

CALL TO ORDER – PLEDGE OF ALLEGIANCE

Mayor Jacob LaRue presided and called the meeting to order at 6:30 p.m., the Pledge of Allegiance was recited.

Commissioners Present: Mayor LaRue and Commissioners Kevin Berthot and Tim Fairchild.

Commissioners Absent: Commissioner Phillip Chaney.

Staff Present: Todd Newman, City Manager; Ryan Follmer, Assistant City Manager; Tina Bailey, City Clerk; David Brake, City Attorney; and Cory Kepley, Chief Finance Officer.

INVOCATION

The invocation was given by Mayor Jacob LaRue.

AGENDA

Mayor LaRue requested the addition of Consent Agenda Item 5B-Request for Temporary Road/Sidewalk/Parking Space Closure for Group Photograph-Total Image and the removal of Agenda Item 9E-Resolution Declaring Property at 1407 South Edith in Violation of Chanute Municipal Codes. The amended agenda was approved on motion by Commissioner Berthot, seconded by Commissioner Fairchild. Voting Aye: All. Motion carried unanimously.

CONSENT AGENDA

The Consent Agenda is used to approve non-controversial or routine matters by a single motion and vote. The Consent Agenda consisted of the following:

- Minutes – City Commission – October 23, 2023
- Warrant Register dated October 25, 2023
- Warrant Register dated November 1, 2023
- Warrant Register dated November 8, 2023
- Review Various Board and Committee Minutes and Reports
- Request for Temporary Road/Sidewalk/Parking Space Closure for Group Photograph – Total Image

Motion made by Commissioner Fairchild, seconded by Commissioner Kevin Berthot, to approve the Consent Agenda as presented. Voting Aye: All. Motion carried unanimously.

PUBLIC COMMENTS

Darin Luebbering with Advance System Homes commented on the Osa Martin Heights Subdivision and provided a brief summary of housing projects completed in this subdivision by their company.

CITY MANAGER'S REPORT

City Manager Todd Newman gave his report on City activities and operations. He provided an update on a Ribbon Cutting for the Osage Cuestas Trail, a SEK Housing Conference, upcoming holiday hours for city offices, a third-party audit of Orizon employment numbers and the development agreement payment.

City Manager Newman also distributed a Utility Comparison handout to the Commission for review.

Chief Finance Officer Cory Kepley provided a brief summary of the handout.

PUBLIC HEARING

CONDUCT PUBLIC HEARING FOR ISSUANCE OF INDUSTRIAL REVENUE BONDS – OZN CHANUTE (MULTI) LLC

Conduct a Public Hearing for the purpose of hearing comments for the record on “Issuance by the Issuer of its Taxable Industrial Revenue Bonds (OZN Chanute (Mult) LLC), in the Principal Amount not to Exceed \$56,031,748 and in Regard to an Exemption from Ad Valorem Taxation of Property Constructed or Purchased with the Proceeds of such Bonds and for that purpose, Mayor LaRue opened a hearing at 6:43 p.m.

Comment and questions were made by Neosho County Counselor Brett Heim and answered by City Attorney David Brake.

As there were no further comments from the public the Public Hearing was closed at 6:48 p.m.

INDUSTRIAL REVENUE BONDS FOR OZN CHANUTE (MULTI) LLC

On October 23, 2023, the Chanute City Commission entered into a Fifth Amendment to the Development Agreement with Orizon Aerostructures – Chanute, Inc. to assist the owner of the real estate with the issuance of industrial revenue bonds.

The revised Cost-Benefit Analysis details the financial impact and benefit to the City of Chanute. The up to nine (9) years tax abatement is allowable by Kansas law as part of the issuance of industrial revenue bonds. The City of Chanute is not liable for the repayment of the industrial revenue bonds. Bond counsel and the City Attorney have or will prepare all required paperwork.

General discussion was made. Comments were made by City Attorney David Brake and City Manager Todd Newman.

Motion made by Commissioner Tim Fairchild, seconded by Commissioner Kevin Berthot, to Adopt RESOLUTION DETERMINING THE INTENT OF THE CITY OF CHANUTE, KANSAS, TO ISSUE ITS INDUSTRIAL REVENUE BONDS IN THE PRINCIPAL AMOUNT OF \$56,031,748 TO FINANCE THE

COSTS OF ACQUIRING AN INDUSTRIAL/WAREHOUSE FACILITY FOR THE BENEFIT OF OZN CHANUTE (MULTI) LLC, AND ITS SUCCESSORS AND ASSIGNS. Voting Aye: All. Motin carried unanimously.

The Resolution was assigned: No. 2023-127

Motion made by Commissioner Tim Fairchild, seconded by Commissioner Kevin Berthot, to Pass AN ORDINANCE AUTHORIZING THE CITY OF CHANUTE, KANSAS, TO ISSUE TAXABLE INDUSTRIAL REVENUE BONDS (OZN CHANUTE (MULTI) LLC PROJECT), SERIES 2023, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$56,031,748, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF ACQUIRING AND PURCHASING AN INDUSTRIAL/WAREHOUSE FACILITY, INCLUDING LAND, BUILDINGS, STRUCTURES, IMPROVEMENTS, FIXTURES, MACHINERY AND EQUIPMENT FOR THE BENEFIT OF OZN CHANUTE (MULTI) LLC, ITS SUCCESSORS AND ASSIGNS; AUTHORIZING THE ISSUER TO ENTER INTO CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS.

Voting Aye: Commissioners Kevin Berthot and Tim Fairchild.

Voting Nay: Mayor Jacob LaRue

Motion failed.

Further discussion was made. Comments were made by City Attorney David Brake.

Motion made by Commissioner Tim Fairchild, seconded by Commissioner Kevin Berthot, to Pass AN ORDINANCE AUTHORIZING THE CITY OF CHANUTE, KANSAS, TO ISSUE TAXABLE INDUSTRIAL REVENUE BONDS (OZN CHANUTE (MULTI) LLC PROJECT), SERIES 2023, IN A PRINCIPAL AMOUNT NOT TO EXCEED \$56,031,748, FOR THE PURPOSE OF PROVIDING FUNDS TO PAY THE COST OF ACQUIRING AND PURCHASING AN INDUSTRIAL/WAREHOUSE FACILITY, INCLUDING LAND, BUILDINGS, STRUCTURES, IMPROVEMENTS, FIXTURES, MACHINERY AND EQUIPMENT FOR THE BENEFIT OF OZN CHANUTE (MULTI) LLC, ITS SUCCESSORS AND ASSIGNS; AUTHORIZING THE ISSUER TO ENTER INTO CERTAIN DOCUMENTS AND ACTIONS IN CONNECTION WITH THE ISSUANCE OF SAID BONDS. Voting Aye: All. Motion carried unanimously.

The Ordinance was assigned: No. S-562

CONSIDER AUTHORIZING TRANSIENT GUEST TAX FUNDS FOR VARIOUS PROJECTS

The City has received a request from the Chanute Area Chamber of Commerce & Office of Tourism requesting funding for additional projects from the Transient Guest Tax Fund. The Chamber is requesting a total of \$13,775 to be funded out of the Transient Guest Tax which would assist with funding the development of a new website and also to advertise in the 2023 Kansas City Chiefs Championship Official Yearbook.

General discussion was made. Comments were made by Chanute Chamber of Commerce and Office of Tourism Executive Director Jane Brophy.

Motion made by Commissioner Berthot, seconded by Commissioner Fairchild, to approve the request the Chamber of Commerce and Office of Tourism as presented in the amount of \$13,775.00. Voting Aye: All. Motion carried unanimously.

OSA MARTIN – HOUSING PROJECTS

City staff and the Chanute City Commission have been working diligently to find it's next housing development. City staff will be presenting two options for a potential twenty-two (22) new lots in Osa Martin. Brad Waller with Benesch will be present to answer any questions for the two new developments along with Matt Godinez – CRDA Executive Director to answer any questions on behalf of the RHID.

Two plans for the new housing developments will be presented. Option A is the new RHID district with a cul-de-sac off 14th Street and utility installation. These costs will be recouped through the RHID incentive over a twenty-five (25) year span. Option B is the north section in Osa Martin where we are currently developing new housing. Funding options would include available cash provided through various funding (Electric, Gas, CAP1, Special Highway) or a new bond issuance

City Manager Todd Newman distributed project handouts to the City Commission for review.

Benesch Engineer Brad Waller provided a presentation of each option.

General discussion was made. Comments were made by City Manager Todd Newman, Benesch Engineer Brad Waller, CRDA Executive Director Matt Godinez, and ASH Real Estate CEO Darin Luebbering.

Motion made by Commissioner Fairchild, seconded by Commissioner Berthot, to approve that City staff moves forward with Option B as presented. Voting Aye: All. Motion carried unanimously.

EVERGREEN MULTI-FAMILY DEVELOPMENT

CRDA has presented City staff with a Multi-Family Development located at 1st and Evergreen.

CRDA Deputy Director Bailey Schwegman introduced Jim Porter with Consolidated Development Partners. Mr. Porter provided a presentation of the proposed development.

General discussion was made. Comments were made City Attorney David Brake, City Manager Todd Newman, and CRDA Executive Director Matt Godinez.

Commission consensus was to place the Memorandum of Understanding for the Redevelopment of property located at the NEC of East 1st Street and South Evergreen Avenue on the Agenda at the next meeting for further review and discussion.

PROPERTY RESOLUTION – 602 NORTH HIGHLAND

PROPERTY RESOLUTION – 407 WEST 1ST

PROPERTY RESOLUTION – 221 WEST HICKORY

PROPERTY RESOLUTION – 610 SOUTH EVERGREEN

PROPERTY RESOLUTION – 802 SOUTH MALCOLM

PROPERTY RESOLUTION – 1017 NORTH SANTA FE

PROPERTY RESOLUTION – 1014 NORTH GRANT

Motion made by Commissioner Berthot, seconded by Commissioner Fairchild, to adopt resolution declaring that the above properties are in violation of Chanute Municipal Codes and authorizing abatement of certain nuisances as presented. Voting Aye: All. Motion carried unanimously.

The Resolutions were assigned: No. 2023-128, No. 2023-129, No. 2023-130, No. 2023-131, No. 2023-132, No. 2023-133, and No. 2023-134.

COMMISSION COMMENTS

Commissioner Fairchild commented on the Evergreen project.

Mayor LaRue thanked the Chanute Chamber of Commerce for coordinating the painting of the Elephant on the downtown restroom and that he is excited to see the murals going up and beautifying downtown.

Commissioner Berthot commented on the vacant City Commission seat and requested discussion of appointing Tim Egner to fill the unexpired term of Sam Budreau.

General discussion was made. Comments were made by City Attorney David Brake and City Manager Todd Newman.

Commission consensus was for the City Manager to reach out to Tim Egner and if he is interested to appoint him at the November 27, 2023 regular City Commission meeting.

ADJOURNMENT

Motion made by Mayor LaRue, seconded by Commissioner Fairchild, to adjourn. Voting Aye: All. Motion carried unanimously. Meeting adjourned at 8.41 p.m.

Tina L Bailey, CMC
City Clerk