amount which may become due to any Party or on any obligations under the terms of this Agreement.

7.15 Legal Actions. If a third party brings an action against City, or any officials, agents, employees or representatives thereof contesting the validity or legality of any of the terms of this Agreement, or the ordinance approving this Agreement, Developer may, at Developer's option but only with City's consent, assume the defense of such claim or action (including without limitation, to settle or compromise any claim or action for which Developer has assumed the defense) with counsel of Developer's choosing. The Parties expressly agree that so long as no conflicts of interest exist between them, the same attorney or attorneys may simultaneously represent City and Developer in any such proceeding; provided, Developer and its counsel will consult with City throughout the course of any such action and Developer will pay all reasonable and necessary costs incurred by City in connection with such action. If such defense is assumed by Developer, all costs of any such action incurred by City will be promptly paid by Developer. If City refuses to permit Developer to assume the defense of any action, then costs incurred by City will be paid by City.

7.16 Release and Indemnification. Notwithstanding the expiration, termination or breach of this Agreement by either Party, the indemnifications and covenants contained in this **Section 7.16** will,

except as otherwise expressly set forth herein, survive such expiration, termination or breach of this Agreement by Parties hereto.

(a) Notwithstanding anything herein to the contrary, City and its Governing Body members, officers, agents, servants, employees and independent contractors will not be liable to Developer for damages or otherwise in the event that any ordinance, order or resolution adopted in connection with this Agreement is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either City is prevented from performing any of the covenants and agreements herein or Developer is prevented from enjoying the rights and privileges hereof.

(b) Developer releases from, agrees to indemnify and hold harmless City, its Governing Body members, officers, agents, servants and employees against, and covenants and agrees that City and its Governing Body members, officers, agents, servants, employees and independent contractors will not be liable for, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the acquisition of the Property including any and all claims arising from the acquisition of the Property, including, but not limited to, location of hazardous wastes, hazardous materials or other environmental contaminants on the Property, including all costs of defense, including attorney's fees, except for those matters rising out of the willful and/or wanton negligence of City and its governing body members, officers, agents, servants, and employees.

(c) City and its Governing Body members, officers, agents, servants and employees will not be liable for any damage or injury to the persons or property of Developer or its officers, agents, servants or employees or any other person who may be about the Property except for matters arising out of the willful and/or wanton negligence of City and its Governing Body members, officers, agents, servants and employees.

(d) All covenants, stipulations, promises, agreements and obligations of City contained herein will be deemed to be the covenants, stipulations, promises, agreements and obligations of City and not of any of its Governing Body members, officers, agents, servants or employees in their individual capacities.

(e) No official, employee or representative of City will be personally liable to Developer in the event of a default or breach by any Party to this Agreement.

(f) Developer releases from and covenants and agrees the City, its Governing Body members, officers, employees, agents and independent contractors will not be liable for, and agrees to indemnify and hold City, its Governing Body, members, officers, employees, agents and independent contractors harmless from and against any and all suits, interest, claims and cost of attorney fees incurred by any of them, resulting from, arising out of, or in any way connected with: (1) the Development Project or its approval, (2) the construction of the Development Project, (3) the negligence or willful misconduct of Developer, its employees, agents or independent contractors in connection with the management, development, and construction of the Development Project, (4) the compliance by Developer with all applicable state, federal and local environmental laws, regulations, ordinances and orders, (5) underground storage tanks located on or about the Property, (6) friable asbestos or asbestos-containing materials at, on, or in the Property, (7) the operation of all or any part of the Property , or the condition of the Property, including, without limitation, any environmental cost or liability, or (8) negotiations, inspections, acquisitions, preparations, construction, leasing, operations, and other activities of Developer or its agents in connection with or leading to the Development Project or the Property; except that the foregoing release and indemnification will not apply in the case of such liability arising directly out of the willful and/or wanton negligence of City or its authorized Governing Body members, officers, employees and agents or which arises out of matters undertaken by City following termination of this Agreement.

7.17 Tax Implications. The Developer acknowledges and represents that (1) neither the City nor any of its officials, employees, consultants, attorneys or other agents has provided to the Developer any advice regarding the federal or State income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Developer is relying solely upon its own tax advisors in this regard.

7.18 Cash Basis and Budget Laws. The Parties acknowledge and agree that the ability of the City to enter into and perform certain financial obligations pursuant to this Agreement are subject to the K.S.A. 10-1101 *et seq.* and K.S.A. 79-2935 *et seq.*

7.19 No Partnership. Nothing contained herein will be construed as creating a partnership between the Parties.

7.20 Term. The term of this Agreement will commence on the Effective Date and, unless terminated earlier as provided in this Agreement, expire on the latest of: (i) the closing date that follows the City's exercise of the City Purchase Option; (ii) the date that all Eligible Costs have been reimbursed with RHID Funds; or (ii) 25 years after the date of the RHID Ordinance.

7.21 Authorized Parties. Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the Parties are required, or the Parties are required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the City, unless otherwise provided herein, by the City Manager and for the Developer by any officer of Developer so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken.

[BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, City and Developer have caused this Agreement to be executed in their respective names and City has caused its seal to be affixed thereto, and attested as to the date first above written.

CITY OF HAYS, KANSAS

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Clerk

**HEART OF AMERICA DEVELOPMENT
CORPORATION**

By: _____
Name: _____
Title: _____

EXHIBIT A

PROPERTY DESCRIPTION TALLGRASS PHASE 4 REINVESTMENT HOUSING INCENTIVE DISTRICT

A tract of land in the Northeast Quarter of Section 35, Township 13 South, Range 18 West of the Sixth Principal Meridian, Ellis County, Kansas, as authored by Darrell E. Christen, PS 1367, on September 19, 2024, and more particularly described as follows:

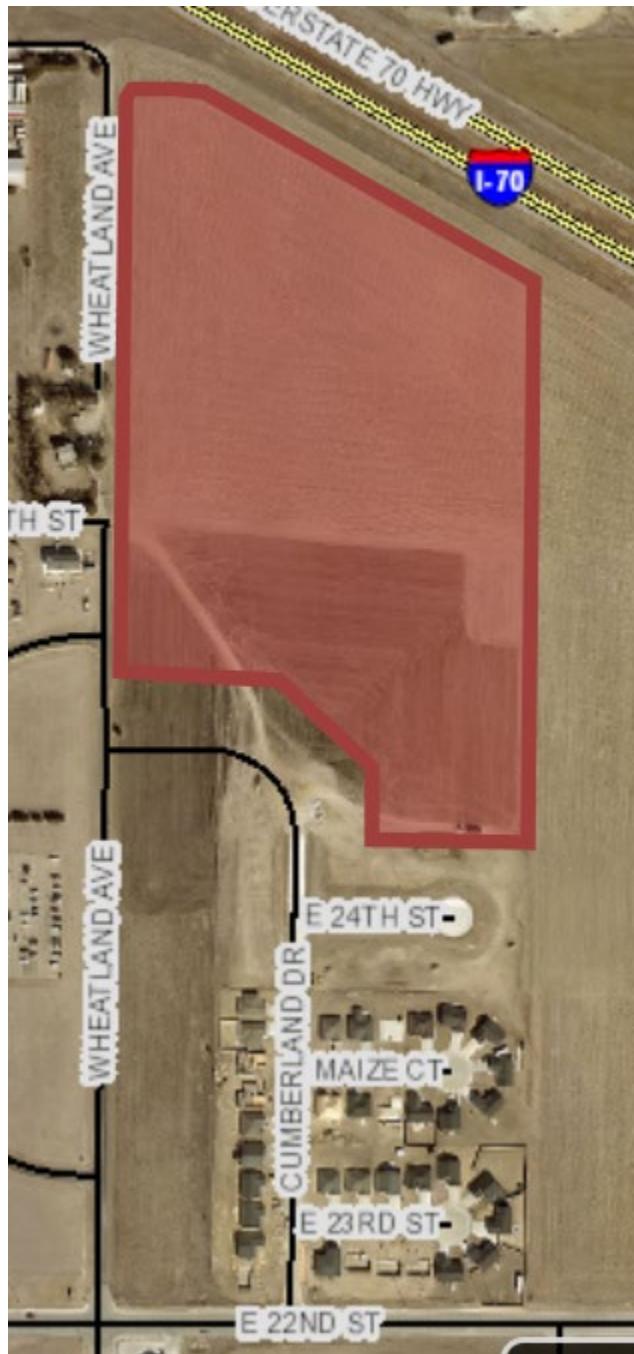
Commencing at the Southwest Comer of the Northeast Quarter Section 35, Township 13 South, Range 18 West; Thence on a bearing of North 00 degrees 04 minutes 15 seconds East along the West line of the Northeast Quarter of said Section 35 a distance of 1132.64 feet to the Point of Beginning; Thence continuing North 00 degrees 04 minutes 15 seconds East along the West line of said Northeast Quarter a distance of 1421.89 feet to a point on the South Right-of-Way of Interstate 70; Thence North 89 degrees 41 minutes 07 seconds East along the said South Right-of-Way of Interstate 70 a distance of 206.90 feet; Thence continuing along the said South Right-of-Way of Interstate 70 a bearing of South 60 degrees 27 minutes 28 seconds East a distance of 762.34 feet; Thence South 00 degrees 14 minutes 22 seconds West a distance of 1197.26 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 506.17 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 1.73 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 123.00 feet; Thence North 00 degrees 04 minutes 15 seconds East a distance of 146.27 feet; Thence on a non-tangent curve to the West, having a chord bearing of North 86 degrees 26 minutes 31 seconds West, a chord distance of 17.03 feet, a radius of 140.00 feet, and an arc length of 17.04 feet; Thence North 89 degrees 55 minutes 45 seconds West a distance of 220.90 feet to the Point of Beginning.

Said Tract contains 27.697 acres more or less and is subject to any easements or rights-of-way of record.

Together with all public rights of way adjacent thereto

EXHIBIT B

**PROPERTY MAP
TALLGRASS PHASE 4 REINVESTMENT HOUSING INCENTIVE DISTRICT**





City Commission Work Session

Agenda Memo

From: Curtis W. Deines, Planning & Development Superintendent

Work Session: May 1, 2025

Subject: Property Abatement for 810 East 8th Street

Person(s) Responsible: Jesse Rohr, Director of Public Works

Summary

The property located at 810 E. 8th St. is in violation of the 2015 International Property Maintenance Code. Up to this point, all proper notification has been given to the owner of the property. To date, no action to remedy the violation has been taken by the owner of the property since receiving the formal abatement notice. If an abatement resolution is approved, and if the owner does not take proper action to remedy the issues, the City will hire a demolition contractor to demolish the structure, and all costs of abatement will be charged to the owner of the property. Staff recommends approving the resolution allowing the abandoned structure at 810 E 8th St. to be abated and demolished by the City.

Background

The property at 810 E. 8th St. is owned by Mr. Mark Ottley. In 2019, Mr. Ottley remodeled 2 of the old Budget Host Inn buildings into apartments. Then in May of 2020, 3 of the remaining 4 buildings were demolished. Mr. Ottley intended to remodel the last building on the lot in the same way as the first two. City Staff received building plans for the last building in June of 2024 and completed a full plan review, with no action taken to date by the owner to obtain permits for the project.

The formal abatement process was started with a letter dated August 28, 2024, which was posted to the structure and sent certified to Mr. Ottley. The certified letter was signed by Mr. Ottley on August 30, 2024. There have been several discussions with Mr. Ottley since receiving the certified letter about ways to remedy the building, but to date, there has been no action.

Discussion

The Planning & Development Division is requesting a Resolution to abate the violations of the International Property Maintenance Code, as adopted by the City per

Ordinance Sec. 11-165, of the abandoned structure located on the property at 810 E. 8th St.

The property located at 810 E. 8th St. is in violation of the 2015 International Property Maintenance Code (IPMC). The abandoned structure on the property has been deemed a dangerous structure due to having no doors or windows, has no plumbing, HVAC or electrical services, and has been neglected and therefore unfit for occupancy (IPMC Secs. 108.1.5 (3), 108.1.5 (6) and 108.1.5 (7). Letters have been sent per City of Hays Ordinance and Property Maintenance Code requirements.

The certified letter of notification was signed by Mr. Ottley, the owner of record, on August 30, 2024. There has been correspondence between Mr. Ottley and City Staff regarding the structure, with many verbal promises to take care of the structure. Staff is now moving forward for abatement and demolition of the structure since the owner of the property has not taken any action to bring the property into compliance with City ordinance.

If approved, staff will be soliciting proposals from qualified contractors to complete the structure demolition and clean-up.

Legal Consideration

The City is required to follow procedures established by the Ordinances cited in the discussion. Assuming the procedures were followed, the City of Hays can continue with the process to remove nuisance items from the property.

Financial Consideration

Any costs associated with and incurred by the City for the abatement and demolition will be billed to the property owner. If not paid, an assessment will be placed on the tax rolls.

Options

The City Commission has the following options:

- Approve the Resolution allowing for the structure to be demolished
- Do not approve the Resolution
- Provide Staff other direction

Recommendation

Staff recommends approving the Resolution allowing for the abatement and demolition of the abandoned structure at 810 E. 8th St.

Action Requested

Approve a Resolution allowing for the abatement and demolition of the abandoned structure located on the property at 810 E. 8th St. ten (10) days after the approval date.

Supporting Documentation

Visuals
Case Letters
Resolution



3/13/2025



8/28/2024



8/28/2024



Posted Notice





| | |
|------------------------------------|--|
| DIRECTOR JESSE ROHR, CPM | SERVICE DIVISION DONALD STEJSKAL, SUPERINTENDENT |
| | SOLID WASTE DIVISION MARVIN HONAS, SUPERINTENDENT |
| | PLANNING & DEVELOPMENT CURTIS DEINES, SUPERINTENDENT |
| | STORMWATER DIVISION JOE BILLINGER, SUPERINTENDENT |

August 28, 2024

Mark Ottley
700 W 48th St
Hays, KS 67601

RE: 810 E 8th Street
Hays, KS 67601

VIA CERTIFIED MAIL:

Dear Property Owner:

On Monday, August 26, 2024, a visual inspection of the structure at the property 810 E 8th Street was completed by City of Hays Inspectors. The inspection showed that the structure is unsafe due to lack of property maintenance. The conditions below are in violation of the 2015 International Property Maintenance Code. Many violations are visible from the exterior of the building, and they include the following:

1. Dangerous Structures (Section 108.1.5 #3 & #6, & #7)
 - a. #3 – Any portion of the building, structure or appurtenance that has been damaged by fire, earthquake, wind, flood, deterioration, neglect, abandonment, vandalism or by any other cause to such an extent that is likely to partially or completely collapse, or to become detached or dislodged.
 - b. #6 – The building or structure, or any portion thereof, is clearly unsafe for its use and occupancy.
 - c. #7 – The building or structure is neglected, damaged, dilapidated, unsecured or abandoned so as to become an attractive nuisance to children who might play in the building or structure to their danger, becomes a harbor for vagrants, criminals or immoral persons, or enables persons to resort to the building or structure for committing a nuisance or an unlawful act.

It is hereby ordered that the structures must be demolished and removed or otherwise remedied within 90 days (November 28) of receipt of this certified letter. All permits must be obtained before any demolition begins.

You have the right to appeal this notice and order by filing a written appeal with the City of Hays Commission. The appeal must be filed within twenty (20) days after the day this notice is served upon you. The appeal shall be based on a claim that the true intent of the code or the rules legally adopted there under have been incorrectly interpreted, the provisions of the code do not fully apply, or the requirements of the code are adequately satisfied by other means.

If you fail to demolish and remove or otherwise remedy the conditions of the structure, the City of Hays will cause the structures to be demolished and removed, either by the City of Hays or its



DIRECTOR
JESSE ROHR, CPM

SERVICE DIVISION
DONALD STEJSKAL, SUPERINTENDENT

SOLID WASTE DIVISION
MARVIN HONAS, SUPERINTENDENT

PLANNING & DEVELOPMENT
CURTIS DEINES, SUPERINTENDENT

STORMWATER DIVISION
JOE BILLINGER, SUPERINTENDENT

authorized agents, and costs of such demolition or removal shall be charged against the real estate upon which the structures are located.

Please feel free to contact me to discuss this matter further at (785) 628-7310.

Sincerely,

A handwritten signature in blue ink that reads "Curtis W. Deines".

Curtis W. Deines
Superintendent
Planning & Development Division

Attachment: Pictures

Cc: City Attorney
 City Manager



Tracking Number:

Remove X

9489009000276511975826

Copy  Add to Informed Delivery

Latest Update

Your item was delivered to an individual at the address at 11:37 am on August 30, 2024 in HAYS, KS 67601.

Get More Out of USPS Tracking:

 **USPS Tracking Plus®**

Delivered

Delivered, Left with Individual

HAYS, KS 67601

August 30, 2024, 11:37 am

[See All Tracking History](#)

[What Do USPS Tracking Statuses Mean?](#)

RESOLUTION NO. 2025-

A RESOLUTION AUTHORIZING THE CITY OF HAYS OR ITS DESIGNATED AGENT TO ABATE VIOLATIONS OF THE INTERNATIONAL PROPERTY MAINTENANCE CODE, AS ADOPTED AND ENACTED BY THE CITY OF HAYS, ON PROPERTY LOCATED AT 810 E 8TH STREET, HAYS, KANSAS.

WHEREAS, the City of Hays did enact Ordinance Chapter 11, Article 3, Section 11-165, adopting the International Property Maintenance Code, 2015 Edition, declaring certain matters of inadequate property maintenance a violation of City Ordinance and providing for the demolition and removal of such conditions, and further providing for the assessment of costs and penalties; and

WHEREAS, the City of Hays did enact Ordinance Chapter 26, Article 4, Section 26-162, to further provide for assessment of the costs of abatement or removal of nuisances upon lots or parcels of ground within the City of Hays; and

WHEREAS, over the course of the previous 8 months, inspections of the property at 810 E 8th Street were conducted by the City of Hays, and said inspections determined the property was in violation of the 2015 International Property Maintenance Code, as adopted and enacted by the City of Hays; and

WHEREAS, on August 28, 2024, a notice of condemnation was posted on said property at 810 E 8th Street; and

WHEREAS, on August 28, 2024, a certified letter was sent to the owner of the property at 810 E 8th Street, requesting that the owner demolish, remove, or otherwise remedy the structure found on the property at 810 E 8th Street or file for an appeal within 20 days of said notice; and

WHEREAS, on August 30, 2024, the owner of the property at 810 E 8th Street accepted delivery of the August 28, 2024, certified letter; and

WHEREAS, the owner of the property at 810 E 8th Street did not request a hearing within 20 days after accepting delivery of the August 28, 2024, certified letter, and as of March 17, 2025, no appeal of the notice had been filed with the City; and

WHEREAS, continued and ongoing inspections of the property

revealed the unsafe conditions cited in the letter dated August 28, 2024, had not been demolished, removed or otherwise abated from the property; and

WHEREAS, the Governing Body of the City of Hays now desires that the unsafe conditions and violations found on the property at 810 E 8th Street be abated by the City and its authorized agents.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, AS FOLLOWS:

Section 1. That the existence of the unsafe conditions located at 810 E 8th Street are hereby found to be in violation of the 2015 International Property Maintenance Code, as adopted and enacted by the City of Hays pursuant to Ordinance Chapter 11, Article 3, Section 11-165.

Section 2. That the owner of the property located at 810 E 8th Street was given proper notice to abate the unsafe conditions located at 810 E 8th Street and has failed to abate the said conditions.

Section 3. That the City of Hays and its designated agents are hereby authorized to abate the unsafe conditions causing the violations at 810 E 8th Street at the end of ten days from the date of passage of this Resolution.

Section 4. That all costs incurred by the City and its designated agents in abating the unsafe conditions at 810 E 8th Street shall be charged against the lot located at 810 E 8th Street as provided in the 2015 International Property Maintenance Code, adopted and enacted by the City of Hays; Ordinance Chapter 26, Article 4, Section 26-162; and all other pertinent law.

PASSED by the City Commission on the 8th day of May 2025.

Sandy Jacobs, Mayor

ATTEST:

Jami Breit, City Clerk



City Commission Work Session

Agenda Memo

From: Curtis W. Deines, Planning & Development Superintendent

Work Session: May 1, 2025

Subject: Property Abatement for 3404 Vine Street

Person(s) Responsible: Jesse Rohr, Director of Public Works

Summary

The Planning & Development Division requests approval of a resolution to address unsafe structures at 3404 Vine St., which violate the International Property Maintenance Code (IPMC). Despite formal notification, including a certified letter on November 6, 2024, the owner has taken no known corrective action. The resolution grants a timeframe for repairs, after which the City may proceed with abatement including demolition. Abatement costs will be billed to the owner and assessed to the tax rolls if unpaid. If approved, Staff will solicit contractor proposals for demolition and cleanup. Staff recommends approving the resolution allowing the vacated and dilapidated structure at 3404 Vine St. to be abated and demolished by the City.

Background

The property at 3404 Vine St. is owned by HKHR Hospitality Inc. This property is more commonly known as the Rodeway Inn Motel. The Kansas Fire Marshal required the motel to close after performing several inspections in 2024 until required corrections were made. After the structures were not brought into compliance, the Kansas Fire Marshal ordered a cease-and-desist order for the motel. On October 5, 2024, the Kansas Fire Marshal's office was notified by the owner that the motel was closed.

The formal abatement process with the City of Hays was started with a letter dated October 16, 2024, which was posted to the structure and sent certified to HKHR Hospitality Inc. The certified letter was returned to City Staff as unclaimed, and their forwarding address was no longer valid. On November 6, 2024, the certified letter was hand delivered to the manager of the property. To date, no action has been taken by the owner of the property since receiving the formal abatement letter.

Discussion

The Planning & Development Division is requesting approval of a resolution to abate violations of the International Property Maintenance Code, as adopted by the City per Ordinance Sec. 11-165, for the dangerous structures located at 3404 Vine St.

In addition to the violations cited by the Fire Marshal, the property at 3404 Vine St. is in violation of the 2015 IPMC. The structures have been deemed dangerous under IPMC Sections 108.1.5(2), 108.1.5(6), and 108.1.5(7). In accordance with City of Hays ordinances and IPMC requirements, notification letters have been issued to the party responsible.

After a certified notice was returned as undeliverable, the notice was hand delivered to the property manager on November 6, 2024. To date, there has been no response or corrective action from the property owner to bring the structure into compliance. Given the lack of remediation efforts, Staff is proceeding with the necessary steps for abatement and demolition.

The proposed resolution would grant the owner 90 days to obtain a contractor to demolish all the structures on the property. If the owner fails to take appropriate action within the specified timeframe, the resolution will authorize the City to engage a contractor to proceed with demolition.

Legal Consideration

The City is required to follow procedures established by the Ordinances cited in the discussion. Assuming the procedures were followed, the City of Hays can continue with the process to remove nuisance items from the property.

Financial Consideration

Any costs associated with and incurred by the City for the abatement and demolition will be billed to the property owner. If not paid, an assessment will be placed on the tax rolls.

Options

The City Commission has the following options:

- Approve the Resolution allowing for the structure to be demolished
- Do not approve the Resolution
- Provide Staff other direction

Recommendation

Staff recommends approving the Resolution allowing for the abatement and demolition of the structure at 3404 Vine St.

Action Requested

Approve a Resolution allowing for the abatement and demolition of the structure located on the property at 3404 Vine St. ten (10) days after the approval date.

Supporting Documentation

Visuals
Case Letters
Resolution

4/28/2025



4/28/2025

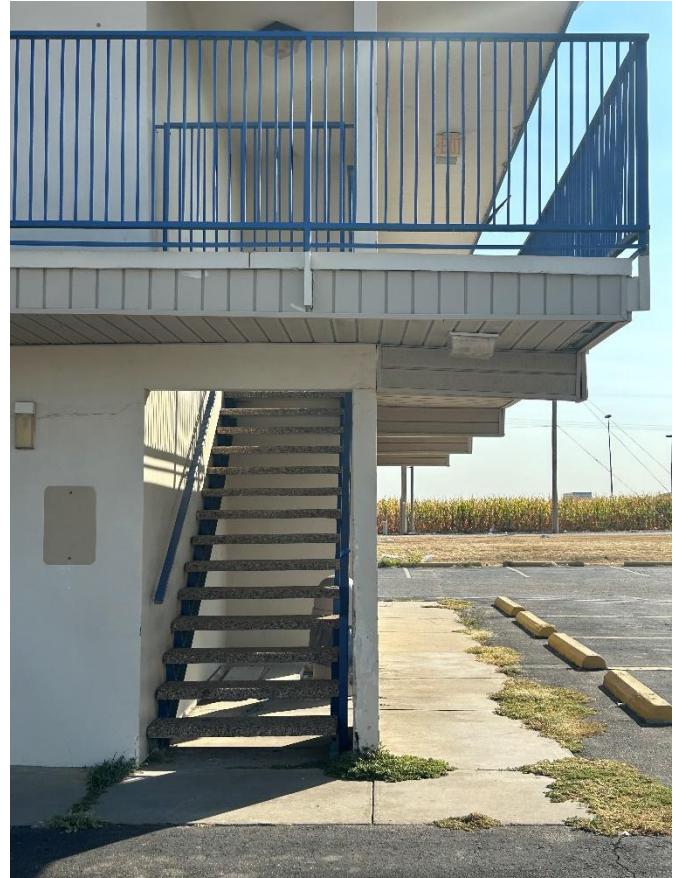




3/13/2025



10/8/2024



10/8/2024



Posted Notice

3404 VINE

THIS PROPERTY
IS
PERMANENTLY
CLOSED
PLEASE NO
TRESPASSING

PUSH



WELCOME TO
KANSAS~



DIRECTOR
JESSE ROHR, CPM

SERVICE DIVISION
DONALD STEJSKAL, SUPERINTENDENT

SOLID WASTE DIVISION
MARVIN HONAS, SUPERINTENDENT

PLANNING & DEVELOPMENT
CURTIS DEINES, SUPERINTENDENT

STORMWATER DIVISION
JOE BILLINGER, SUPERINTENDENT

October 16, 2024

HKHR Hospitality Inc
3404 Vine St
Hays, KS 67601

RE: Rodeway Inn, 3404 Vine St.
Hays, KS 67601

VIA CERTIFIED MAIL:

Dear Property Owner:

On Tuesday, October 8, 2024, a visual inspection of the structure at the property 3404 Vine Street was completed by City of Hays Inspectors. The inspection showed that the structure is unsafe due to lack of property maintenance. The conditions below are in violation of the 2015 International Property Maintenance Code. On August 21, 2024 Kaw Valley Engineering conducted a technical site investigation confirming the violations listed below:

1. Dangerous Structures (Section 108.1.5 #2 & #6, & 7)
 - a. #2 – The walking surface of any aisle, passageway, stairway, exit or other means of egress is so warped, worn loose, torn or otherwise unsafe as to not provide safe and adequate means of egress.
 - b. #6 – The building or structure, or any portion thereof, is clearly unsafe for its use and occupancy.
 - c. #7 – The building or structure is neglected, damaged, dilapidated, unsecured or abandoned so as to become an attractive nuisance to children who might play in the building or structure to their danger, becomes a harbor for vagrants, criminals or immoral persons, or enables persons to resort to the building or structure for committing a nuisance or an unlawful act.

It is hereby ordered that the structures must be demolished and removed or otherwise remedied within 90 days (January 13, 2025) of receipt of this certified letter. All permits must be obtained before any demolition or other remedy begins.

You have the right to appeal this notice and order by filing a written appeal with the City of Hays Commission. The appeal must be filed within twenty (20) days after the day this notice is served upon you. The appeal shall be based on a claim that the true intent of the code or the rules legally adopted there under have been incorrectly interpreted, the provisions of the code do not fully apply, or the requirements of the code are adequately satisfied by other means.

If you fail to demolish and remove or otherwise remedy the conditions of the structure, the City of Hays will cause the structures to be demolished and removed, either by the City of Hays or its



DIRECTOR
JESSE ROHR, CPM

SERVICE DIVISION
DONALD STEJSKAL, SUPERINTENDENT

SOLID WASTE DIVISION
MARVIN HONAS, SUPERINTENDENT

PLANNING & DEVELOPMENT
CURTIS DEINES, SUPERINTENDENT

STORMWATER DIVISION
JOE BILLINGER, SUPERINTENDENT

authorized agents, and costs of such demolition or removal shall be charged against the real estate upon which the structures are located.

Please feel free to contact me to discuss this matter further at (785) 628-7310.

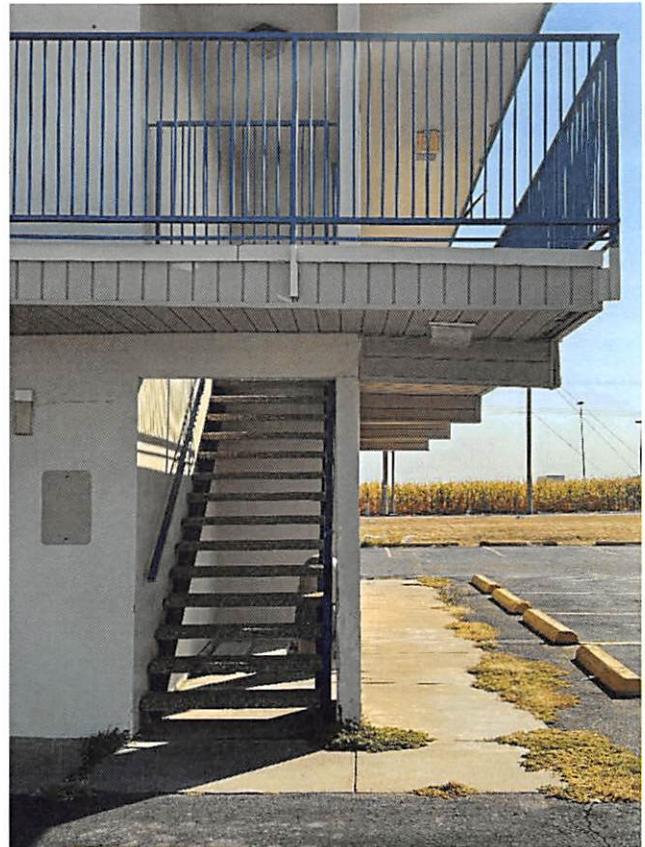
Sincerely,

A handwritten signature in black ink, appearing to read "Curtis W. Deines".
Curtis W. Deines
Superintendent
Planning & Development Division

Attachment:
Pictures
Engineers Report

Cc: City Attorney
 City Manager

Exterior walk ways for required egress are failing and not structurally sound







File# EL44H13

KAW VALLEY ENGINEERING, INC.

Office: 785.762.5040
Fax: 785.762.7744
Web: www.kveng.com
Address: 2319 N. Jackson
P.O. Box 1304
Junction City, KS 66441

August 21, 2024
A24D2036

Elinda Mages
Rodeway Inn DBA Tiger Hospitality
3404 Vine Street
Hays, Kansas 67601

**RE: Structural Inspection
3404 Vine St, Hays KS**

Dear Elinda Mages,

Pursuant to your request, on August 20, 2024, Kaw Valley Engineering, Inc. (KVE) conducted a technical site investigation at the above referenced location. The purpose of this investigation was to evaluate and document the findings associated with the 2nd story walkway associated with building 2, review available information, and determine the structural integrity and overall condition of the walkway at the time of the investigation. It should be noted that the investigation performed was a general cursory overview of the structure and not an exhaustive investigation. Therefore, the findings noted within this report should not be construed as all inclusive, but more so a representation of structural conditions observed. All images referenced are in the attached Photo Appendix.

BACKGROUND INFORMATION

This building was constructed in 1974. The balcony walkways consist of 2" concrete over plywood sheathing and cantilevered 2x8 wood joists. For the purposes of this report, it is assumed that the front of the building faces north. The inspection performed was limited to the 2nd story walkways associated with Building 2. Barriers prohibiting direct traversal of the indicated walkways were present at the time of the inspection. The 2015 International Building Code (IBC) was used as a reference to determine code compliance of the observed structure.

OBSERVATIONS/FINDINGS

Walkway Deck

The walkway deck was observed to be constructed of 2" concrete over plywood sheathing. Cracks within the concrete were observed in several locations. (see **Images 5-6, 12-15, 26**).

The sealant within the concrete joints was observed to have deteriorated in several areas. (see **Images 7-9**).

Walkway Support Framing

Temporary wood framed supports were observed beneath walkway transitions to the buildings adjacent to building 2. (see **Image 16**).

The existing walkway support framing was observed to consist of cantilevered 2x8 wood floor joists installed 16" on center (o.c.). (see **Images 17-21**).

Steel columns were observed at the east ends of the walkways serving Building 2. (see **Images 3-4, 10-11**).

Moisture stains and rot were observed throughout the wood framed walkways associated with building 2. (see **Images 17-20**).

A section of the plywood sheathing at the northeast corner of the Building 2 walkways was observed to have deteriorated enough to expose the bottom of the concrete above. (see **Image 22**).

The southeast steel column support was observed to have rusted at its top. (see **Image 23**).

Rusting of the guardrail steel connections to the walkway's wood framing was observed. (see **Image 24**).

Concrete spall was observed on the exterior edges of the walkway's concrete. (see **Images 25-26**).

A vertical crack within the stucco finish of the northeast corner of building 2 was observed. (see **Image 30**).

Steel Staircases

The steel framing of the staircases serving building 2 were observed to have deteriorated to the point of rusting through the webs. (see **Images 27-29**).

DISCUSSION

Walkway Deck

The walkway deck was observed to consist of 2" concrete over plywood sheathing. The majority of the concrete appeared to be approximately 4'-0" x 4'-0" squares. The joints within the concrete should be sealed to prevent moisture infiltrating to the wood framing beneath. The joints appeared to have been sealed previously, however the sealant was observed to have cracked or otherwise deteriorated. Insufficient joint sealant allows water to saturate the wood framing below. The plywood sheathing below the concrete was observed to have deteriorated due to the water that was able to infiltrate through the concrete joints.

A couple of areas of corner cracks within the concrete were observed. These cracks are most likely due to a combination of the plywood sheathing having deteriorated and excessive deflection of the ends of the wood support joists.

When sealed properly, concrete is an effective moisture barrier. However, maintaining sealants at the joints and any cracks that may form requires consistent monitoring and maintenance. The concrete that has cracked should be removed and replaced. In order to protect the framing below

from moisture related damage, all joints within the concrete should have a sealant installed and routine maintenance performed.

Wood Framing

The support structure of the walkways was observed to be wood framing. The wood framing appeared to consist of 2x8 floor joists at 16" o.c. and cantilevered approximately 4'-0" from the face of the building. A perimeter joist was observed attached to the ends of the cantilevered joists. The guardrail to the walkways appeared to be anchored to the perimeter beam.

An analysis of the existing wood framing support structure was performed to determine code compliance with the IBC. Table 1607.1 of the IBC indicates minimum live load requirements based on the intended use of the structure. As defined by the IBC, live loads are "a load produced by the use and occupancy of the building or other structure that does not include construction or environmental loads...". As a walkway serving 2nd story rooms, and the only means of egress from the associated rooms, the IBC indicates that the structure is to be constructed to support a minimum live load of 100 pounds per square foot (psf). Additionally, the dead loads of the structure must be considered. As defined by the IBC, dead loads are "The weight of materials of construction incorporated into the building, including but not limited to walls, floors, roofs, ceilings, stairways, built-in partitions, finishes, cladding and other similarly incorporated architectural and structural items...." A 2x8 wood joist spaced 16" o.c. and cantilevered 4'-0" failed flexural analysis under loads as previously stated. This means that the structural framing, based on observations, is insufficient to support the code required loads. Reinforcement of the existing structure will need to be performed.

Many different options for reinforcement of the wood framing can be considered. However, the most viable option would be installing post and beam supports along the outermost edge of the walkways, thereby converting the cantilevered system to a simply supported beam system. Analysis of a simply supported beam condition over the 4'-0" width of the walkways with the observed joist spacing was performed, and the 2x8's, with the additional end support, would be sufficient to support the required loads per the IBC.

Deterioration of the existing wood framing was observed throughout the structure. The deterioration appeared to have been caused by exposure to moisture. Some of the wood appeared to have succumbed to dry rot. Dry rot is a form of fungal decay brought about by Serpula Lacrymans spores contacting wood that has a moisture content exceeding 20%. Other areas appeared to be stained with moisture and had become soft. All of the deteriorated wood will need to be removed and replaced. The wood elements of the structure should also be treated to prevent subsequent damage due to moisture.

If the deck covering the wood framing members is sealed properly the wood should remain dry enough to not propagate dry rot nor deteriorate due to other effects of elevated moisture.

Steel Staircase and Guardrails

The steel supports of the staircases serving the 2nd story of Building 2 were observed to have rusted through in places. Holes have developed within the webs of the steel stringers. Such deterioration results in a significant loss of shear strength. The deteriorated steel should be removed and replaced to ensure the structural integrity of the staircases.

The existing guardrails appeared to have deteriorated due to rust at several connection locations. Deteriorated portions of the guardrails should be removed and replaced. All repairs should be performed in manner to maintain code compliance.

CONCLUSIONS/RECOMMENDATIONS

In conclusion, it is the opinion of KVE that the existing 2nd story walkway connected to Building 2 is insufficient to support code required loads. Several areas of the structure were observed to have deteriorated and require replacement. These areas include but may not be limited to the steel supports of the staircases serving Building 2, the steel post at the southeast corner of the building 2 2nd story walkway, and the areas of the wood framing that have been damaged. Damage may exist within other areas that were inaccessible or hidden from view at the time of the inspection.

Considering the observed joist damage and the nature of the cantilevered framing system, the most viable repair option would be to support the outermost edge of the walkway with a post and beam system. There are multiple repair options to consider, however the exact design methodology is outside the scope of services of this inspection report. It should be noted that due to the life safety aspects of egresses a qualified architect should be employed to ensure compliance with all current life safety codes.

In order to perform the needed repairs, demolition of portions of the existing structure surrounding the damaged areas will be required. During the demolition process additional damages may be uncovered that was inaccessible or hidden from view during the time of the inspection referenced by this report. All damaged areas of the walkways should be repaired. If damage is found to have penetrated the building envelope, remediation to the damaged areas of the interior of the building will be required. A demolition plan should be created for the purpose of providing direction for means and method of life safety and maintaining the structural integrity of the building to remain. The development of such a plan is outside the scope of this inspection report.

Should you have any questions or comments regarding this inspection report, please feel free to contact me at 785-762-5040.

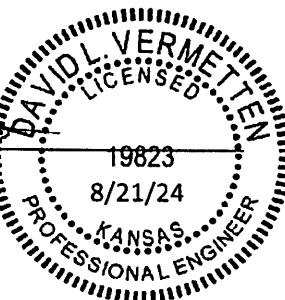
Sincerely,

Brian Johnson

Brian Johnson, E.I.T

David Vermetten

David Vermetten, P.E.
Project Manager



Attachment: Photo Appendix

DISCLAIMER:

It should be noted that the above signed conducted a visual inspection only for the sole purpose of providing an opinion as to the listed structural conditions of the structure. No attempt was made to examine any portion of the footings or structural elements of the building that were inaccessible or hidden from view. Therefore, the comments and recommendations are based on the limited information within the confines of the scope of this inspection. This report should not be construed as to imply that deficiencies, defects, and/or abnormalities not previously stated herein do not exist or might not occur at a later date. This report and inspection do not constitute a guarantee or warranty of the structure, but rather a professional opinion based on visual inspection and experienced judgment to the effect of conditions found on the structure only. Neither does it constitute or imply notice or comment on any items of concern not specifically discussed herein. Any knowledge of problems or other concerns not addressed herein should be noted to the above signed.

DL V:bcj

\VMJC-FILE\Projects\A24_2036\DSN\Report\A24D2036 SI - 3404 Vine St - Hays KS -- 8-21-2024.Docx

Tracking Number:

Remove X

9489009000276511973792

Copy

Add to Informed Delivery

Latest Update

Your item was returned to the sender at 10:30 am on November 7, 2024 in HAYS, KS 67601 because the forwarding order for this address is no longer valid.

Get More Out of USPS Tracking:

 **USPS Tracking Plus®**

Alert

Forward Expired

HAYS, KS 67601
November 7, 2024, 10:30 am

Unclaimed/Being Returned to Sender

HAYS, KS 67601
November 4, 2024, 5:05 pm

Redelivery Scheduled for Next Business Day

HAYS, KS 67601
October 18, 2024, 11:18 am

Arrived at USPS Regional Origin Facility

WICHITA KS DISTRIBUTION CENTER
October 16, 2024, 11:37 pm

USPS in possession of item

HAYS, KS 67601
October 16, 2024, 3:45 pm

[Hide Tracking History](#)

USPS returned the certified letter to City Staff. City Staff then hand delivered the letter to the Roadway Inn manager on November 6th, 2024

BEFORE THE KANSAS STATE FIRE MARSHAL

In the Matter of:

Roadway Inn

Case No. EL44H13

ORDER TO CEASE AND DESIST

Pursuant to K.S.A. § 31-139, the Kansas State Fire Marshal hereby makes the following findings of fact, conclusions of law, and orders.

Findings of Fact

1. Roadway Inn is a lodging establishment located at 3404 N. Vine Street, Hays, Kansas 67601.
2. On July 25, 2024, the Office of the Kansas State Fire Marshal (KSFM) received a complaint from the Hays Fire Department, which stated as follows:
 - a. The walkway around the 2nd (middle building) has become an unsafe condition for occupants to use safely.
 - b. The 2nd floor cannot be occupied until repairs of the walkway have been made.
 - c. Building 3's second floor west-facing rooms will need to have the walkway shored on the southwest corner to continue safe egressing.
 - d. Building 1 had shoring installed by the fire department to continue safe egressing temporarily.
 - e. The structural actions done are not a permanent fix; a structural engineer will need to review the condition of the walkway and provide recommendations for repairs.
3. Thereafter, on July 25, 2024, KSFM conducted a complaint-specific inspection of the above premises and substantiated the above complaint. KSFM issued a violation notice, which is incorporated herein, wherein the KSFM inspector found the following:
 - a. The floating walkway of the middle building's second floor shows substantial signs of instability. The connection between the front and middle building is supported by a wood brace. Several sections sag down. The railing on the north side is extremely loose and unsafe.
 - b. The 2nd floor of the middle building has been closed off and the rooms on the 1st floor of north side of the middle building should be vacated.
 - c. KSFM agrees with the local fire department that an inspection by a structural engineer is needed.

4. On August 7th, 2024, KSFM performed a follow up inspection at the premises and found additional Code violations. KSFM issued another violation notice of these Code violations, which is incorporated herein, wherein the KSFM inspector found the following:
- a. The conditions outlined from the inspection conducted on 07/24/24 appear to be worsening. The walk way located on the 2nd floor of building 2 both the north and south sides of the building show signs of worsening deterioration.
 - b. The floating walkway of the middle building 2nd floor is showing substantial signs of instability. The connection between the front and middle building is supported by a wood brace. Several sections are sagging down and the railing on the north side is extremely loose and unsafe. The 2nd floor of the middle building has been closed off and the rooms on the 1st floor of north side of the middle building should be vacated.
 - c. The boiler certificates are past due. Last documented inspection for boiler certificates shows a date of 2020.
 - d. There is an extension cord being used as permanent wiring for electrical devices located in the stock room boiler room.
 - e. The breaker panel located in the electrical room has open breaker slots that do not have a breaker cover or breakers installed.
The breaker panels located in the stock room are being obstructed by combustibles.
 - f. The electrical outlet located in the laundry room under the HVAC unit is missing the cover plate with exposed wiring and is not secured to the wall. The outlet located within 3 feet of the sink of the laundry room is not a GFCI protected outlet.
 - g. There is no documentation available of the monthly testing being completed for the smoke detectors for the facility at time of inspection.
The smoke detector for room 128 is missing/ not installed at time of inspection.
The smoke detector for room 127 is missing/ not installed at time of inspection.
The smoke detector for room 231 did not function when tested.
The smoke detector for room 218 did not function when tested.

Applicable Statutes, Rules, and Regulations

1. K.S.A. 31-133, *et seq.* establishes the Kansas Fire Prevention Code. These laws direct the State Fire Marshal to “adopt reasonable rules and regulations . . . for the safeguarding of life and property from fire, explosion and hazardous materials” and deems those regulations as part of the Kansas Fire Prevention Code. K.S.A. 31-133(b).
2. Such rules and regulations apply to “the construction, maintenance and regulation of exits and fire escapes from buildings and all other places in which people work, live or congregate from time to time for any purpose.” K.S.A. § 31-133(a)(3).
3. K.A.R. 22-1-3 adopts the International Fire Code (IFC), 2006 Edition, which applies to buildings or structures, or a portion thereof, used for the gathering of persons, specifically IFC Chapter 10, which includes requirements for means of egress.

4. The following provisions of the Kansas Fire Prevention Code pertain to the above observed violations:
 - a. IFC 1007.1 – Accessible Means of Egress.
 - b. IFC 605.5 – Extension Cords.
 - c. IFC 605.3 – Panel.
 - d. IFC 605.6 – Junction Box.
 - e. IFC 901.6 – Systems Maintained.
 - f. IFC 1011.1 & 1006.1 – Exit Signs.
 - g. IFC 1027.5 – Emergency Lighting.
 - h. IFC 906.5 – Fire Extinguishers.
 - i. IFC 703.1 – Fire Resistance Rated Construction.
5. K.S.A. § 44-942(b) requires current boiler certificate, no more than 18 months beyond expiration date, shall be posted in the premises.
6. Pursuant to K.S.A. § 31-139, the State Fire Marshal may issue an order to cease and desist violations of the Kansas Fire Prevention Code.
7. K.S.A. § 31-150a and K.S.A. § 31-159 gives the State Fire Marshal authority to, in addition to any other penalty provided by law, impose a civil penalty not to exceed \$1,000 per violation for each day of violation of any of the provisions of this Act, any rule or regulation promulgated under the authority of this Act, or any lawful Order issued by the Fire Marshal.

Conclusions of Law

1. Based on the above findings of fact and statements of law, the State Fire Marshal concludes that Roadway Inn does not meet the standards of the Kansas Fire Prevention Code.
2. Based on the above findings of fact and statements of law, Roadway Inn violated the above-enumerated section of the Kansas Fire Prevention Code, as follows:
 - a. Roadway Inn violated IFC 1007.1 (Accessible means of egress) in the following manners:
 - i. The floating walkway of the middle building's second floor shows substantial signs of instability.
 - ii. The connection between the front and middle building is supported by a wood brace. Several sections sag down.
 - iii. The railing on the north side is extremely loose and unsafe.
 - iv. The conditions observed on July 22, 2024, appear to be worsening:
 1. The walkway located on the 2nd floor of building 2 both the north and south sides of the building show signs of worsening deterioration.
 2. The floating walkway of the middle building 2nd floor is showing substantial signs of instability.

3. The connection between the front and middle building is supported by a wood brace. Several sections are sagging down and the railing on the north side is extremely loose and unsafe.
 4. The 2nd floor of the middle building has been closed off and the rooms on the 1st floor of north side of the middle building should be vacated.
 - b. Roadway Inn violated IFC 605.5 (Extension Cords) by extension cord as permanent wiring for electrical devices located in the stockroom boiler room.
 - c. Roadway Inn violated IFC 605.3 (Panel) by the breaker panel located in the electrical room having open breaker slots that do not have a breaker cover or Breakers installed. The breaker panel is located in the stockroom we're being obstructed by combustibles.
 - d. Roadway Inn violated IFC 605.6 (Junction Box) by containing an electrical outlet, located in the laundry room, under an HVAC unit that is missing the cover plate with exposed wiring and not secured to the wall. The outlet located within 3 feet of the sink of the laundry room is not a GFCI protected outlet.
 - e. Roadway Inn violated IFC 901.6 (Systems Maintained) by failing to document monthly testing of smoke detectors for the facility at the time of inspection. Additionally:
 - i. The smoke detector for Room 128 was missing or not installed at the time of the inspection.
 - ii. The smoke detector from Room 127 is missing or not installed at the time of inspection.
 - iii. The smoke detector from Room 231 did not function when tested.
 - iv. The smoke detector from Room 218 did not function when tested.
 - f. Roadway Inn violated IFC 1011.1 & 1006.1 (Exit Signs) by failing to provide documentation of testing for the exit signs in the facility.
 - g. Roadway Inn violated IFC 1027.5 (Emergency Lighting) by failing to provide documentation of the monthly 30-second testing of the emergency lights. Also, by failing to document the annual 90-minute testing for the emergency lights.
 - h. Roadway Inn violated IFC 906.5 (Fire Extinguishers) by failing to document the monthly visual inspections of portable fire extinguishers.
 - i. Roadway Inn violated IFC 703.1 (Fire Resistance Rated Construction) by containing a damaged ceiling (missing sheetrock), located in the storage room east of Room 110, which exposes wood cross beams and insulations above the entrance door.
 - j. Roadway Inn violated K.S.A. § 44-924(b) by failing to keep its boiler certificates current and failing to inspect its boiler(s) since 2020.
3. Based on the above findings of fact and statements of law, conditions on the second floor of Roadway Inn's middle building pose an immediate danger to life and property from the risk of fire. Additionally, the conditions in the north-facing, first-floor rooms of the middle building pose an immediate danger to life and property from the risk of fire.
 4. Based on the above findings of fact, and statements of law, fines of up to \$1,000.00 may be assessed against Roadway Inn for each day it violates either the Kansas Fire this Cease-and-Desist Order.

ORDER

WHEREFORE, the Kansas State Fire Marshal Orders as follows:

1. Roadway Inn shall immediately cease and desist operating all rooms on the entire premises until a structural engineer's report has been provided and all other violations have been corrected.
2. Roadway Inn shall abate the above-referenced violations of the Kansas Fire Prevention Code.
3. Roadway Inn shall obtain a structural engineer's report of recommended repairs and must provide a copy of it to the Kansas State Fire Marshal's office as part of the abatement of the above violations.
4. Roadway Inn shall not resume operating the above-referenced rooms until it abates the violations of the Kansas Fire Prevention Code found herein, and a follow-up inspection has been conducted by the Kansas State Fire Marshal's office.

A violation of this Order may result in additional civil fines, criminal prosecution, or any other remedy authorized by law.

IT IS SO ORDERED this 9th day of August 2024.



Mark Engholm
Kansas State Fire Marshal

Notice of Administrative Relief

You have the right to request a hearing as provided in K.S.A. § 31-140. The written request shall be mailed or personally delivered within 15 days of the service of this order to: Mark Engholm, Kansas State Fire Marshal, 800 S.W. Jackson St., Suite 104, Topeka, KS 66612. Unless a stay of this Order is requested and approved by the State Fire Marshal, the filing of a request for a hearing shall not stay the effect of an order to cease and desist.

CERTIFICATE OF SERVICE

I hereby certify that on 9th August 2024, I served a copy of the above Order to Cease and Desist upon:

Roadway Inn, Manager
3404 N. Vine Street
Hays, Kansas 67601

and did so by: certified mail; first-class mail; or personal delivery.

(Name and Title)



File# EL44H13

KAW VALLEY ENGINEERING, INC.

Office: 785.762.5040
Fax: 785.762.7744
Web: www.kveng.com
Address: 2319 N. Jackson
P.O. Box 1304
Junction City, KS 66441

August 21, 2024
A24D2036

Elinda Mages
Rodeway Inn DBA Tiger Hospitality
3404 Vine Street
Hays, Kansas 67601

**RE: Structural Inspection
3404 Vine St, Hays KS**

Dear Elinda Mages,

Pursuant to your request, on August 20, 2024, Kaw Valley Engineering, Inc. (KVE) conducted a technical site investigation at the above referenced location. The purpose of this investigation was to evaluate and document the findings associated with the 2nd story walkway associated with building 2, review available information, and determine the structural integrity and overall condition of the walkway at the time of the investigation. It should be noted that the investigation performed was a general cursory overview of the structure and not an exhaustive investigation. Therefore, the findings noted within this report should not be construed as all inclusive, but more so a representation of structural conditions observed. All images referenced are in the attached Photo Appendix.

BACKGROUND INFORMATION

This building was constructed in 1974. The balcony walkways consist of 2" concrete over plywood sheathing and cantilevered 2x8 wood joists. For the purposes of this report, it is assumed that the front of the building faces north. The inspection performed was limited to the 2nd story walkways associated with Building 2. Barriers prohibiting direct traversal of the indicated walkways were present at the time of the inspection. The 2015 International Building Code (IBC) was used as a reference to determine code compliance of the observed structure.

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Temporary wood framed supports were observed beneath walkway transitions to the buildings adjacent to building 2. (see **Image 16**).

The existing walkway support framing was observed to consist of cantilevered 2x8 wood floor joists installed 16" on center (o.c.). (see **Images 17-21**).

Steel columns were observed at the east ends of the walkways serving Building 2. (see **Images 3-4, 10-11**).

Moisture stains and rot were observed throughout the wood framed walkways associated with building 2. (see **Images 17-20**).

A section of the plywood sheathing at the northeast corner of the Building 2 walkways was observed to have deteriorated enough to expose the bottom of the concrete above. (see **Image 22**).

The southeast steel column support was observed to have rusted at its top. (see **Image 23**).

Rusting of the guardrail steel connections to the walkway's wood framing was observed. (see **Image 24**).

Concrete spall was observed on the exterior edges of the walkway's concrete. (see **Images 25-26**).

A vertical crack within the stucco finish of the northeast corner of building 2 was observed. (see **Image 30**).

Steel Staircases

The steel framing of the staircases serving building 2 were observed to have deteriorated to the point of rusting through the webs. (see **Images 27-29**).

DISCUSSION

Walkway Deck

The walkway deck was observed to consist of 2" concrete over plywood sheathing. The majority of the concrete appeared to be approximately 4'-0" x 4'-0" squares. The joints within the concrete should be sealed to prevent moisture infiltrating to the wood framing beneath. The joints appeared to have been sealed previously, however the sealant was observed to have cracked or otherwise deteriorated. Insufficient joint sealant allows water to saturate the wood framing below. The plywood sheathing below the concrete was observed to have deteriorated due to the water that was able to infiltrate through the concrete joints.

A couple of areas of corner cracks within the concrete were observed. These cracks are most likely due to a combination of the plywood sheathing having deteriorated and excessive deflection of the ends of the wood support joists.

When sealed properly, concrete is an affective moisture barrier. However, maintaining sealants at the joints and any cracks that may form requires consistent monitoring and maintenance. The concrete that has cracked should be removed and replaced. In order to protect the framing below

from moisture related damage, all joints within the concrete should have a sealant installed and routine maintenance performed.

Wood Framing

The support structure of the walkways was observed to be wood framing. The wood framing appeared to consist of 2x8 floor joists at 16" o.c. and cantilevered approximately 4'-0" from the face of the building. A perimeter joist was observed attached to the ends of the cantilevered joists. The guardrail to the walkways appeared to be anchored to the perimeter beam.

An analysis of the existing wood framing support structure was performed to determine code compliance with the IBC. Table 1607.1 of the IBC indicates minimum live load requirements based on the intended use of the structure. As defined by the IBC, live loads are "a load produced by the use and occupancy of the building or other structure that does not include construction or environmental loads...". As a walkway serving 2nd story rooms, and the only means of egress from the associated rooms, the IBC indicates that the structure is to be constructed to support a minimum live load of 100 pounds per square foot (psf). Additionally, the dead loads of the structure must be considered. As defined by the IBC, dead loads are "The weight of materials of construction incorporated into the building, including but not limited to walls, floors, roofs, ceilings, stairways, built-in partitions, finishes, cladding and other similarly incorporated architectural and structural items...." A 2x8 wood joist spaced 16" o.c. and cantilevered 4'-0" failed flexural analysis under loads as previously stated. This means that the structural framing, based on observations, is insufficient to support the code required loads. Reinforcement of the existing structure will need to be performed.

Many different options for reinforcement of the wood framing can be considered. However, the most viable option would be installing post and beam supports along the outermost edge of the walkways, thereby converting the cantilevered system to a simply supported beam system. Analysis of a simply supported beam condition over the 4'-0" width of the walkways with the observed joist spacing was performed, and the 2x8's, with the additional end support, would be sufficient to support the required loads per the IBC.

Deterioration of the existing wood framing was observed throughout the structure. The deterioration appeared to have been caused by exposure to moisture. Some of the wood appeared to have succumbed to dry rot. Dry rot is a form of fungal decay brought about by Serpula Lacrymans spores contacting wood that has a moisture content exceeding 20%. Other areas appeared to be stained with moisture and had become soft. All of the deteriorated wood will need to be removed and replaced. The wood elements of the structure should also be treated to prevent subsequent damage due to moisture.

If the deck covering the wood framing members is sealed properly the wood should remain dry enough to not propagate dry rot nor deteriorate due to other effects of elevated moisture.

Steel Staircase and Guardrails

The steel supports of the staircases serving the 2nd story of Building 2 were observed to have rusted through in places. Holes have developed within the webs of the steel stringers. Such deterioration results in a significant loss of shear strength. The deteriorated steel should be removed and replaced to ensure the structural integrity of the staircases.

The existing guardrails appeared to have deteriorated due to rust at several connection locations. Deteriorated portions of the guardrails should be removed and replaced. All repairs should be performed in manner to maintain code compliance.

CONCLUSIONS/RECOMMENDATIONS

In conclusion, it is the opinion of KVE that the existing 2nd story walkway connected to Building 2 is insufficient to support code required loads. Several areas of the structure were observed to have deteriorated and require replacement. These areas include but may not be limited to the steel supports of the staircases serving Building 2, the steel post at the southeast corner of the building 2 2nd story walkway, and the areas of the wood framing that have been damaged. Damage may exist within other areas that were inaccessible or hidden from view at the time of the inspection.

Considering the observed joist damage and the nature of the cantilevered framing system, the most viable repair option would be to support the outermost edge of the walkway with a post and beam system. There are multiple repair options to consider, however the exact design methodology is outside the scope of services of this inspection report. It should be noted that due to the life safety aspects of egresses a qualified architect should be employed to ensure compliance with all current life safety codes.

In order to perform the needed repairs, demolition of portions of the existing structure surrounding the damaged areas will be required. During the demolition process additional damages may be uncovered that was inaccessible or hidden from view during the time of the inspection referenced by this report. All damaged areas of the walkways should be repaired. If damage is found to have penetrated the building envelope, remediation to the damaged areas of the interior of the building will be required. A demolition plan should be created for the purpose of providing direction for means and method of life safety and maintaining the structural integrity of the building to remain. The development of such a plan is outside the scope of this inspection report.

Should you have any questions or comments regarding this inspection report, please feel free to contact me at 785-762-5040.

Sincerely,

Brian Johnson

Brian Johnson, E.I.T

David Vermetten
David Vermetten, P.E.
Project Manager



Attachment: Photo Appendix

DISCLAIMER:

It should be noted that the above signed conducted a visual inspection only for the sole purpose of providing an opinion as to the listed structural conditions of the structure. No attempt was made to examine any portion of the footings or structural elements of the building that were inaccessible or hidden from view. Therefore, the comments and recommendations are based on the limited information within the confines of the scope of this inspection. This report should not be construed as to imply that deficiencies, defects, and/or abnormalities not previously stated herein do not exist or might not occur at a later date. This report and inspection do not constitute a guarantee or warranty of the structure, but rather a professional opinion based on visual inspection and experienced judgment to the effect of conditions found on the structure only. Neither does it constitute or imply notice or comment on any items of concern not specifically discussed herein. Any knowledge of problems or other concerns not addressed herein should be noted to the above signed.

DLV:bej

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RESOLUTION NO. 2025-

A RESOLUTION AUTHORIZING THE CITY OF HAYS OR ITS DESIGNATED AGENT TO ABATE VIOLATIONS OF THE INTERNATIONAL PROPERTY MAINTENANCE CODE, AS ADOPTED AND ENACTED BY THE CITY OF HAYS, ON PROPERTY LOCATED AT 3404 VINE STREET, HAYS, KANSAS.

WHEREAS, the City of Hays did enact Ordinance Chapter 11, Article 3, Section 11-165, adopting the International Property Maintenance Code, 2015 Edition, declaring certain matters of inadequate property maintenance a violation of City Ordinance and providing for the demolition and removal of such conditions, and further providing for the assessment of costs and penalties; and

WHEREAS, the City of Hays did enact Ordinance Chapter 26, Article 4, Section 26-162, to further provide for assessment of the costs of abatement or removal of nuisances upon lots or parcels of ground within the City of Hays; and

WHEREAS, over the course of 6 months preceding October 16, 2024, inspections of the property at 3404 Vine Street were conducted by the City of Hays, and said inspections determined the property was in violation of the 2015 International Property Maintenance Code, as adopted and enacted by the City of Hays; and

WHEREAS, on October 16, 2024, a notice of condemnation was posted on said property at 3404 Vine Street; and

WHEREAS, on October 16, 2024, a certified letter was sent to the owner of the property at 3404 Vine Street, requesting that the owner demolish, remove, or otherwise remedy the structure found on the property at 3404 Vine Street or file for an appeal within 20 days of said notice; and

WHEREAS, on November 6, 2024, the manager of the property at 3404 Vine Street accepted the hand delivery of the October 16, 2024, certified letter; and

WHEREAS, the owner of the property at 3404 Vine Street did not request a hearing within 20 days after accepting delivery of the October 16, 2024, certified letter, and as of March 24, 2025, no appeal of the notice had been filed with the City; and

WHEREAS, continued and ongoing inspections of the property revealed the unsafe conditions cited in the letter dated October 16, 2024, had not been removed or otherwise abated from the property; and

WHEREAS, the Governing Body of the City of Hays now desires that the unsafe conditions and violations found on the property at 3404 Vine Street be abated by the City and its authorized agents.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS, AS FOLLOWS:

Section 1. That the existence of the unsafe conditions located at 3404 Vine Street are hereby found to be in violation of the 2015 International Property Maintenance Code, as adopted and enacted by the City of Hays pursuant to Ordinance Chapter 11, Article 3, Section 11-165.

Section 2. That the owner of the property located at 3404 Vine Street was given proper notice to abate the unsafe conditions located at 3404 Vine Street and has failed to abate the said conditions.

Section 3. That the City of Hays and its designated agents are hereby authorized to abate the unsafe conditions causing the violations at 810 E 8th Street at the end of ten days from the date of passage of this Resolution.

Section 4. That all costs incurred by the City and its designated agents in abating the unsafe conditions at 3404 Vine Street, including demolition, shall be charged against the property located 3404 Vine Street as provided in the 2015 International Property Maintenance Code, adopted and enacted by the City of Hays; Ordinance Chapter 26, Article 4, Section 26-162; and all other pertinent law.

PASSED by the City Commission on the 8th day of May 2025.

Sandy Jacobs, Mayor

ATTEST:

Jami Breit, City Clerk



City Commission Work Session

Agenda Memo

From: Jesse Rohr, Director of Public Works

Work Session: May 1, 2025

Subject: Stormwater Equipment Building – Award of Bid

Person(s) Responsible: Jesse Rohr, Director of Public Works

Summary

The 2025 Budget (page 132) included \$300,000 for the construction of an equipment storage building for the Stormwater Division. Four qualified bids were opened on April 1, 2025. Bids were required to include a minimum 45' x 90' insulated building with concrete floor, 4-14' x 14' overhead doors with electric openers, one walk-through door, and minimal electrical and heat. The low bidder, QMC, whose bid came in at \$292,650, has completed other projects in Hays, including the recently constructed MicroFactory on Commerce Parkway owned by Grow Hays. Staff recommends awarding the bid to QMC, Inc, at a cost of \$292,650 for construction of the Stormwater equipment building to be funded from the Stormwater Reserve fund.

Background

The Public Works facility continues to grow as the City of Hays grows in population and area. Over time, maintenance equipment has been added to the fleet in order to accomplish the work throughout the City. The existing equipment storage buildings do not have the capacity to house all of the equipment that should be protected from the outdoor elements. Existing trucks are currently stored outside along with other expensive equipment such as the Airman air compressor, new Stormwater Division tractor and flail mower, and other miscellaneous equipment. It is desired to keep this equipment inside to protect the investment and keep them secure while providing shelter from stormy and winter weather.

Discussion

Four qualified bids were opened on April 1, 2025. Bids were required to include a minimum 45' x 90' insulated steel building with concrete floor, 4-14' x 14' overhead doors with electric openers, one walk-through door, and minimal electrical and heat. A summary of the bids is listed below:

| | |
|-------------------------------|---------------|
| QMC Inc. | \$ 292,650.00 |
| RDH Electric and Construction | \$ 325,600.00 |
| PWC Inc. | \$ 327,150.00 |
| NF Construction | \$ 596,609.00 |

The building as bid by the low bidder meets or exceeds all specifications. The low bidder, QMC, has completed many other private local projects, including the recently constructed MicroFactory on Commerce Parkway owned by Grow Hays.

If awarded, the low bidder anticipates a June or July start date for construction of the building.

Legal Consideration

There are no known legal obstacles to proceeding as recommended by City Staff.

Financial Consideration

The low bid for the building is \$292,650. The amount budgeted in 2025 is \$300,000. If the award is approved by the Commission, the project would be funded out of Stormwater Reserves, which is adequately funded to cover this expenditure.

Options

The City Commission has the following options:

- Award the bid to QMC, Inc, as recommended
- Reject all bids
- Direct Staff otherwise

Recommendation

Staff recommends awarding the bid to QMC, Inc, at a cost of \$292,650 for construction of the Stormwater equipment building to be funded from the Stormwater Reserve fund.

Action Requested

Award the bid to QMC, Inc, and authorize the expenditure of \$292,650 of Stormwater Reserve funds to cover the cost of construction of the Stormwater equipment building.

Supporting Documentation

Budget Project Sheet

PROJECT FORM

PROJECT: Stormwater Division Equipment Storage Building

FISCAL YEAR: 2025

FUND: Stormwater Reserves

DEPARTMENT: Public Works Stormwater Division

PROJECT DESCRIPTION: Construction of a 45'x 80' equipment storage building to house two new tandem axle dump trucks with snowplows and de-icing equipment, Stormwater Division maintenance equipment, an 1800 gal. anti-ice sprayer, etc. The building will include a concrete floor, insulated ceilings and walls, complete electrical service, heat and sanitary sewer. The building will also include four 14'x14' overhead doors with operators, and one 3' entry door.

LOCATION & AREA MAP:



NEED, JUSTIFICATION, BENEFIT: The numerous pieces of equipment and vehicles Service and Stormwater Divisions operate and must store has increased over the past several years. The current buildings do not have the square footage to house all the equipment that should be protected from the elements. Existing trucks are currently stored outside along with other expensive equipment such as an Airman air compressor, the new Stormwater Division tractor, mowers and other miscellaneous equipment.

CONSEQUENCES OF DELAYING OR ELIMINATING THIS PROJECT: Delaying this project will require some of the equipment including the new tandem-axle dump trucks and de-icing equipment to be stored outside. This equipment needs to be ready to respond promptly during snow and ice events. Storing this specialized equipment outside will cause mechanical issues. New Stormwater Division mowers will also be stored outside exposed to inclement weather and possibly cause premature failure and reliability.

THIS PROJECT IS RELATED TO THE FOLLOWING: Public Works Stormwater Division Facility

TIMELINE/CURRENT STATUS: If budgeted, bids will be solicited in 2025 with an expected timeframe of completion at the end of 2025.

COMMENTS:

| IMPACT ON OPERATING BUDGET: | | FINANCING: | |
|------------------------------------|-----------|---------------------|-----------|
| 2025 | \$300,000 | Stormwater Reserves | \$300,000 |
| | | | |
| | | | |
| | | | |
| | | Total | \$300,000 |