



CITY OF TOPEKA

CITY COUNCIL COMMITTEE MEETING MINUTES

POLICY AND FINANCE COMMITTEE

CITY COUNCIL
City Hall, 215 SE 7th Street, Suite 255
Topeka, KS 66603-3914
Tel: 785-368-3710
www.topeka.org

Date: January 28, 2025

Time: 1:00pm

Location: 1st Floor Conference Room, Cyrus K. Holliday Bldg. 620 SE Madison (*a virtual attendance option is available*)

Committee members Present: Spencer Duncan (chair), Marcus Miller, Michelle Hoferer

Council members present: David Banks, Sylvia Ortiz, Christina Valdivia-Alcala

City Staff Present: City Manager Dr. Robert M. Perez, City Attorney Amanda Stanley, Planning & Development Director Rhiannon Friedman, Division Director of Budget and Finance Josh McAnarney, Deputy Director Public Works Jason Tryon, Senior Attorney Brandy Roy-Bachman

1) Call to Order

Committee Chair Duncan called the meeting to order at 1:00pm.

2) Elect 2025 Committee Chair

Committee member Miller nominated Committee member Duncan to serve as the 2025 Chair. Committee member Hoferer seconded. Committee member Duncan accepted the nomination. Motion approved 3-0-0.

3) Approve November 18, 2024 Meeting Minutes

Committee member Miller made a motion to approve the minutes from the previous meeting. Committee member Duncan seconded. Motion approved 3-0-0.

4) Action: CID Policy Amendments

City Attorney Amanda Stanley and Planning & Development Director Rhiannon Friedman both spoke to the presentation of Tax Increment Financing (TIF) District, Community Improvement District (CID), and Reinvestment Incentive Housing District (RHID) policies and procedures. The purpose is to bring a uniform approach across the various City of Topeka incentive programs and their structures.

- Funding Agreement: (1) CID; adding funding agreement of \$25,000 that will align with TIF & RHID. (2) TIF; the addition of any Engineering Fees to reimbursable items under funding agreement. (3) RHID; modify the policy to have the funding agreement signed once the project plan is submitted before further analysis is completed.
- Application Fees: the CID procedure will increase the CID application fee from \$1,500 to \$5,000 putting it in alignment with both TIF and RHID programs.
- Signage: CID will have additional language requiring signage to be displayed in each business within the CID sales tax district.
- Affordable Housing: TIF will have additional language to the program goals adding in creation of affordable housing.

- Provisions & Policy Guidelines: CID- would have an additional requirement of certification that neither the developer entity nor any of its shareholders/partners/members is delinquent on its property tax or special assessment payments on any property it owns or controls in Shawnee County.
- Review Committee: Adjust to have the Review Committee include the following: Assistant City Manager, Chief Financial Officer, Director of Public Works, Director of Planning & Development, and the City Attorney, or their designees.
- RHID terminology- adjust the language to Application & Project Plan.

Committee chair Spencer Duncan spoke to the signage size. He believes when a consumer goes into a business there should be clear signage displayed to allow the public to know the tax percentage. There was support for the signage to be smaller than 8.5 inches by 11 inches.

Committee member Miller expressed his concern if the sign information would persuade the public from going into a business.

Council member Valdivia-Alcala expressed the importance of transparency for consumers to understand the tax programs.

Committee chair Duncan spoke to the requirements for a traffic study and questioned who is responsible for conducting. Planning & Development Director Rhiannon Friedman spoke to the guidelines for a traffic study analysis.

City Attorney Amanda Stanley added the request to add language for Deputy City Manager or Assistant City Manager.

Committee member Michelle Hoferer inquired about the application process. City Attorney Amanda Stanley and Planning & Development Director Rhiannon Friedman provided a general example of the application process.

Committee member Miller questioned if the TIF Public Hearing portion makes it hard to keep consistent with the RHID deadline. City Attorney Amanda Stanley confirmed that are different requirements and staff is able to keep it all consistent and stay organized.

MOTION: Chairman Duncan made a motion to approve the Tax Increment Financing (TIF) District, Community Improvement District (CID), and Reinvestment Incentive Housing District (RHID) policies and procedures. Committee member Miller seconded. Approved 3-0-0.

Authorizing the Signing of Certain Contracts

City Manager Dr. Robert M. Perez spoke to the proposed authorization of personnel within the City Manager's office to sign specific contracts. He stated his request is for Deputy City Manager, Assistant City Manager, and Director of Administrative and Financial Services to sign specific contracts on behalf of the City. The Ordinance would give authority to sign contracts in the event City Manager was not available.

Committee member Miller supports the authorizing of signing of certain contracts. He did question City Manager Perez how often he would anticipate the occurrence. He responded on average 5 times per day.

Council member Banks stated he supports the authorizing of signing certain contracts. He expressed the importance of having consultation with City Manager when there are big contracts. City Manager Perez responded 90% of contracts are electronic and emphasized big contracts he would want to be the one signing the contract.

Council member Ortiz requested to have a clause in the Ordinance stating the name of employee versus the position. City Attorney Amanda Stanley responded that the language could reflect a person's name. City Manager Perez also noted that he has full confidence and trust in his staff.

Committee member Hoferer conveyed her concern about the importance to have a name of the staff member versus position.

Committee chair Duncan stated he does not support authorizing anyone to sign certain contracts on behalf of City Manager. He referred to the processes that the Council can only fire the City Manager and no other staff member. His recommendation is to only have one other person; preferably the Director of Finance or Deputy City Manager and have a dollar threshold.

Council member Valdivia-Alcala spoke to the history the Council has had that leads council members to have a slow approach. She does support naming one other person.

Committee member Miller supports a \$100,000 threshold limit to the staff member.

City Manager Dr. Robert M. Perez stated he is withdrawing this item on the agenda and for any future consideration.

Committee chair Duncan remarked that he understands the logistical situation of assistance of signing certain contracts that is needed for City Manager Perez. He suggested to revise the proposed Ordinance with the recommended adjustments and bring back to the Policy & Finance Committee for consideration.

5) Discussion: 2026 Budget

Division Director of Budget and Finance Josh McAnarney spoke to the 2026 Budget.

- Revenue and Expense Overview: Projected deficit for 2026-\$17,348,663, 2027-\$21,870,507, and 2028-\$23,679,003.
- Options to increase revenue in 2026: Delay CIP projects: \$2,992,786, Use of Unassigned Reserve Fund \$2,500,000, PILOTS: \$500,00, Fee Schedule Adjustment \$300,000, Unused Funds \$523,000, Increase Administration Fees \$500,000, and Spend Down to 15% General Fund Reserve Levels \$3,000,000
- Options for Removing Expenditures in 2026: Hotel Decision \$1,425,000, Grant Program Reduction \$750,000, decrease Police Vehicles \$150,000, and decrease Engineering Studies \$300,00
- 2026 budget will have a short figure of 4.4million. Departments will need to make personnel cuts and non-personnel cuts. 2027 the deficit is \$10,544,844.

- Sales Tax Initiative: A proposed ballot initiative would include a total of \$0.5 sales tax increase that would generate \$19 million. (1) Public Safety (2) Affordable Housing (3) Homelessness Programs
- Next Steps: February 4, 2025-Governing Body Discussion, February 11, 2025-Governing Body Vote, April 28, 2025 Public Vote-if approved to City Council February 11, 2025. October 1, 2025-if approved first date of collection of sales taxes.

Committee member Miller thanked Finance Department staff for the presentation.

Committee chair Duncan questioned the current dollars spent on Public Safety, Affordable Housing and Homeless programs. He spoke to the importance for the Council and public to understand the monies spent. Division Director of Budget and Finance Josh McAnarney responded Public Safety, Police and Fire Department, include 70% of general fund money. Homeless programs are calculated with grant money and general fund money estimated at 3.1 million, and Affordable Housing is calculated with grant money and general fund money estimated at 4 million.

Committee member Hoferer questioned if any of the Affordable Housing or Homeless Programs will be affected by the Federal Government announcement on January 27, 2025 to temporarily pause disbursement. City Attorney Amanda Stanley responded that it is too soon to know the results of the announcement. She is in contact with the Federal delegation to get a comprehensive look at the dollars that could be impacted.

Committee member Miller spoke to the Housing Trust Fund. City Manager Robert Perez responded that reactivating the fund is a strategic goal of his and he will be reviewing as a funding source.

6) Other Items -ARPA Update

Committee chair Duncan spoke to American Rescue Plan Act (ARPA) Update. He questioned if all grantees have been updated and spoke to the importance they understand the timeline. Division Director of Budget and Finance Josh McAnarney responded that the Department will notify those grantees and verify with them a formal notification of the current timeline process.

City Attorney Amanda Stanley announced the Kansas Legislative has reconvened for the 2025 legislative session.

Committee chair Duncan adjourned the meeting at 1:58 pm

The video of this meeting can be viewed at; <https://youtu.be/6ul-LijPs-k>