City Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
https://www.topeka.org

Governing Body Agenda

November 10, 2020
6:00 PM

Mayor: Michelle De La Isla

Councilmembers

Karen A. Hiller	District No. 1	Hannah Naeger	District No. 6
Christina Valdivia-Alcala	District No. 2	Neil Dobler	District No. 7
Sylvia E. Ortiz	District No. 3	Spencer Duncan	District No. 8
Tony Emerson	District No. 4	Michael Lesser	District No. 9
Mike Padilla	District No. 5		

City Manager: Brent Trout

Addressing the Governing Body: No person shall address the Governing Body during a Governing Body Meeting, unless they have notified the City Clerk at (785)368-3940 or by email at cclerk@topeka.org by 5:00 p.m. on the day of any Governing Body Meeting or sign up to speak at the meeting by 6:00 p.m. Written public comment may be submitted by email or in writing to the City Clerk for attachment to the minutes. Due to the public safety mandates surrounding the COVID-19 pandemic only 45 people, including staff members, will be allowed to gather in the City Council Chambers at one time. This notification requirement shall not apply to items added during the course of a meeting.

Persons addressing the Governing Body will be limited to 4 consecutive minutes on a particular agenda item. Debate, question/answer dialogue or discussion between Governing Body members will not be counted towards the 4 minute time limitation. The Chair may extend time with the unanimous consent of the Governing Body or by an affirmative vote of 7 Governing Body members may extend the 4 minute limitation. The requirement to notify the City Clerk will not apply towards public hearings required by State and Federal law.

To make arrangements for special accommodations please call 785-368-3940. A 48-hour advance notice is preferred. The Federal Communications Commission (FCC) has adopted use of the 711 dialing code for access to Telecommunications Relay Services (TRS). TRS permits persons with a hearing or speech disability to use the telephone system via a text telephone (TTY) or other device to call persons with or without such disabilities. To reach the City Clerk's office using the TRS, please dial 711.

(Agendas are available by 5:00 p.m. Thursday afternoon in the City Clerk's office, 215 SE 7th -Room 166 and on the City's web site at https://www.topeka.org)

CALL TO ORDER:

INVOCATION:

PLEDGE OF ALLEGIANCE:

1. ROLL CALL:

2. PRESENTATIONS:

"Tom McGaughey Service Award"
"2020 U.S. Census"

3. CONSENT AGENDA:

A. MINUTES of the regular meeting of October 20, 2020

B. APPLICATIONS:

4. ACTION ITEMS:

A. Resolution - Public Infrastructure Projects

RESOLUTION introduced by the members of the Public Infrastructure Committee comprised of Councilmembers Neil Dobler, Tony Emerson, Mike Lesser and Mike Padilla recommending approval of certain public infrastructure projects. *(Committee recommended approval by a vote of 3-0-0 on October 27, 2020)*

Voting Requirement: At least six (6) votes of the Governing Body is required.

(Approval will approve the Citywide Half Cent Sales Tax projects listed in the resolution for 2021.)

B. Resolution - Setting Public Hearing Date - Downtown Ramada Inn Community Improvement District

RESOLUTION introduced by City Manager Brent Trout, setting the public hearing to consider the advisability of establishing a Community Improvement District (CID) for the Downtown Ramada Hotel & Convention Center pursuant to K.S.A. 12-6a26 et seq.

Voting Requirement: At least six (6) votes of the Governing Body is required.

(*Approval would set a public hearing date of December 1, 2020.*)

5. NON-ACTION ITEMS:

A. Discussion - Zoo Governance - Friends Of Topeka Zoo Operational Vision

DISCUSSION regarding the details of the future vision of Friends Of Topeka Zoo (FOTZ) to operate the Topeka Zoo through a Public Private Partnership.

(The presentation will detail plans for growth, economic impact and risk mitigation that would otherwise be difficult to accomplish under the current zoo operating model.)

6. PUBLIC COMMENT:

In-person public comment will now be allowed at Governing Body meetings. Individuals must notify the City Clerk's office by 5:00 p.m. on the day of the

meeting. Due to the public safety mandates surrounding the COVID-19 pandemic only 45 people, including staff members, will be allowed to gather in the City Council Chambers at one time. Please be advised after a person participates in public comment it may be necessary for them exit the meeting in order to allow others to enter the Council Chambers to provide their public comment. Written public comment may be submitted by email or in writing to the City Clerk for attachment to the minutes. -- Email: cclerk@topeka.org -- Address: 215 SE 7th Street, Room 166, Topeka, Kansas, 66603

7. ANNOUNCEMENTS:

8. EXECUTIVE SESSION:

Executive Sessions are closed meetings held in accordance with the provisions of the Kansas Open Meetings Act.

(Executive sessions will be scheduled as needed and may include topics such as personnel matters, considerations of acquisition of property for public purposes, potential or pending litigation in which the city has an interest, employer-employee negotiations and any other matter provided for in K.S.A. 75-4319.)

9. ADJOURNMENT:

City of Topeka
Council Action Form
Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org
November 10, 2020

DATE:	**November 10, 2020**		
CONTACT PERSON:	**Jessica Lamendola, Director of Administrative and Financial Services**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**City of Topeka Financial Update**	**PROJECT #:**	
CATEGORY/SUBCATEGORY			
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

"Tom McGaughey Service Award"
"2020 U.S. Census"

VOTING REQUIREMENTS:

POLICY ISSUE:

STAFF RECOMMENDATION:

BACKGROUND:

BUDGETARY IMPACT:

SOURCE OF FUNDING:

City of Topeka

Council Action Form

Council Chambers

214 SE 8th Street

Topeka, Kansas 66603

www.topeka.org

November 10, 2020

DATE:	**November 10, 2020**		
CONTACT PERSON:	**Councilmember Neil Dobler, Committee Chair**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**Public Infrastructure Projects**	**PROJECT #:**	
CATEGORY/SUBCATEGORY	**020 Resolutions / 004 Public Improvements**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

RESOLUTION introduced by the members of the Public Infrastructure Committee comprised of Councilmembers Neil Dobler, Tony Emerson, Mike Lesser and Mike Padilla recommending approval of certain public infrastructure projects. *(Committee recommended approval by a vote of 3-0-0 on October 27, 2020)*

Voting Requirement: At least six (6) votes of the Governing Body is required.

(Approval will approve the Citywide Half Cent Sales Tax projects listed in the resolution for 2021.)

VOTING REQUIREMENTS:

At least six (6) votes of the Governing Body is required.

POLICY ISSUE:

Whether to approve the Citywide Half Cent Sales Tax projects for 2021.

STAFF RECOMMENDATION:

Staff recommends the Governing Body move to approve the resolution.

BACKGROUND:

Resolution No. 9174-A which approved the 2021-2030 CIP and the 2021-2023 CIB requires Governing Body approval for (1) project budgets in excess of $250,000 funded with Citywide Half Cent Sales Tax; and (2) projects less than $250,000 funded with City Half Cent Sales Tax.

The Public Works Infrastructure Special Committee met October 27, 2020, to review a resolution which lists projects that are funded in part or in whole with Citywide Half Cent Sales Tax and fall under ‘Programs’ within the adopted CIP. The Committee approved the resolution and recommends approval by the Governing Body.

BUDGETARY IMPACT:

Dollar amounts outlined in each project.

SOURCE OF FUNDING:

Citywide Half Cent Sales Tax.

ATTACHMENTS:

Description

Proposed Resolution

Committee Report - October 27, 2020

Resolution No. 9147-A

PW Infrastructure Special Committee Meeting Minutes - October 27, 2020

RESOLUTION NO. ___________

A RESOLUTION introduced by the members of the Public Infrastructure Committee comprised of Council Members Neil Dobler, Tony Emerson, Mike Lesser, and Mike Padilla recommending approval of certain public infrastructure projects.

WHEREAS, the Governing Body adopted a Resolution approving the 2021-2030 Capital Improvement Program and the 2021-2023 Capital Improvement Budget (Resolution No. 9174A); and

WHEREAS, the Resolution requires Governing Body approval on an annual basis for general obligation funded projects in the areas of Facilities, Sidewalks, and Fleet Replacement; and

WHEREAS, the Resolution requires Governing Body approval for project budgets in excess of $250,000 for projects funded in part or in whole with City Half-Cent Sales Tax; and

WHEREAS, the Resolution requires Governing Body approval for projects less than $250,000 for projects funded in part or in whole with City Half-Cent Sales Tax; and

WHEREAS, the Governing Body established a special committee – the Public Infrastructure Committee – to make recommendations to the Governing Body.

NOW, THEREFORE, BE IT RESOLVED, BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, that:

Section 1. The project budgets in excess of $250,000 which are funded in part or in whole with City Half-Cent Sales Tax and that are attached and identified as Exhibit A are approved.

Section 2. The projects with budgets less than $250,000 which are funded in part or in whole with City Half-Cent Sales Tax and that are listed on Exhibit B are approved.

ADOPTED and APPROVED by the Governing Body on ______________________.

CITY OF TOPEKA, KANSAS

____
Michelle De La Isla, Mayor

ATTEST:

____
Brenda Younger, City Clerk

Exhibit A: Citywide ½ Cent Sales Tax Projects Greater Than $250,000

(1) Street Contract Preventative Maintenance Program (Micropaver)(2021-2030 CIP; P. 127)

2021 Surface Preservation Program – Budget **$2,000,000**

- **a.** Crack seal and/or joint seal 'arterials' constructed in last 10 years+/- across Topeka – limited micro-surfacing on these road.
- **b.** Crack seal/micro-surface residential/collectors roadways.
  - **i.** Finish streets in West Topeka that were not done in 2020
  - **ii.** Streets in Central Topeka

(2) 2021 Pavement Management Rehabilitation & Reconstruction Program – (2021-2030 CIP; P. 129) Budget **$8,000,000**

- **a.** S Topeka Blvd between 45th and 49th – Spring 2021
  Budget: **$ 360,000**

- **b.** SE Deer Creek Parkway between 6th and 10th – Spring 2021
  Budget: **$ 600,000**

- **c.** SW 30th/SW Hillcrest/SW Twilight Dr/SW Eveningside Drive – remove asphalt curb, install concrete curb & mill/overlay

Budget: **$ 500,000**

d. Hi-Crest Neighborhood – (**multi-year project**). Project will include water and storm improvements not paid by citywide ½ cent sales tax.
Budget Design (2021): **$ 570,000**
Budget Construction/Insp: $7,820,000 (2022/2023)

e. Central Highland Park Neighborhood – (**multi-year project**). Project will include water and storm improvements not paid by citywide ½ cent sales tax.

i. Conceptual Plan/Phasing Layout in 2021:
Budget Concept Design: **$ 100,000** (less than $250k but part of larger project)

Future costs (rough order of magnitude) – project will be designed in phases and constructed in phases over an extended timeframe. Construction estimate of $2M during any one construction season.

Budget (Design/Constr.): $22,000,000 (Years – TBD)

f. Prospect Hills – SW Danbury Lane and SW Yorkshire Road (project with Water)
Budget: **$ 1,725,000**
NOTE: Combined project with Water. Water line replacement in addition to these amounts.

g. SE California between 6th and 10th (project with Storm)
Construction (street only): **$ 280,000**
NOTE: Combined project with Storm. Storm water replacement is addition to these amounts.

h. SE 6th and Golden – intersection pavement reconstruction
Budget: **$ 250,000 - $ 300,000**

i. SW 6th and Jackson – intersection pavement reconstruction
Budget: **$ 250,000**

j. SW 29th and Kansas Ave – intersection pavement reconstruction
Budget: **$ 250,000 -$ 300,000**

k. SW 17th - I470 and Wanamaker (not part of Countywide scheduled for 2023-2025).
Budget: **$ 850,000**

l. NW Furman Road – Lower Silver Lake northward ¼ mile
Budget: **$ 380,000**

m. SW Westport Drive – Wanamaker to SW 17th
Budget: **$ 945,000**

(3) 2021 Curb and Gutter Replacement Program (2021-2030 CIP; P.128) – Budget **$1,250,000**

- **a.** Used to pay for curb/gutter replacements associated with mill/overlay and reconstruction projects
- **b.** Used to address localized areas where heat maps show multiple service requests in that area
- **c.** Oldest complaints first

(4) 2021 Alley Program (2021-2030 CIP; P.130)– Budget **$500,000**

- **a.** Between Quincy/Kansas from St. Johns to Paramore
- **b.** Between Kansas/Jackson from Norris to Laurent
- **c.** Between Kansas/Jackson from Laurent to Gordon

(5) 2021 ADA Sidewalk Ramp Program(2021-2030 CIP; P.112) – Budget **$300,000**

- **a.** North Topeka West, Downtown/Monroe and Topeka Blvd Corridor. Final locations TBD.

Exhibit B: Citywide ½ Cent Sales Tax Projects Less Than $250,000

(1) 2021 Pavement Management Rehabilitation & Reconstruction Program (2021-2030 CIP; P.129) – Budget **$8,000,000**

a. SE 37th between Indiana and California
Bid October 2020 (construction 2020 or 2021 – weather dependent)
Budget: **< $ 250,000**

b. Panel and joint replacement: SE 6th - Golden & Rice Road (multiple years)
Budget: < **$ 250,000**

c. Failed partial depth concrete patch replacement: SW 29th - Fairlawn & Burlingame
Budget: < **$ 250,000**

d. Panel and joint replacement (concrete): Various locations across Topeka
Budget: < **$ 250,000**

e. Asphalt patching: Various locations across Topeka
Budget: < **$ 250,000**

(2) 2021 Sidewalk Repair Program (2021-2030 CIP; P.113) – Budget **$ 100,000**

a. Sidewalk panel replacement associated with 50/50 Program – Locations TBD
Budget: < **$ 250,000**

COMMITTEE REFERRAL SHEET
COMMITTEE REPORT

Name of Committee:	Special Committee: Public Works Infrastructure
Title:	A RESOLUTION introduced by members of the Public Works Infrastructure Committee comprised of Council members Neil Dobler, Tony Emerson, Michael Padilla, and Michael Lesser recommending approval of certain public works infrastructure projects.
Date referred from Council meeting:	
Date referred from Committee:	October 27, 2020
Committee Action:	Motion by Neil Dobler, seconded by Michael Lesser, to recommend to the full Governing Body, approval of the Resolution as presented. Michael Padilla was absent. Motion passed 3-0.
Comments:	The projects listed in the Resolution are funded in part or in whole with the City Half-Cent Sales Tax, and fall under 'Programs' within the adopted CIP.. Specific individual projects within the CIP that already have a defined budget and were approved when the CIP was adopted are not included in this Resolution.
Amendments:	N/A
Members of Committee:	Deputy Mayor Tony Emerson and Councilmembers Neil Dobler (Chair), Michael Padilla, and Michael Lesser
Agenda Date Requested:	November 10, 2020

RESOLUTION NO. 9174-A

A RESOLUTION introduced by City Manager Brent Trout, authorizing and adopting the 2021-2030 Capital Improvement Program and the 2021-2023 Capital Improvement Budget and approving project budgets.

WHEREAS, the purpose of a Capital Improvement Program (CIP) is to plan for and prioritize public improvement projects over the next ten years; and

WHEREAS, the 2021-2023 Capital Improvement Budget (CIB) identifies specific projects and their budgets for consideration and approval by the Governing Body as required by Topeka Municipal Code (TMC) Sec. A12-17; and

WHEREAS, the City of Topeka Capital Improvement Plan 2021-2030, ("CIP Book") contains the CIP, CIB, and all associated project budgets and is attached herein and incorporated by reference; and

WHEREAS, for purposes of planning and allocating resources the Governing Body should consider and approve the CIP and CIB and the specific project budgets contained therein.

NOW, THEREFORE, BE IT RESOLVED, that the Governing Body takes the following actions:

1. The CIP. The Governing Body approves and adopts the 2021-2030 Capital Improvement Plan contained in the CIP Book at pages 10-15.

2. The CIB. The Governing Body also approves and adopts the 2021-2023 Capital Improvement Budget contained in the CIP Book at pages 10-15.

3. 2021-2023 CIB Project Budgets. TMC Sections A12-17 and A12-25 require Governing Body approval of all project budgets and project budget amendments for public improvements.

(a) G.O. Bonded Projects. With regard to the projects identified on pages 27 through 29, 32 through 38, 40, 42, 45 through 49, and 51, 116 through 119 and 126 in the CIP Book, the Governing Body finds that the public improvements described are necessary and serve the public interest. Accordingly, the Governing Body authorizes such projects, pursuant to TMC Section A12-1 and approves all project budgets, including amended budgets, for 2021, 2022 and 2023. All projects listed on pages 27, 28 and 32 shall be approved by the Governing Body annually and may be submitted for approval as a single list for each of the following areas: 1) Facilities; 2) Sidewalks; and 3) Fleet Replacement.

(b) G.O. Bonded Project/Fire Equipment. With regard to the projects identified on page 31 in the CIP Book, the Governing Body finds that the fire equipment described therein is necessary and serves the public interest. Accordingly, the Governing Body authorizes such projects, pursuant to K.S.A. 12-110c, and approves all project budgets, including amended budgets, for 2021, 2022 and 2023.

(c) Enterprise Funded Projects. With regard to the projects identified on pages 53, 54, 56 through 61, 63 through 76, 78, 82 through 85, 87, 88, 91, 92, 94, and 95 of the CIP Book, the Governing Body finds that the improvements to its waterworks system, sanitary and/or stormwater system are necessary and serve the public interest. Accordingly, the Governing Body authorizes such projects, pursuant to TMC Sections A12-1 and A18-3(d) and approves all project budgets, including amended budgets, for 2021, 2022 and 2023. No revenue bonds shall be issued unless the Governing Body enacts a separate resolution and notice of intent to issue revenue bonds in accordance with K.S.A. 10-1201 *et seq.*

(d) Cash-Funded Projects. With regard to the projects identified on pages 98 through 106, 108 through 110, 112 through 121, 126 through 130, 132 through 138, 140 through 142, 144 through 149, 151, 153 through 163, 165, 167, 169 through 171, 173 through 175, 177, 179, 181 through 183, 185, 187 through 189 and 191 in the CIP Book, the Governing Body finds that the public improvements are necessary and serve the public interest. Accordingly, the Governing Body authorizes such projects and approves all project budgets, including amended budgets, for 2021, 2022 and 2023, except that all projects funded in whole or in part with the Citywide Half-Cent Sales Tax and with a total project budget of over $250,000, including all funding sources, shall have a project budget approved by the Governing Body. For projects $250,000 or less, utilizing funds from the Citywide Half-Cent Sales Tax, the Governing Body shall annually approve a list of projects.

4. The City both reasonably expects and intends to finance the costs of said improvements (other than the Cash-Fund Projects in section d) from the proceeds of bonds of the City. The City does hereby express its official intent to reimburse any such pre-issuance original expenditures (as defined in Treas. Reg. I.150-2(c)) made by it on or after the date which is 60 days before the date of this Resolution from the proceeds of such bonds in the estimated maximum principal amount of $178,203,865. The City will issue such bonds for such purposes and make the reimbursements within eighteen (18) months after the date the expenditure to be reimbursed was paid or, if later, eighteen (18) months after the date on which the property resulting from the expenditure was placed in service. Provided, that, in any event, the City must make the reimbursement allocation within three (3) years after the date the expenditure was paid. This Resolution, as the expression of the governing body's official intent regarding the matters described herein, will be available for public inspection in the City Clerk's office at City Hall during regular business hours of the City.

5. This Resolution replaces Resolution No. 9174 and shall become effective upon passage and approval by the City Governing Body.

ADOPTED and APPROVED by the Governing Body on June 2, 2020.

CITY OF TOPEKA, KANSAS

Michelle De La Isla, Mayor

ATTEST:

Brenda Younger, City Clerk

(Published in the Topeka Metro News on June 8, 2020 and June 15, 2020)

NOTICE OF INTENTION TO ISSUE GENERAL OBLIGATION BONDS

TO ACQUIRE FIRE-FIGHTING EQUIPMENT

Notice is hereby given that as provided by Resolution No. 9174A of the City of Topeka, Kansas, (the "City"), the Governing Body intends to acquire fire-fighting equipment, specifically Fire Department Fleet Replacement, and pay the cost thereof by issuing general obligation bonds maturing not more than 15 years from their date of issuance as authorized by K.S.A. 12-110c. The cost of the fire-fighting equipment shall not exceed the amount of $1,640,000.00. This notice shall be published once each week for two consecutive weeks in the official City newspaper. If, within 60 days following the last date of publication, a petition signed by not less than 5% of the qualified electors of the City of Topeka is filed with the City Clerk, no such bonds shall be issued until the matter of whether to issue general obligation bonds has been approved by a majority of the qualified electors of the City voting at an election called pursuant to the general bond law.

BY ORDER OF THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS, on this 2nd day of June, 2020.

CITY OF TOPEKA, KANSAS

Michelle De La Isla, Mayor

SEAL OF TOPEKA KANSAS CAPITAL CITY INCORPORATED FEB. 14, 1857

ATTEST:

Brenda Younger, City Clerk

NOI FF Equipment Fire Department Fleet Replacement (2021)

PUBLIC WORKS INFRASTRUCTURE SPECIAL COMMITTEE

CITY COUNCIL
City Hall, 215 SE 7th Street, Suite 255
Topeka, KS 66603-3914
Tel: 785-368-3710
Fax: 785-368-3958
www.topeka.org

Date: October 27, 2020
Time: 3:00pm
Location: 1st Floor Conference Room, Holliday Building, 620 Madison

Committee members present: Deputy Mayor Tony Emerson, Councilmembers Neil Dobler, and Michael Lesser

Councilmember Michael Padilla was absent.

City staff present: City Manager Brent Trout; Engineering Staff: Brian Faust (Engineer), Jehan Zeb; Public Works Staff: Jaci Vogel (Deputy Director), Hannah Uhlrig (Deputy Director), Dan Hanover; Planning Staff: Bill Fiander (Director) Utilities Staff: Bob Sample (Director), Braxton Copley (Deputy Director); Finance Staff: Jessica Lamendola (Director), Stephen Wade, Rachelle Mathews; Legal Staff: Lisa Robertson (City Attorney), Mary Feighny (Deputy City Attorney)

Call to Order
Chairman Tony Emerson called the meeting to order at 3:00PM. Committee members and Staff introduced themselves.

Approve minutes from September 28, 2020 meeting
Chairman Dobler made a motion to approve the minutes. Committee member Lesser seconded the motion. Minutes approved 3:0.

Resolution – 2021 Citywide Sales Tax Projects
Brian Faust, City Engineer, provided an overview of the resolution that was presented to the committee members. If approved by the governing body, the resolution defines specific city-wide half-cent sales tax projects for 2021. The resolution contains two exhibits; exhibit A – lists projects with budget figures in excess of $250,000 which are funded in part or whole with city-wide half-cent sales tax and exhibit B lists projects of less than $250,000 which are funded in part or whole with city-wide half-cent sales tax and do not include budget figures. The projects that are listed in the resolution fall under the various programs and were not specifically defined within the adopted CIP. The resolution does contain three projects that were not discussed at the previous meetings; the first one is on line 121 of the resolution and it's for SW Westport drive from 17th to Wanamaker as that road is failing and in desperate need of reconstruction, the second one is line 162

and is for concrete and joint repair city-wide as needed, and line 165 is for asphalt patching on projects that are larger than can be handled by the City's operations division. The recommended course of action would be to forward the attached resolution to the Governing Body with a recommendation of approval.

With no additional questions, Mr. Faust read through all of the projects listed in the Resolution.

Chairman Dobler made a motion to approve the Resolution for recommendation to move to the Governing Body. Committee member Lesser seconded the motion. Resolution approved 3:0.

Alley Program
Mr. Faust, City Engineer, provided an update on the 2021 alley program. They use this funding to reconstruct alleys based on requests from constituents. The cost on each individual alley can vary depending upon conditions; examples of potential variables would be proximity of structures and the location of utilities. So the current funding covers between two and four blocks annually. Funding was increased in 2021 from $250,000 to $500,000. Mr. Faust read through the list of alley reconstruction projects for the year 2021 and the criteria for alley prioritization.

Committee member Emerson inquired if the repairs were for paved or gravel alleys. Mr. Faust stated that it was mainly gravel or milled alleys that they receive requests for, but will replace paved alleys that are failing.

Chairman Dobler asked about combining project plans to include Utility work that may be needed. Mr. Faust responded that they take into consideration if there is older utility infrastructure under the alley and when possible will have the utilities inspect the infrastructure.

Joe Ledbetter, public constituent, presented the idea of abandoning or removing some alleys.

Curb & Gutter Program
Mr. Faust discussed that the Curb & Gutter Program replaces curbs and gutters identified by citizens, replacement as a result of mill and overlay projects or reconstruction projects. The current funding level for 2021 is $1.25 million per year. The city's road network does consist of roads with open ditches and roads with asphalt, stone, brick, metal, and concrete curbs. The vast majority of curb and gutter in Topeka is concrete and while concrete of all ages can fail, there was a timeframe when limestone aggregate was softer and absorbed more moisture. During freeze-thaw cycles that aggregate failed with the resulting failure in the concrete. Failures typically appear at joints in the concrete and propagate outward. This is known as D-cracking and can be seen on the photograph presented in the

packet. Previously, the city used to work on the oldest complaint first, which resulted in inefficiencies due to the contractor jumping around the city. Due to the large bid packets, contractors used projects as fill in work and could take into the following year to complete. In 2019, the city used heat maps to evaluate clustered reports and have contractors work in a specific area. In addition, in 2019 and 2020 the city used this funding to help pay for curb replacement in the mill and overlay areas. Mr. Faust provided the curb replacement selection criteria in further detail.

Committee member Emerson inquired which is more cost effective the smaller or current larger bid packages. Mr. Faust stated that due to target area projects the City is receiving a better price. The City is no longer doing the smaller bid packages. Mr. Ledbetter inquired how current larger bid packages differ from previous smaller bid packages and how the program is funded. Mr. Faust responded that by working in a concentrated area, staff can maintain better contacts on the contractor and are able to enforce tighter timeframes on the projects. Mr. Ledbetter inquired about the funding for the program. Mr. Faust answered that the program is funded through the City's Half-cent Sales Tax.

ADA Ramp Program

Mr. Faust provided a brief overview of the ADA Ramp program. This program provides for maintenance and installation of accessible ramps and curb cuts at intersections throughout the city in accordance with the Americans with Disabilities Act. The city currently has approximately 8,000 ramps across the city, with approximately 1,200 more locations needed. Constructions costs vary on the surrounding conditions of the grade, the right-of-way availability, utilities, etc. The current funding level of $300,000 per year does equate to between 100-150 ramps being replaced each year. The area worked is typically in the same general area as our infill sidewalk program. Staff does hold a small amount of funding back to address individual ramp requests across the city that come in each year. Examples were provided during the presentation of where ramps are needed.

Mr. Ledbetter inquired when this program started and how locations are decided. Mr. Faust responded that the program started back around 1990 and that as he mentioned previously the work is in the same area as the infill sidewalk program. He will also check on why the ramps were replaced under the Polk-Quincy viaduct.

50/50 Sidewalk Program

Mr. Faust explained that the sidewalk repair program in the CIP is commonly known as the 50/50 Sidewalk Program. Currently the city funds the sidewalk program that repairs existing deteriorated sidewalks at various locations throughout the city. The program provides matching funds to allow residential properties to repair sidewalks that are out of compliance with current codes. Current funding is $100,000 per year. The current process with this is that engineering bids out just general sidewalk panel replacement at the beginning of each year. When a complaint comes in about a sidewalk, city staff reviews the sidewalk for broken sections or trip hazards. The property owner is then notified of the issues and told about the 50/50 program. If they elect to participate in the program Engineering provides a detailed cost based on bid prices. Once the City receives payment for 50% of the cost, then their name is put on a list, and the contractor is notified once 5-7 names are on a list. Staff is proposing a different process for 2021, the city would respond to complaints as before and would notify the property owner. The property owner would be notified on the cost the City would cover but would only be reimbursed after the City has inspected the work and received a copy of the paid invoice. Pros and Cons for both processes were discussed.

Chairman Dobler inquired about the likelihood of the homeowner receiving the same bid quote for a sidewalk project that the City receives. Mr. Faust responded that the homeowner would probably receive a higher bid price. Staff has looked at either paying 50% of the amount the homeowner's contractor charges or 50% of what the current bid prices are. Chairman Dobler would like to find a way to find a compromise that would allow the city to pre-qualify contractors and provide a list of those contractors to the homeowner to choose from. In many of the areas that are needing sidewalks replaced, the homeowners do not have the financial means to pay the higher bid price that contractors will be charging them.

Committee member Lesser voiced concern on the higher cost to the homeowner. He also voiced concern of the current 30 day completion date and stated he felt small projects such as a piece of sidewalk would be a lower priority of contractors than larger-scaled jobs. He would like to suggest extending the timeframe to 60 days.

Committee Member Emerson echoed Committee Member Lesser concerns on how it is hard for homeowners to get a concrete contractor to come out for two panels of sidewalk. Wondered if the city could have a pre-approved contractor list and with pre-negotiated pricing. Mr. Faust will do some investigation on this and will see if they can negotiate prices that would be good for a quarter or a year.

Draft Agenda for November
Will bring back the 50/50 Sidewalk Program for additional discussion. Next meeting will occur on Tuesday, November 17th from 3:00-5:00pm.

Items from Staff
Mr. Faust informed the committee that the city did hold its 2022 – 2031 CIP internal kickoff meeting last week. Stephen Wade, Budget & Performance Manager, stated that they have a tentative scheduled set up depending on the needs and requirements of this committee for next year. The current plan is for projects to be turned back in in early December in order to allow for a conversation with the City Manager. They would like to schedule a meeting with the Governing Body around January 19th, 2021, to go over the overall finances. They would like to meet with this committee prior to that date. Feedback from these meetings will go back to the CIP committee with the workshops tentatively scheduled for early February.

Jessica Lamendola, Director of Administrative & Financial Services, stated Staff would like to bring the 2022-2031 CIP list to the committee prior to taking it to the Governing Body on January 19th. She noted the Governing Body discussion will be broader at the initial discussion to help explain the overall process. Committee Member Emerson responded that this committee is only looking at those CIP projects that already have budgets. Chairman Dobler noted the intent was for the committee to be formed to review and approve projects for the upcoming year rather than the entire list of the full timeframe. Ms. Lamendola requested additional feedback as she understood the committee would look at projects in the proposed 2022-2031 CIP. This would give the committee an opportunity to give feedback as to whether a project should be removed or reviewed further before proceeding to the Governing Body. Chairman Dobler feels part of the goal is to identify what makes the most sense for staff and the Governing Body. There is a lot of information that is presented each year. He would like to know which of the projects Staff would recommend need to have more attention paid to them. Ms. Lamendola indicated that the Finance staff would meet with Engineering staff prior to the January committee meeting to identify such projects that might need feedback from the committee. Finance will receive the project list in December. At that time, they will be able to identify anything that may fall outside of the normal program and can give the committee some advanced notice before January.

Mr. Ledbetter made a request that items being presented to the committee be made available on the City's website prior to the meeting to allow for the public to bring forward any questions they may have on an item. Mr. Faust and Council Assistant noted meeting materials could be posted to the Committee's webpage. Materials related to the agenda will be posted to the committee's webpage prior to the meetings.

Items from Committee
None.

Adjourn
Meeting was adjourned at 4:06pm.

Meeting video can be viewed at: https://youtu.be/10xN4ONmvcQ

City of Topeka

Council Action Form

Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org

November 10, 2020

DATE:	**November 10, 2020**		
CONTACT PERSON:	**Brent Trout, City Manager**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:		**PROJECT #:**	
CATEGORY/SUBCATEGORY	**020 Resolutions / 005 Miscellaneous**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

RESOLUTION introduced by City Manager Brent Trout, setting the public hearing to consider the advisability of establishing a Community Improvement District (CID) for the Downtown Ramada Hotel & Convention Center pursuant to K.S.A. 12-6a26 et seq.

Voting Requirement: At least six (6) votes of the Governing Body is required.

(*Approval would set a public hearing date of December 1, 2020.*)

VOTING REQUIREMENTS:

At least six (6) votes of the Governing Body is required.

POLICY ISSUE:

Whether to set a public hearing for consideration of establishing a CID for the Downtown Ramada Hotel & Convention Center within the 7-acre area bounded by SE 4th Street, SE Madison Avenue, SE 6th Street and SE Jefferson Street.

STAFF RECOMMENDATION:

Staff recommends that the Governing Body move to approve the resolution setting a public hearing date of December 1, 2020.

BACKGROUND:

Jefferson Street Partners, LLC, whose managing member is James W. Parrish, is requesting a CID from the City for the purpose of making certain improvements to the Downtown Ramada Hotel & Convention Center ("Downtown Ramada"). The Downtown Ramada is 55 years old with original construction completed in 1965. An additional wing was added in 1968, with the tower and atrium having been added in 1974 and 1983, respectively.

Mr. Parrish purchased the Downtown Ramada in 2003.

The project includes the 7-acre tract that contains the hotel, commercial space and apartments. This includes a 213-room hotel licensed to Ramada Worldwide, 86 residential apartments, three privately leased living units on the 12th floor, approximately 22,000 square feet of commercial office and retail space and 32,000 square feet of banquet and meeting rooms. All occupants of the property are tenants of the Applicant, except the hair salon which is leased to a private operator. The infrastructure improvements planned for the Downtown Ramada include:

- Upgrading fire sprinkler systems;
- Modernizing three elevator controls;
- Replacing existing windows in 124 hotel sleeping rooms with seal-tight windows;
- Replacing perimeter windows on the third floor;
- Tuckpointing certain areas of brick on the exterior of the building;
- Adding a more energy efficient cooling tower;
- Asphalt overlay of parking lots;
- Converting 50 additional hotel rooms into apartments;
- Painting the 12-story tower building; and
- Replacing tower windows.

BUDGETARY IMPACT:

The Downtown Ramada CID would be established on a pay-as-you-go basis. This means Jefferson Street Partners will be solely responsible for paying project debt, regardless of whether the CID generates enough sales tax revenue to reimburse Jefferson Street Partners for the CID-eligible project costs. As such, the City will not be taking on any risk or financial obligations as a result of the redevelopment.

SOURCE OF FUNDING:

Jefferson Street Partners, LLC

ATTACHMENTS:

Description

Resolution - Setting Public Hearing

Downtown Ramada Inn CID Petition

Downtown Ramada Inn CID Application

City of Topeka Community Improvement District (CID) Policy

City of Topeka Community Improvement (CID) District Procedures

(Published in the Topeka Metro News ___________, 2020 and _____________, 2020.)

RESOLUTION NO. ____

A RESOLUTION introduced by City Manager Brent Trout, setting the public hearing to consider the advisability of establishing a Community Improvement District (CID) for the Downtown Ramada Hotel and Convention Center, pursuant to K.S.A. 12-6a26 et seq.

WHEREAS, K.S.A. 12-6a26 *et seq.*, as amended establishes the Community Improvement District Act (the "Act") for economic development and any other purpose for which public money may be expended; and

WHEREAS, cities are authorized to create a community improvement district ("CID") to assist with the financing of eligible projects provided cities comply with the procedures set forth in the Act; and

WHEREAS, the City has received a petition from the owner of record of One Hundred Percent (100%) of the land within the proposed CID generally described as the Downtown Ramada Hotel & Convention Center; and

WHEREAS, in order to assist in the redevelopment of this area, the City desires to consider the establishment of a CID as requested by Petitioners and in accordance with the Act; and

WHEREAS, K.S.A. 12-6a29 provides that any city proposing to establish a CID must adopt a resolution stating that the city is considering the establishment of a CID and include in such resolution notice that a public hearing will be held to consider the advisability of establishing the CID.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY that a public hearing shall be held to consider the advisability of establishing a Community Improvement District in the City Council Chambers of City Hall, 214 SE 8th Street, on December 1, 2020 at 6:00 p.m.

NOTICE OF PUBLIC HEARING

Notice is hereby given that the Governing Body shall meet for the purpose of holding a public hearing in the City Council Chambers of City Hall, 214 E. 8th Street, at 6:00 p.m. on December 1, 2020, to consider the advisability of establishing a Community Improvement District ("CID"), more specifically described as follows:

A. GENERAL NATURE OF THE PROPOSED CID PROJECT:

The general nature of the proposed CID Project involves infrastructure improvements to the Ramada Hotel & Convention Center that include:

--Upgrading fire sprinkler systems;

--Modernizing three elevator controls;

--Replacing existing windows in 124 hotel sleeping rooms with seal-tight windows that do not open;

--Replacing perimeter windows on the third floor;

--Tuckpointing certain areas of brick on the exterior of the building;

--Adding a more energy efficient cooling tower;

--Asphalt overlay of parking lots;

--Converting 50 additional hotel rooms into apartments;

--Painting the 12-story tower building; and

--Replacing tower building windows.

B. ESTIMATED COSTS OF THE PROPOSED CID PROJECT:

$4,198,795.00

C. PROPOSED METHOD OF FINANCING THE PROPOSED CID PROJECT:

The proposed method of financing the proposed CID Project is through owner equity and commercial financing, using CID sales tax funds as a source of funding for payments on a Pay-as-You-Go basis.

D. PROPOSED AMOUNT OF CID SALES TAX:

Two Percent (2.0%).

E. MAP OF THE PROPOSED CID DISTRICT.

The map of the proposed district is contained in **Exhibit A**, which is attached hereto and incorporated herein by reference.

F. LEGAL DESCRIPTION OF THE PROPOSED CID DISTRICT:

A legal description of the proposed district is contained in **Exhibit B**, which is attached hereto and incorporated herein by reference.

The hearing may be adjourned from time to time and until the Governing Body shall have made findings by resolution as to the advisability of establishing a Community Improvement District and levying a Two Percent (2.0%) sales tax within the District. All persons desiring to be heard with reference to the creation of the District shall be heard at this hearing.

Upon adoption of this Resolution, the City Clerk shall mail a copy, by certified mail, return receipt requested, to each owner within the proposed District at least ten (10) days prior to the date of the public hearing. The City Clerk shall publish this resolution at least once each week for two consecutive weeks in the official city newspaper with the second publication occurring at least seven (7) days prior to the date fixed for the public hearing.

ADOPTED and APPROVED by the Governing Body on November 10, 2020.

CITY OF TOPEKA, KANSAS

____

Michelle De La Isla, Mayor

ATTEST:

____

Brenda Younger, City Clerk

EXHIBIT A

Downtown Ramada Inn
Community Improvement District Boundary Map

EXHIBIT B
Legal Description of the Boundaries of the Proposed District

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18, Block Y, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16, Block U, together with all that portion of vacated Fifth Street bounded on the North by the South line of Block U, on the East by the West line of Jefferson Street, extended on the South by the North line of Block Y, and on the West by the East line of Madison Street extended, all in Keyway Subdivision in the City of Topeka, Shawnee County, Kansas.

CITY OF TOPEKA

PETITION

for the CREATION of a COMMUNITY IMPROVEMENT DISTRICT (CID)

To the Governing Body of the City of Topeka, Kansas (the "Governing Body"):

The undersigned, being the owner of record of 100% of the land area contained within the hereinafter described proposed Community Improvement District (the "District") to be located within the City of Topeka, Kansas (the "City"), do hereby request that the Governing Body create such District and authorize the construction of the District project improvements herein after set forth, all in the manner provided by K.S.A. 12-6a28 or 12-6a29, as applicable, (the "Act") and the City of Topeka CID Policy and CID Procedures. In furtherance of such request, the petitioner states as follows:

A. General Nature of the Proposed District Project:

The proposed project involves needed infrastructure improvements to the Ramada Hotel & Convention Center located at 420 SE 6th Avenue, Topeka, KS 66607 as set forth in detail in the Application.

B. Estimated Costs of the Proposed District Project:

$4,198,795.00

C. Proposed Method of Financing the Proposed Project:
(including, if applicable, the issuance of bonds)

The intention is to use owner equity and commercial financing for those projects that need immediate attention using CID funds as a source for part or all the payment on this financing.

D. Proposed Amount and Method of Assessment:

Estimated at $990,000.00 based on 2% sales tax over 22 years.

E. Proposed Amount of CID Sales Tax, if applicable:

2%

F. Map of the Proposed District:

G. Legal Description of the Boundaries of the Proposed District:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18, Block Y, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16, Block U, together with all that portion of vacated Fifth Street bounded on the North by the South line of Block U, on the East by the West line of Jefferson Street, extended on the South by the North line of Block Y, and on the West by the East line of Madison Street extended, all in Keyway Subdivision in the City of Topeka, Shawnee County, Kansas

EXECUTION PAGE

IN WITNESS WHEREOF, we the undersigned have executed the above and foregoing ***Petition to create a Community Improvement District***:

Name of Owner(s): ___Jefferson Street Hotel Partners, LLC______

Type of Entity: ___a Kansas Limited Liability Company______

Owner's Telephone Number: ___785-233-5411__________________

Owner's Website Address: ____N/A____________________________

Name of Signer: _James W. Parrish______________________

Signer's Telephone Number: _785-233-5411______________________

Signer's Facsimile Number: __785-233-5440______________________

Signer's Electronic Mail Address: __jwp@parrishhotels.com_________________

Signer's Mailing Address: __700 SW Jackson, Ste 200________________

__Topeka, KS 66603__________________

By executing this Petition, the undersigned represents and warrants that he or she is legally authorized to execute this Petition on behalf of the property owner named immediately above. The undersigned acknowledges that it has been given notice that its signature below may not be withdrawn later than seven (7) days after the filing of this Petition with the City Clerk.

By: Jefferson Street Hotel Partners, LLC

By: ______________________________

James W. Parrish
Managing Member

ORIGINAL

Parrish Management Corporation

Jayhawk Tower
700 Jackson, Suite 200
Topeka, KS 66603-3757
Telephone (785) 233-5411
Facsimile (785) 233-5440

September 3, 2020

Mr. Brent Trout
Topeka City Manager
215 SE 6th Avenue, # 352
Topeka, KS 66603

'20 NOV 3 PM3:49
REC'D TOPEKA CITY CLERK

RE: Community Improvement District

Dear Mr. Trout,

On behalf of Jefferson Street Hotel Partners LLC, please accept this application for Community Improvement District.

If you have any questions, please do not hesitate to contact me.

Sincerely,

James W. Parrish, President & CEO
Parrish Management Corporation

parrishhotels.com

Parrish HOTELS

Steven K. Johnson
Executive Vice President
700 SW Jackson, Ste. 200
Topeka, KS 66603
785-233-5411
sjohnson@parrishhotels.com

JWP/jw

ORIGINAL

CITY OF TOPEKA
APPLICATION FOR COMMUNITY IMPROVEMENT DISTRICT (CID)

Complete all information and if necessary, please attach additional sheets to fully answer each question and include attachments described in Appendix

1. Applicant Information

a. Company Name: **Jefferson Street Hotel Partners, LLC owner of Downtown Ramada Hotel & Convention Center located at 420 SE 6th Ave, Topeka, KS 66607 Phone: 785-233-5411**

Management Address: **700 SW Jackson, Suite 200, Topeka, KS 66603**

Contact Person (if an entity): **James W. Parrish, Managing Member of the LLC**

Email: **jwp@parrishhotels.com** **Fax: 785-233-5440**

b. Applicant's Legal Counsel Name: **James W. Parrish** **Phone: 785-233-5411**

Address: **700 SW Jackson, Suite 200, Topeka, KS 66603**

Email: **jwp@parrishhotels.com** **Fax: 785-233-5440**

c. Applicant's Engineer: **N/A** Phone: **N/A**

Address: **N/A**

Email: **N/A** Fax: **N/A**

2. Applicant's Business Information

a. Other: **Limited Liability Company**

b. State of incorporation/organization and year: **Kansas, 2003**

c. If the Applicant is a corporation, list the officers, directors, and stockholders holding more than 5% of the corporation's stock. (State the name, address, telephone and relationship to Applicant. If a company is not yet formed, include as much data as possible concerning potential officers, directors and stockholders): **N/A**

d. If the Applicant is a general partnership, list the general partners; and if a limited partnership, list the general partners and limited partners; with more than 5% of the partnership. (State the name, address, telephone and relationship to Applicant. If a partnership has not yet formed, include as much data as possible concerning potential partners): **See chart below**

Members with more than 5% ownership of the LLC are as follows:

Percentage of Ownership as of September 1, 2020

Name	Distribution Percentage	Number of Units
James W. Parrish	53.16%	53.16
Hohman Limited Partnership	17.84%	17.84
Row Realty, Inc	16.36%	16.36
Shekhar K. Challa, MD	7.44%	7.44
Patrick W. Cullen	5.20%	5.20
Totals	100%	100

James W. Parrish
Managing Member
700 SW Jackson, Suite 200, Topeka, KS 66603; 785-233-5411

Hohman Limited Partnership, c/o Loren H. Hohman II, General Partner
Member
3027 W Jarloth, Chicago, IL 60645; 773-274-8270

Row Realty, Inc, c/o Judy Row, President
Member
2001 NW Highway 24, Topeka, KS 66618; 785-235-1015

Midwest Mobile Medical, LLC, c/o Shekhar K. Challa, MD
Member
2200 SW 6th Street, Suite 104, Topeka, KS 66603; 785-354-8518

Patrick W. Cullen
Member
6419 SE Stubbs Rd, Berryton, KS 66409; 785-215-8255

e. Has the Applicant, or any partner, officer, or member or director of the Applicant or any entity in which any partner, officer, member or director of the Applicant is or was a partner, officer, member or director, ever been charged with and/or convicted of a criminal offense (other than traffic violations) or charged by any regulatory agency with violations of financial or professional regulations? **No**

If yes, state the name of the business or individual, the caption of the proceeding, court and year in which it was filed, and its disposition and/or status: **N/A**

f. Within the last ten (10) years, has the Applicant or any partner, officer, member or director of the Applicant; or any entity in which any partner, officer or director of the Applicant is or was a partner, officer, member or director, been a debtor in bankruptcy? **No**

If yes, state the name of the business or individual, the caption of the proceeding, the court and year in which it was filed, and its disposition and/or status: **N/A**

g. Has the Applicant, or any officer, member, director, or partner of the Applicant or any entity in which any partner, officer, or director of the Applicant is or was a partner, officer, member or director, ever defaulted on any bond or mortgage commitment? **No**

If yes, state the name of business or individual, year and any relevant circumstances: **N/A**

3. General CID Project Information

a. Description of the underlying CID Project for which financing is requested:

The Ramada Hotel and Convention Center in downtown Topeka is 55 years old with original construction completed in 1965. An additional wing was added in 1968, and the tower and atrium were added in 1974 and 1983, respectively. Known then as Ramada Inn, the hotel was operated by its original owner until it sold to Applicant in April of 2003. Applicant immediately began a vast program of remodeling and refurbishing all aspects of this full-service hotel, an effort that continued over 10 years. This required the investment of considerable funds resulting in a successful multi-purpose enterprise. However, because of its age, critical infrastructure improvements are needed, without which, it is unlikely that the business will be able to continue for the long term.

The project includes the 7-acre tract that contains the hotel, commercial space and apartments. This Includes a 213-room hotel licensed to Ramada Worldwide, 86 residential apartments, three privately leased living units on the 12th floor, approximately 22,000 square feet of commercial office and retail space and 32,000 square feet of banquet and meeting rooms. All occupants of the property are tenants of the Applicant, except the hair salon which is leased to a private operator. The infrastructure improvements planned for the Ramada include the following:

1) **Fire sprinkler system safety upgrades – The Project includes replacing and upgrading the valves and other hardware in the fire sprinkler system to remain code compliant. These upgrades would provide proper flow detection and enhance the safety of our tenants and guests.**

2) **Modernize three elevator controls – Two passenger elevators and the freight elevator in the tower need critical electronic control upgrades. The Project includes new controls, AC motors, hoist ropes, MAC door operators, signal fixtures, travelling cables, and hoist-way wiring for the three elevators. These upgrades would have significant energy savings and increase the reliability and life of the elevators.**

3) **Replace openable windows – The 124 hotel sleeping rooms in the Ramada tower have windows that originally were designed to open. These windows are damaged and need to be replaced with seal-tight windows that do not open for safety, energy conservation and sound abatement, not to mention the improvement in appearance.**

4) **Third floor windows – The Ramada's lease with the State of Kansas Gaming Agency requires the replacement of perimeter windows on the 3rd floor for that commercial tenant.**

5) **Tuckpoint brick – The Project includes tuckpointing certain areas of the brick on the exterior of the building to enhance the structural integrity and longevity of the property.**

6) **HVAC cooling tower – Although the cooling tower was replaced in 2012 with the installation of the new chiller, it is flawed, and its useful life is limited. The warranty has expired. The owner plans to add a new, more efficient and higher quality cooling tower to help ensure the continuity of business and retain the existing cooling tower as a backup unit.**

7) **Asphalt overlay – Although most of the parking lots have been maintained with seal coating and patching, they will require overlaying with new asphalt, especially the lot at the north end of the property to properly maintain them.**

8) **Additional apartments – Conversion of 50 more hotel rooms into one- and two-bedroom apartments will create more downtown living space. To date, owners have renovated the northeast building and east building which formerly housed hotel rooms into apartments and believe there is demand for additional downtown living units. The Ramada plans to gradually renovate at least 50 of its existing hotel rooms into one- and two-bedroom apartments upon the completion of the fire safety system upgrade, replacement of elevator controls and replacement of windows specified above.**

9) **Paint 12-story tower building – The Project includes a plan to repaint the tower in the next 5 to 10 years. It was last painted in 2007. Repainting the tower will help seal areas around the windows as well as other areas to protect against any potential leaking or water damage. It will also improve the aesthetics of the tower.**

10) **Tower Windows – Within the next 15 years, the windows in the Ramada tower will need to be replaced. At this stage they will be more than 50 years old. Replacement will include sun protection, provide a better sound barrier and provide considerable energy savings all adding to the comfort level for hotel guests and commercial tenants.**

b. General Location of CID Project

The area bounded by SE 4th, SE Madison Avenue, SE 6th Street and SE Jefferson Street.

c. Total square feet in proposed District, excluding right of way and other common area:

Approximately 305,000 square feet of land.

d. Legal description of the proposed District:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18, Block Y, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16, Block U, together with all that portion of vacated Fifth Street bounded on the North by the South line of Block U, on the East by the West line of Jefferson Street, extended on the South by the North line of Block Y, and on the West by the East line of Madison Street extended, all in Keyway Subdivision in the City of Topeka, Shawnee County, Kansas

e. Number of Tracts, Parcels or Lots in proposed District: **One Parcel**
f. Does the Applicant own all the Property in the District? **Yes**

If not, provide the name, address and phone number of the Owner(s) in the District and evidence of their willingness to participate in the Petition. Or if Applicant intends to own 100% of the property, provide evidence of site control (i.e. deed, option to purchase or purchase contract). **N/A**

g. Are all areas within the proposed District platted? **Yes**

If yes, provide the County parcel ID numbers: **1093202017001000**

If no, identify the number without County parcel ID numbers and the status of any pending plats: **N/A**

h. Will the proposed District have 100% participation? **Yes**

i. If the project has current tenants or leases, please provide the contact information (business name; contact person; address; and phone number) for each:

ASA Strategic Marketing (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 320, Topeka, KS 66607
Jim Dienes
785-273-5411

Court Appointed Special Advocates (Shawnee County office of CASA) (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 2002, Topeka, KS 66607
Jamie Dempewolf
785-215-8280

Court Appointed Special Advocates (State office for CASA) (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 2000, Topeka, KS 66607
Vanessa Dudley-Miller
785-215-8279

Kansas Beer Wholesalers Association (Office tenant only. No sales tax generated)
420 SE 6th Ave., Apt 579, Topeka, KS 66607
Jason Watkins
785-408-8087

Kansas Democratic Party (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 30, Topeka, KS 66607
Ben Meers
785-234-0425

Kansas State Gaming Agency (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 3000, Topeka, KS 66607
Kala Loomis
785-368-6262

NAACP (Office tenant only. No sales tax generated)
501 SE Jefferson, Suite 31, Topeka, KS 66607
Darcella Goodman
785-266-2227

National Association of Social Workers (Office tenant only. No sales tax generated)
420 SE Jefferson, Suite 2001, Topeka, KS 66607
Becky Fast
785-550-4891

Second Chance Services (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 20 C&D, Topeka, KS 66607
Dr. Russel Burton
785-845-6872

Sunflower State Games (Office tenant only. No sales tax generated)
420 SE 6th Ave., Suite 22, Topeka, KS 66607
Cassie Criger
785-235-2295

12nd Floor LLC (Privately leased living units only. (May generate sales tax)
420 SE 6th Ave., 12th Floor, Topeka, KS 66607
Eileen Briggs
785-537-8330

Hair Today Gone Tomorrow, LLC dba Bell Hair (Commercial rental space. No sales tax on services but small amounts generated on hair-product sales)
420 SE 6th Ave., Suite 100, Topeka, KS 66607
Nicole Bell
785-221-2319

(Notification of owners, tenants and lessees of any request for a CID sales tax is required prior to the public hearing)

4. Financing

a. Description of CID Project and costs to be financed and estimated cost for each component:

1) Fire sprinkler system safety upgrades (bid)	**$54,560.81**
2) Replace tower elevator controls (bid)	**$351,337.48**
3) Replace windows openable windows in Tower (est.)	**$81,208**
4) Replace 3rd floor tower windows (est.)	**$45,025.38**
5) Tuckpoint red brick selected areas (est.)	**$25,000**
6) Replace cooling tower for HVAC system (bid)	**$150,500**
7) Parking lot asphalt overlay (est.)	**$150,000**
8) Convert 50 hotel rooms into apartments (est.)	**$1,000,000**
9) Paint tower (est.)	**$100,000**
10) Replace remaining tower windows (bid)	**$2,735,037.04**
Total Estimated Cost of CID Improvements	**$4,692,668.71**

b. Estimated cost of total project in which CID is proposed: **$4,692,668.71**

c. Proposed methods of financing. If more than one, please indicate:

The intention is to use owner equity and commercial financing for those projects that need immediate attention using CID funds as a source for part or all the payment on this financing.

(i) Special Assessments: **No**
(ii) Paid in full or part by sales tax or only by assessments? **N/A**
(iii) Assessment and Amount:
Front Footage Estimated Cost per F.F. $
Square Footage Estimated Cost per S.F. $
(vi) Note: there cannot be any assessment against the City at large.

d. CID Sales Tax: **Yes**
(i) Amount of increment (increments of .10 or .25, not to exceed 2%): **2%**
(ii) Note: Dept of Revenue shall keep 2% of amount collected up to $60,000/year for administration.

5. Financing/Bonds:

a. Do you request the City issue special obligation bonds? **No**

If yes, what is the requested term of the bonds? (maximum is 22 years): **N/A**

b. Do you plan to use pay-as-you-go (maximum is 22 years for sales tax)?

Yes, Owner is requesting the CID tax increase to be in effect for the maximum of 22 years. The plans are to use a combination debt financing for projects needing immediate attention and then revert to a pay-as-you-go plan. The CID will generate an estimated $45,000 per year for a total or $990,000 over the 22-year. This is approximately 23.58% of the total estimated project costs.

c. Estimated dates to commence and complete construction:

> **Work will begin immediately upon approval of this CID application on the fire-safety upgrades (estimated completion December 31, 2021). Within the first three months of 2021, owner will begin replacement of controls on two tower passenger elevators (estimated completion September 1, 2021). The tower freight elevator controls will be replaced immediately thereafter. The 3rd floor tower window replacement will commence no later than June 1, 2021 and will be completed in phases (to avoid tenant disruption) so that they are all replaced by December 31, 2023. As funds become available to pay off each project, the most pressing item will be addressed generally following the estimated dates below.**

d. Will there be a phasing plan? If so, describe the phasing plan including the proposed improvements, their estimated cost, and date of construction of each will be commenced and complete:

> **Yes, after completion of the fire-safety upgrades, replacement of elevator controls and 3rd-floor windows, the remaining projects will be phased in as investor funds and CID funds are available. The first three priority projects will proceed simultaneously. The fire-safety upgrades will begin immediately and will be completed within 12 months (December 31, 2021). The elevator electronic control improvements will begin within the first three months of 2021 with completion of the two passenger elevators by September 1, 2021. Renovation of the freight elevator controls will begin immediately after the passenger elevators are completed and will be finished no later than the end of 2021. Because**

the Ramada's obligation to the State Gaming Agency requires completion in phases, work on the perimeter windows of the tower's third floor will need to begin no later than June 1, 2021 and proceed over the next two years in order to meet the December 31, 2023 deadline required by the Gaming Agency lease. Tuck pointing of exterior red brick will begin after January 1, 2021 and will continue as weather permits.

The new cooling tower will be ordered no later than January 1, 2024 with installation to be completed before warm weather in the spring of that year.

The asphalt overlay will not begin until the asphalt plants open in the spring of 2024. Owner has accomplished patching and seal coating that will carry the property until that time. The Ramada anticipates the conversion of hotel rooms into apartments will begin no sooner than January 1, 2024 and will proceed gradually over the following five years as funds are available.

Beginning no later than January 1, 2028, painting and sealing of the exterior of the 12-story tower building will begin and will be completed that year.

The replacement of the remaining tower windows will not commence prior to January 1, 2030 with the intention to complete that project within two years of commencement.

6. Additional Information:

Any additional information you believe is relevant or helpful to the consideration of this application:

The Ramada Downtown Hotel and Convention Center has served this community as a top-quality venue with multiple use for more than 55 years. It serves traveling hotel guests, hosts conventions for organizations from all over the state and surrounding states, provides banquet services for local organizations and provides downtown homes for residential apartment tenants and commercial office space for small businesses. Topeka citizens consider the Ramada as their "Community Hotel." Important life events occurred here, whether it was a wedding reception, a New Year's Eve party, a banquet, a Prayer Breakfast, class reunion, high-school prom or the site of the Bar Examination. It began to fade in importance as it entered the new century, but the new owner changed all of that with millions of dollars in new investment and an expansion of the multi-purpose mission. In 2003 that restoration began and continued over 10 years. Despite the Great Recession of 2008, it continued to increase its service to Topeka citizens and those who visited our Capital City.

While the property may not always be known under the franchise label of Ramada, it will always be a significant landmark in Topeka bridging the east side of town with Topeka's downtown and providing services for people of all income levels.

It has hosted dozens of celebrities including the venerable comedian Bob Hope and other artists including Art Garfunkel, country singer George Jones, comedian Bob Newhart, country singer Kenny Rogers, Arnold Schwarzenegger (former California Governor and actor), George Strait, Hulk Hogan, Winston Marsales, Charlton Heston and Vanna White, to name a few. This hotel has served Presidents Gerald Ford, Ronald Reagan, George H. W. Bush, Bill Clinton and Barack Obama who either stayed or gave major addresses here. Other national leaders include the late Congressman John Lewis and U.S. Senators Bob Dole, Frank Carlson, Nancy Kassebaum (all of Kansas) and the late Sen. Bobby Kennedy (two weeks before his assassination), Also, then Sen. Joe Biden (before his election to Vice President), Sen. Al Gore (before his election to Vice President), Sen. John Glenn (first astronaut to orbit the earth),

Nebraska Sen. Bob Kerry and Missouri Sen. Jean Carnahan. This is just a partial list. There are many more including most Kansas state-wide elected officials, Republican and Democrat (Gov. Bob Docking, Gov. Bob Bennett, Gov. John Carlin, Gov. Mike Hayden, Gov. Joan Finney, Gov. Bill Graves, Gov. Sam Brownback, Gov. Kathleen Sebelius, Gov. Laura Kelly, Attorney General Vern Miller, U.S. Rep and Secretary of Agriculture Dan Glickman, U.S. Rep. Jim Slattery and many others).

This hotel continues to serve thousands of people each year and has potential to attract thousands more visitors to Topeka and attract additional commercial businesses. The proposed Community Improvement District (CID) funds will assist with critical infrastructure improvements needed for this business to continue.

Application has been made for designation on the National Historic Register. The Ramada already has been named a Historic Landmark by the City of Topeka. Its Interior features numerous artifacts from the governor's mansion that was once located at the corner of 8th and Buchanan in Topeka, and these items are now preserved forever for guests, patrons and others to see and appreciate. The property also contains a significant military history museum. One of the main advantages of the location, in addition to proximity to I-70, is the large amount of parking space available to serve our hotel guests, banquet attendees and commercial and residential tenants.

While the impact of COVID-19 has been harmful to the hospitality business generally and to this hotel, the resulting operational changes have provided the opportunity define the mission of the hotel and have accelerated the need to make operational changes for this multi-purpose property to operate successfully. Our experience over the last five months has shown a steady, predictable flow of income from a solid customer base catering to travelers and commercial and residential tenants.

It is significant to note that most of the sales tax generated will come from out-of-town hotel guests. Also, it is significant that the hotel is the primary retail business in the proposed district with the beauty salon Bell-Hair as the only other business with minimal retail sales subject to the sales tax, and the owner approves its inclusion in the proposed CID.

Please check the box if the petition includes the following requirements:

1. General description of the proposed project ☑
2. Estimated cost of the project ☑
3. Proposed method of financing the project ☑
4. Proposed amount and method of assessment ☑
5. Map of the proposed district; and ☑
6. Legal description of the boundaries of the proposed district ☑

Respectfully submitted on this third day September 2020 to City Manager Brent Trout by James W. Parrish, Managing Member of Jefferson Street Hotel Partners, LLC.

Jefferson Street Hotel Partners, LLC

James W. Parrish, Managing Member

ORIGINAL

CITY OF TOPEKA
APPLICATION FOR COMMUNITY IMPROVEMENT DISTRICT

JEFFERSON STREET HOTEL PARTNERS LLC
September 3, 2020

APPENDIX

Content List:

- Aerial photo of proposed Community Improvement District
- Corporation Warranty Deed finalizing purchase of property in 2003
- Bids for selected projects:
    - Fire Sprinkler System
    - Elevator Controls
    - Cooling Tower
    - Replacement of Tower windows

ORIGINAL


SE 4th St.
SE Madison St.
SE Jefferson St.
SE Jefferson St.
SE 6th St.

c0301232 APR 1 8 2003
CAPITAL TITLE INSURANCE COMPANY, LC
2858 SW Villa West Drive
Topeka, Kansas 66614

0149332 13073

ORIGINAL

CAPITAL TITLE INSURANCE CO

CORPORATION WARRANTY DEED
(Kansas Statutory Form)

Grantor: **Executive Manor, Inc.,**
a corporation duly organized under the laws of the State of Kansas

For One Dollar and other valuable considerations conveys and warrants to

Grantee: **Jefferson Street Hotel Partners, L.L.C.**

the following described real estate:

Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15, 16, 17 and 18, Block Y, and Lots 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 14, 15 and 16, Block U, together with all that portion of vacated Fifth Street bounded on the North by the South line of Block U, on the East by the West line of Jefferson Street, extended on the South by the North line of Block Y, and on the West by the East line of Madison Street extended, all in Keyway Subdivision in the City of Topeka, Shawnee County, Kansas.

480 SE 6th

SUBJECT TO COVENANTS, CONDITIONS, RESTRICTIONS AND EASEMENTS, IF ANY, NOW OF RECORD.

TO HAVE AND TO HOLD The premises aforesaid with all and singular, the rights, privileges, appurtenances and immunities thereto belonging or in any wise appertaining unto the said party(ies) of the second part and unto his/her/their heirs and assigns forever; the said party of the first part hereby covenanting that it is lawfully seized of an indefeasible estate in fee in the premises herein conveyed; that it has good right to convey the same; that the said premises are free and clear from any encumbrance done or suffered by it or those under whom it claims; and that said party of the first part will warrant and defend the title to the said premises unto the said party(ies) of the second part and unto his/her/their heirs and assigns forever, against the lawful claims and demands of all persons whomsoever.

IN WITNESS WHEREOF, The said party of the first part has caused these presents to be signed by its President, and the corporate seal to be hereto attached on this 18th day of April, 2003.

STATE OF KANSAS, SHAWNEE COUNTY, SS
RECEIVED FOR RECORD
APR 18 3 30 PM '03
REGISTER OF DEEDS
MARILYN L. NICHOLS

Executive Manor, Inc.

By: Callan Cohen, President,

STATE OF KANSAS)

COUNTY OF SHAWNEE)

On this 18th day of April, 2003, before me, the undersigned, a Notary Public in and for the County and State aforesaid, personally appeared, Callan Cohen to me personally known, who being by me duly sworn, did say that he/she is the President of Executive Manor, Inc., a corporation, and that the seal affixed to the foregoing instrument is the corporate seal of said corporation by authority of its Board of Directors, and said acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my notarial seal at my office, the day and year last above written.

THOMAS E. LORSON, III
NOTARY PUBLIC
STATE OF KANSAS
MY APPOINTMENT EXPIRES: 8/23/05

Notary Public

T.S. 700 Jackson #800, Topeka, KS 66603

ORIGINAL JAYHAWK FIRE SPRINKLER CO., INC.

Wednesday, July 01, 2020
John Conley
Parrish Hotels
jconley@parrishhotels.com

Re: **Ramada Inn – Topeka, KS**
Fire sprinkler system revisions for various deficiencies per Inspection Report

Herein is the pricing for the proposed fire sprinkler system revisions at the above named facility. All materials used and their installation will be in accordance with NFPA-13 or to match existing, as required.

Scope of Work per building:

- Madison Building:
  a. Provide and install wrench on (1) Post Indicator Valve
  b. Install inspector test on existing system
  c. Remove existing sprinklers that exceed 50 years old and send necessary quantity to UL to perform head testing. New heads will be installed in old head locations for compliant coverage during testing period. Upon receival of report, we will provide report and if further replacement is needed, that will be performed at that time at additional expense.
  d. Remove 1.5" fire hoses from cabinet and plug piping. Cabinets will remain in place. *(You will need to get a form from the Topeka Fire Dept and requests permission to remove interior hoses and once they have granted permission, this work can be performed.*
  e. Remove old Fire Dept Connection, cap piping and grout hole in wall.
- Main Building:
  a. Remove old dry pipe valves that have been flooded and system converted to wet systems and replace with new valves and riser manifolds. *(Electrical wiring of new flow switches to building alarm panel is to be by others).*
  b. Demo existing drain piped to floor and install new main drain line piped to daylight at exterior of building. *(This will necessitate core drilling of exterior wall).*
  c. Install new 6" Butterfly Valve and Riser Manifold in Basement to allow for proper flow testing and alarm annunciation. *(Electrical wiring of new flow switches to building alarm panel is to be by others).*
  d. Remove existing sprinklers that exceed 50 years old and send necessary quantity to UL to perform head testing. New heads will be installed in old head locations for compliant coverage during testing period. Upon receival of report, we will provide report and if further replacement is needed, that will be performed at that time at additional expense.
  e. Revise existing system in Laundry Room that has had the ceiling removed to provide fire sprinkler heads to protect at the deck level, per Code.
  f. Install new spare sprinklers in spare sprinkler head box.
  g. Install new sprinkler head wrench.
  h. Install new Fire Dept Connection caps / plugs.
  i. Remove 1.5" fire hoses from cabinet and plug piping. Cabinets will remain in place. *(You will need to get a form from the Topeka Fire Dept and requests permission to remove interior hoses and once they have granted permission, this work can be performed.*
  j. Install new 6" Butterfly Valve and Riser Manifold on 3rd Floor to allow for proper flow testing and alarm annunciation. *(Electrical wiring of new flow switches to building alarm panel is to be by others).*
  k. Install new 6" Butterfly Valve and Riser Manifold on 3rd Floor West Wing to allow for proper flow testing and alarm annunciation. *(Electrical wiring of new flow switches to building alarm panel is to be by others).*
  l. Install new 2 ½" Riser manifold and reconfigure drain piping in Laundry. *(Electrical wiring of new flow switches to building alarm panel is to be by others).*

Kansas City

Topeka

Springfield

Pricing:

- The costs for the corrections noted above are: $49,987.00 plus tax $54,568.82

*We have included costs for removing and plugging 48 1.5" hose stations. *(This is understood to be the quantity on site, but actual quantity will affect pricing.)*

Included in this proposal:

- Materials, fabrication, delivery and/or installation of the revisions described above.

Excluded from this proposal:

- Any drawings / hydraulic calculations.
- Electrical wiring of new alarm devices to building alarm panel is to be by others.
- Any hydrostatic testing of revisions. *(Not required by Code)*
- Any fire watch for any of these revisions.
- Any other modification to any other system components or piping other than those specifically listed above.
- Any overtime or premium time work. *(All work is to be done during normal working hours, M-F.)*
- Any painting or marking piping or devices.
- Any repair or replacement of any ceilings, furnishing, finishes, etc. which may be damaged during installation. *(Due to the nature of the work required in this proposal, and since this a finished, furnished, and/or occupied facility, we must exclude costs for water or other damage to wall, ceiling, or floor finishes, furnishings, or equipment. We recommend that the building owner or occupant remove or protect/cover any sensitive or expensive items. We will be as careful as possible, but there could be the possibility of some water or other damage involved with this work. Please contact me if you have any questions regarding this paragraph before the work begins.)*

Consultation

Design

Service

Installation

Inspections

ORIGINAL

JAYHAWK FIRE SPRINKLER CO., INC.

This proposal is based on the following:

- Payment terms of 50% down, 25% progress payment at halfway point of completion, 25% at completion.
- Having immediate and sustained access to the work area(s).
- Work areas being cleared of contents by others.
- All work being done during normal business hours, M-F.
- All existing control valves, drains, pumps, alarms, etc. operating properly and shutting off tightly. *(We have not included extra time to deal with trapped water, long system shut downs, alarm issues, downtime, etc.)*

If you have any questions feel free to call me anytime. We look forward to working with you on this project.

Sincerely,

Matt Barker
JAYHAWK FIRE SPRINKLER CO.

Kansas City

Topeka

Springfield

Consultation

Design

Service

Installation

Inspections

110 NE Gordon, PO Box 8458 • Topeka, KS 66608 • (785) 232-0975 • (785) 232-1139 Fax
www.jayhawkfire.com

ORIGINAL

INTERSTATE ELEVATOR INC.

2406 NW Clay St.
Topeka, KS 66618
Phone (785) 234-2817
Fax (785) 235-0397
InterstateElevator.com

January 29, 2019

Ramada Inn Downtown
420 SE 6th Avenue
Topeka, KS 66607

MODERNIZATION

We will provide all necessary labor and materials to replace the existing Dover control system on the 2 passenger tower elevators located at the above address.

We will provide 2 new MCE Motion 4000 controllers, 2 new 3 Phase AC motors mounted to existing traction machines, new hoist ropes on both elevators, 2 new MAC door operators, all new signal fixtures in the hall and car, all new traveling cables and hoistway wiring.

We will include a one year manufacturer warranty on the equipment we install & a 90 day warranty on labor.

MODERNIZATION PRICE
$214,590.00 (Two hundred, fourteen thousand, five hundred and ninety dollars) plus applicable taxes.

Payment of 30% of proposal is due upon approval and placement of equipment order. Payment of 30% is due upon arrival of equipment. Payment of remaining 40% is due upon completion of installation and acceptance.

Bid price is valid for 30 days from 01/29/2019.

Customer: Ramada Inn Downtown	Interstate Elevator Inc.
Date:____________	Date:____________
Signed:____________	Signed:____________
Name:____________	Title:____________
Title:____________	

The above total is a firm price for the modernization of two elevators. The cost to modernize three elevators would be $321,885.00 plus tax for a total cost of $351,337.48

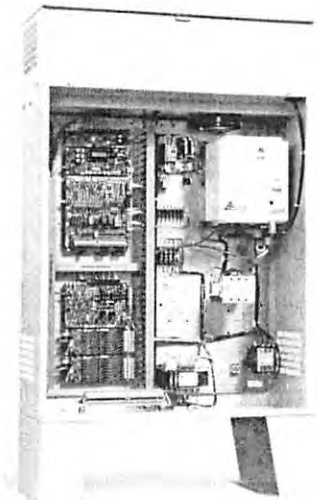
ORIGINAL

Motion Control Engineering, Inc. (MCE)
TRACTION ELEVATOR CONTROLS

Motion 4000™

Motion 4000™ Traction Control

Ideal traction control solution for low-rise to mid-rise projects



The MCE **Motion 4000™** traction elevator control is designed to squarely meet the needs of elevator installations requiring speeds to 500 feet per minute, service up to 32 landings/64 openings, and elevator groups to 6 cars. Motion 4000 makes the jobs of installers, adjusters, and maintenance personnel as straightforward as possible, stressing minimal hardware requirements, "out-of-the-box" job readiness, and simple adjustment.

Installers

- Choose the landing system that suits the job. ELGO for fewer hardware requirements, LS-EDGE for specific code or NEMA 4X installations or LS-RAIL compact, tapeless system that is mounted onto the rollers.
- Final limits must be physical switches. Slowdowns may be virtual, saving installation time and effort. If required, ETS may also be virtual for ELGO landing systems; LS-EDGE systems use ETS magnets.
- Hall call fixtures are connected serially along a simple, four-wire drop, providing signal communication and fixture power.
- Universal I/O boards for field connections accept 24 to 120-volt inputs, AC or DC.

Adjusters

- Factory pre-adjusted per job requirements.
- Easy, hand-held device (mPAC) lets you learn and adjust floor heights, allows car call entries. mPAC connects in the car, cartop or in the machine room.
- Simple LCD display/keypad parameter entry.

Maintenance

- Plug the hand-held mPAC device into any controller or car CAN Bus port and diagnose the entire system.
- Multiple, redundant, self-contained processors ensure reliable control and constant safety monitoring. Each processor is continuously aware of all system activity.
- Components shared with MCE's Motion 2000 hydraulic controller.
- Available MCE TAPS (Traction Auxiliary Power Supply) for automated rescue in the event of power failure.
- Built-in event log with 100 events.

[1]Lift-Net™ is a trademark of Integrated Display Systems, Inc.

BENEFITS

- Absolute position/distance feedback
- Low- and mid-rise applications
- Up to 500 fpm (2.5 m/s), 32 stops, simplex/duplex/groups to 6 cars
- Front and rear openings (32 each)
- Minimal traveler and hoistway cable wire counts; minimal compensation requirement
- Universal I/O with built-in protection
- Easy setup and diagnostics
- PC configuration tool — mView
- Seamlessly integrated with iMonitor, iReport and BMS Link. [1]Lift-Net™ compatible.
- Short floor minimum 3"

FEATURES

- Serial hall call (optional)
- Serial COP (optional)
- Full distance feedback
- Universal I/O (24 to 120V AC or DC)
- ACPM or AC induction motor compatible
- Serial PI and voice annunciation interface
- iMonitor, iReport, iLobby, BMS Link or Lift-Net™ ready (monitoring, reporting, lobby display)
- Onboard event log, up to 100 events

COMPLIANCE

- ASME A17.1/CSA B44
- CSA B44.1/ASME A17.5
- AS 1735
- EN 12015 and 12016

Nidec
All for dreams
MCE
Motion Control Engineering®
www.nidec-mce.com
800.444.7442
916.463.9200

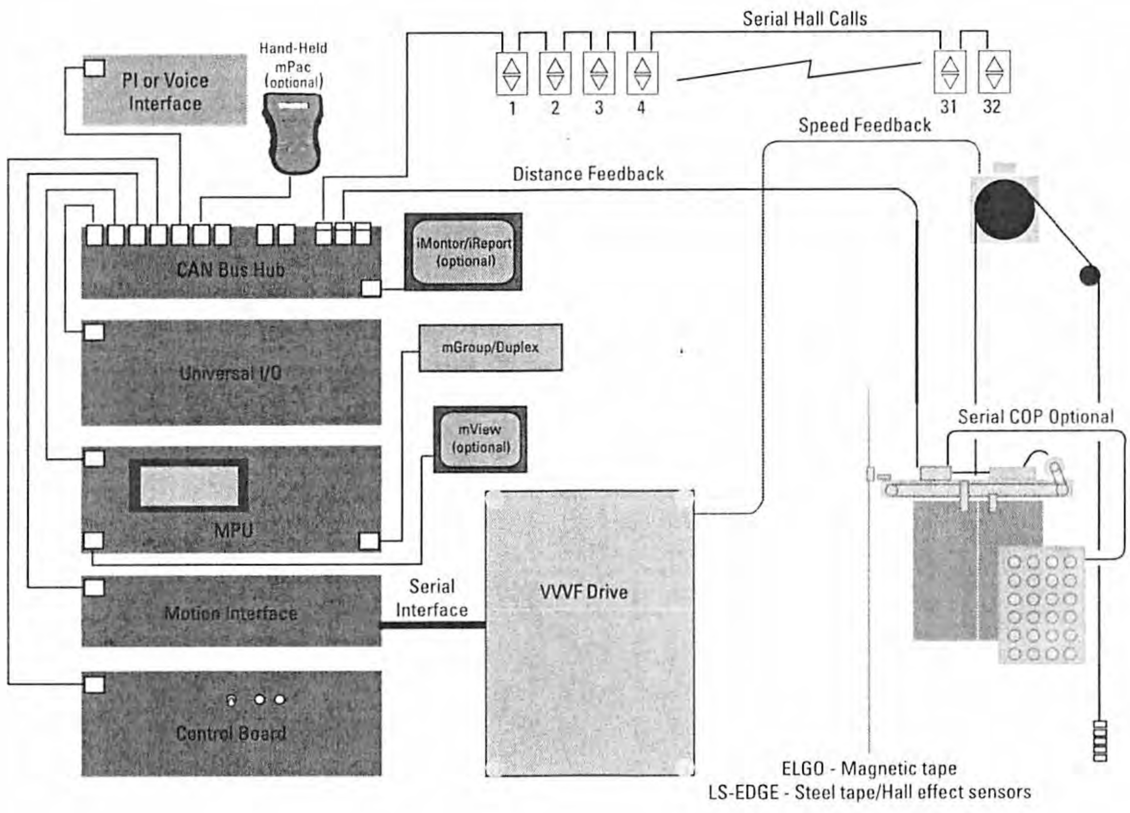
Motion 4000™ Traction Control

ORIGINAL

Motion 4000™

Motion 4000™ Specifications

Maximum Car Speed	500 fpm, 2.5 m/s	**System Access**	Hand-held basic or advanced user interface
Configuration	Simplex, duplex, 6 car group	**Monitoring**	iMonitor, IDS Lift-Net™, BMS Link
Landings	Up to 32 with 64 openings	**Report Generation**	iReport
Drive Type	VVVF AC	**Lobby Display**	iLobby
Motor Control	Closed loop/velocity feedback	**Environment**	32–104° F, 0–40° C, relative humidity non-condensing up to 95%; harsh environment rugged service available (NEMA 4, 4X, 12)
Landing Systems	ELGO - 1/2 inch wide magnetically encoded tape w/1 mm resolution LS-EDGE - Robust, high accuracy, perforated steel tape. NEMA 4X certified LS-RAIL™ - Compact, tapeless system that is mounted onto the roller	**Standard Enclosures**	Enclosure size may vary per specific application



Nidec
All for dreams
MCE
Motion Control Engineering
www.nidec-mce.com
800.444.7442
916.463.9200

The leader in non-proprietary controllers, technical services and repair solutions for elevator modernization

SG-02-0169 A1 01/18

McElroy's INC
MECHANICAL CONTRACTORS

ORIGINAL
Topeka 785.266.4870
Manhattan 785.539.4870
Lawrence 785.841.4870
Toll Free 877.623.5769

3310 SW Topeka Blvd
Topeka, Kansas 66611
www.mcelroys.com

October 17, 2016

John Conley
Parrish Management Company
420 SE 6th St.
Topeka, KS 66603

Re: Ramada – Replace Old Cooling Tower

Dear Mr. Conley:

I am pleased to submit McElroy's, Inc. Budget Proposal for the above referenced project. Our scope of work is defined as follows:

Items **Included** in our Budget Proposal:

- This budget prepared on doing the work while the cooling system is not needed.
- Disconnect existing piping and make safe for demolition by owner.
- New Evapco Cooling Tower to match existing tower installed in 2012. Lead time on tower is 6-8 weeks.
- Provide structural steel base to raise tower up high enough to allow for new tower return piping to be connected to existing tower return piping. The existing tower return piping will need to be exposed outside the building to make this connection.
- Cooling tower supply and return piping connected to existing cooling tower supply and return piping.
- Two motorized cooling tower return isolation valves to allow switching between towers.
- Control work for new tower connected to existing control system.
- Electrical allowance of $8,000.
- Hoisting, hauling and rigging.
- Sales Tax.

Items **Excluded** in this proposal:

- Payment and performance bonds.
- Insurances beyond McElroy's Inc. policy
- Builders risk insurance.
- Permits & fees.
- Dumpster fees or trash removal. By owner.
- Dust and floor protection. By owner.
- Housekeeping pads. (Equipment, pumps, etc…). By owner.
- Cutting, patching, removal, replacement of roof, walls, ceiling and floors. By owner.
- Excavation. By owner.
- Priming and painting.
- Fire protection / sprinkler system.
- Overtime/Premium time.

McElroy's INC
MECHANICAL CONTRACTORS

ORIGINAL
Topeka 785.266.4870
Manhattan 785.539.4870
Lawrence 785.841.4870
Toll Free 877.623.5769

3310 SW Topeka Blvd
Topeka, Kansas 66611
www.mcelroys.com

Guaranteed Maximum Price $150,500

This is our Guaranteed Maximum Price. All work will be performed on a Time and Material basis with all savings credited back to the owner. Please don't hesitate to call me if you have any questions regarding this proposal. I can be reached at (785) 266-4870.

Sincerely,
McElroy's, Inc.

Wade Jueneman

Wade Jueneman, P.E., LEED AP

ORIGINAL

GALAXY GLASS, INC

P.O. BOX 8035
TOPEKA, KS., 66608
PHONE 785.234.1020
FAX 785.234.0420

PROPOSAL

WE PROPOSE TO FURNISH AND INSTALL MATERIALS AS DESCRIBED BELOW FOR

PROJECT: Ramada Inn Glass Replacement

LOCATION: Topeka KS

SCOPE: TO REMOVE EXISTING WINDOWS, FURNISH AND INSTALL MANKO 2450 SERIES CENTER GLAZED FIXED THERMALLY BROKE WINDOWS, AND 250XPT MANKO CURTAIN WALL SYSTEM WHERE THAT APPLIES CURTAIN WALL TO MATCH EXISTING WHERE VISON AND SPANDRAL GLASS APPEARS. ALUMINUM FINISH IS TO BE DARK BRONZE ANODIZED GLAZED WITH 1" BRONZE OVER CLEAR HARDCOAT LOW TEMPERED INSULATED GLASS. SPRANDREL GLASS TO BE 1" UNIT MADE UP OF TINTED BRONZE OVER CLEAR WITH PAINTED SPANDREL ON THE NUMBER 2 AND 3 SURFACES. WINDOW INSTALLATION IS TO INCLUDE NEW BREAKMETAL, SILL FLASHING, SUBSILLS, HEAD RECEPTOR, AND EXTERIOR CAULKING.

EXCLUSIONS:
FINAL CLEANING OF PANELS AND ALUMINUM
Licenses, Fees or Permits
Bond
GENERAL CONTRACTOR
FIREPROOFING AT FLOOR LINES
SWINGIN STAGE
DAMAGE TO CONCRETE AROUND EXISTING CURTAIN WALL
INTERIOR SILL AND SHEETROCK WORK
ANY ARCHITECT NEEDED
Sales Tax

Price, Furnished & Installed:
(1) Roughly 24' x 80' Curtain wall $195,000 per opening. (8) thus 4 on east elevation and 4 on west elevation.
(1) Roughly 12' x 80' Curtain wall on West elevation $120,000 1 thus
(1) roughly36' x 80' curtain wall on south elevation wrapped with a single run on the west elevation. $325,000 1 thus
(1) Roughly 6' x 130' curtain wall on North elevation $130,000 1 thus
2nd floor for the sake of quotes say 6 opening of roughly 24' x 7' at $15,960 per opening (6) thus opening
Top Floor Roughly 24' x 9' storefront 10 thus opening at $24,900 per opening (10) thus

ORIGINAL

opening
(4) 6' x 13' curtain wall opening on north elevation 2nd floor $6500 per opening (4) thus opening

QUOTE GOOD FOR 60 DAYS
ADD 2.5% PER QUARTER THEREAFTER FOR ESTIMATING PURPOSES

All tower windows excluding 3rd floor

BY: Matt Wiltz

TITLE: Vice President

DATE: 2/2/19

#2,505,760
Plus tax

2,735.037[04]

CITY OF TOPEKA
COMMUNITY IMPROVEMENT DISTRICT (“CID”) POLICY

Effective Date: October 25, 2011

Sections:

I. OBJECTIVES.

The proper use of a Community Improvement District (CID) should promote, stimulate and develop the general and economic welfare of and quality of life in the City of Topeka. A CID involves public financing of all or a portion of a “Project” as defined in the Community Improvement District Act (“Act”) within a prescribed area (the District). A CID Project should provide public benefit such as strengthening economic development and employment opportunities; enhancing tourism; upgrading older real estate through redevelopment or rehabilitation; or promoting sustainability. Public financing is achieved by levying and collecting special assessments and/or a CID sales tax upon property in the District.

II. SCOPE.

An applicant may petition the City to utilize CID financing to fund Projects eligible under the Act. The authority and decision to approve a petition establishing a CID for a Project is within the sole discretion of the Governing Body. However, Projects in which the anticipated costs are less than $1 million dollars will not be considered. The Governing Body is under no obligation to approve any petitioned Project. This Policy is intended to provide a guide in considering applications. The Governing Body reserves the right to deviate from this Policy when it believes it is in the City’s best interest.

III. DEFINITIONS.

A. “CID Sales Tax” means a retailers’ sales tax over and above the aggregate amount of the retailers’ sales tax contained in K.S.A. 12-187 through 12-197, and amendments thereto, on the selling of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas retailer’s sales tax act, within a District, in any increment of .10% or .25% not to exceed 2% as authorized by the Act, pledging such revenue to pay the bonds issued for the Project or to reimburse the cost of the Project pursuant to pay-as-you-go financing.

B. "Cost" means the definition set out in K.S.A. 12-6a27, as amended. The City, on a case by case basis, may consider costs incurred within 12 months prior to District establishment, provided the costs were incurred after July 1, 2009. The City reserves the right to exclude otherwise eligible costs under the Act. . The approved project costs shall be described in detail in a Development Agreement.

C. "Owner" means the owner or owners of record, whether resident or not, of real property within the District. The applicant shall be an owner.

D. "Pay-As-You-Go" means a method of financing in which the costs of a Project are financed privately, and the approved costs of such Project are reimbursed after Project completion as monies are deposited in the District fund.

E. "Project" may include any item eligible under the Act, as described in K.S.A. 12-6a27, as amended, but the City reserves the right to exclude otherwise eligible Projects under the Act; determine eligible and ineligible projects; and determine the amount of funding for a Project on a case by case basis. These terms and approvals shall be set out in a Development Agreement.

F. "Review Committee" includes the Deputy City Manager, Director of Finance, Director of Public Works, Director of Planning, Director of Development Coordination, and the City Attorney, or their designees. The Committee may also include City staff and individuals designated by the City Manager, including but not limited to the City's bond counsel and City financial advisor.

IV. PROVISIONS.

A. Criteria. The Governing Body shall consider establishment of a CID when it determines it is in the best interest of the City and provided the Project meets one or more of the following criteria:

1. Creates facilities which promote the cultural, historical, or artistic elements of the City and enhance tourism and quality of life.

2. Attracts unique commercial, office, industrial, and/or mixed use development which will enhance the economic climate of the City and diversify the economic base.

3. Substantially promotes economic development, investment or reinvestment in the community.

4. Encourages retail projects that enhance the retail base by either attracting new sales or capturing sales moving to other markets.

5. Provides for the construction of facilities that promote tourism or enhance the quality of life within the City.

6. Upgrades older real estate through redevelopment and/ or rehabilitation.

B. Applicant Responsibility. The application process shall include an application form and the petition required by the Act. As part of the process, the applicant shall complete the following prior to submission of the petition to the Governing Body:

1. Provide evidence in a form satisfactory to the City of the applicant's financial ability to complete the proposed project in a timely manner.

2. Provide documentation substantiating the applicant's sources of funding, including the amount/percentage of equity funding.

3. Submit a financial analysis demonstrating that the projected revenue is sufficient to pay the costs of the project, including bond debt service. The Review Committee may secure an independent feasibility study, the costs of which shall be borne by the applicant.

4. Pay all required fees and comply with all procedural requirements of the Act and the City's CID Policy.

5. Execute a Development Agreement contemporaneous with presentation of the CID petition to the governing body.

C. Review Committee Consideration. The Review Committee shall review each application and petition and make a recommendation to the Governing Body. In determining whether to recommend approval of a CID petition and the method of financing, the Review Committee may consider all of the following:

1. Whether creation of a CID meets one or more of the criteria set forth in Section IV(A);

2. The total development costs and investment, including estimated Project costs for which public financing is sought;

3. Sources of funding, including the amount of equity funding in comparison to public financing;

4. Experience and financial stability of Developer;

5. Whether tenants for the Project are in place and the nature and quality of the tenants;

6. Financial viability of the Project, including potential competition;

7. The amount and purpose of the funding request, including the percentage of funding for capital costs; operational costs; and public costs;

8. If bonds are requested, the projected debt service coverage from projected revenues; any additional security pledged by the Developer; and the marketability of the bonds; and

9. Whatever other factors or considerations the Review Committee believes the Governing Body would find relevant to its decision.

D. Governing Body Review. The Governing Body shall review the financial viability of each CID and shall use this information in determining whether to grant the Petition and, if granted, the appropriate term of the CID, which may be less than the duration allowed by the Act.

1. In the event pay-as-you-go financing is utilized, the CID sales tax shall expire on a date approved by the City, but no later than twenty-two (22) years from the date the state director of taxation begins collecting such tax or when the pay-as-you-go costs have been paid.

2. CID Bonds issued to finance the Project shall mature on a date approved by the City, but no later than twenty-two (22) years from date of issue, unless otherwise provided by law.

3. In no event shall any CID sales tax extend later than the date the bonds issued to finance such project or refunding bonds issued for the Project mature.

E. Financing.

1. Source of Funds. The cost of all or a portion of any authorized CID Project may be financed by any or all of the following sources:

a. Pay-As-You-Go financing based either on a special assessment or a CID sales tax within the District, or both;

b. Special Obligation Bond financing payable wholly through special assessments within the CID;

c. Special Obligation Bond financing payable in part through special assessments within the CID and in part through a CID sales tax;

d. General Obligations Bonds;

e. Any other funds appropriated by the City; or

f. A combination of the foregoing methods.

2. Development Agreement. If after review of the application, the Review Committee determines to recommend approval of the CID to the Governing Body, the the Applicant shall supply an executed Development Agreement (the "Development Agreement") which shall be presented to the Governing Body for consideration contemporaneous with the Petition. The Development Agreement shall address the recommended method of financing, approved Project(s) and approved Costs; the feasibility of the Project, the steps to be taken to minimize the risk of default; and any other terms the Committee deems appropriate.

3. Bonds. The City encourages the use of private financing ("Pay-As-You-Go") with reimbursement to the applicant for eligible, approved costs associated with a CID Project, but the City may consider the issuance of Bonds. Any determination to issue Bonds is within the sole discretion of the Governing Body.

a. CID Bonds. The City may issue special obligation notes or bonds ("CID Bonds") (collectively, "Bonds") to finance one or more Projects. In no event shall special assessments be levied against the City. The City will not provide credit enhancements for CID Bonds; however, credit enhancement provided by an applicant will be viewed favorably.

b. G.O. Bonds. The City discourages the use of full faith and credit notes or bonds (G.O. Bonds) to finance a Project under this Act, but may consider such action for that portion of a CID Project that is exclusively for public improvements.

Prior to the issuance of any Bonds, the applicant must receive a Certificate of Completion from the City. In addition, the applicant must agree to certain disclosures required by the City and the Bond underwriters and ensure that if necessary, such disclosure requirements are included in all subsequent tenant leases and land sales within the District.

4. Project Funds. A separate fund shall be created for each District and such fund shall be identified by a suitable title (the "Fund"). CID sales tax receipts, special assessments paid to the City under this Act, the proceeds from the sale of Bonds, and any other moneys appropriated by the Governing Body for the purpose of paying Project Costs, including the principal and interest on the bonds issued pursuant to this Act shall be credited to such Fund.

a. The Fund shall be solely used to pay the Costs of the Project either through the issuance of Bonds or Pay-As-You-Go financing, and shall be limited to approved costs included in the ordinance authorizing the Project or in the Development Agreement.

b. Reimbursement of approved Costs may only be made after a Certificate of Completion has been issued by the City.

c. In the event moneys remain in the Fund after the expiration of the CID sales tax, such moneys shall continue to be used solely to pay the Cost of the Project. Upon payment of all Project Costs and principal and interest on any bonds issued for such District, the City has the authority to terminate the CID and spend any moneys remaining in such Fund for the purposes for which local sales tax receipts may be spent.

5. Fees. When submitting its application the applicant shall pay a non-refundable application fee to cover City expenses associated with reviewing and processing the CID request. The City shall also require the applicant to reimburse all costs incurred by the City for additional legal, financial and/or planning consultants, for direct out-of-pocket expenses, and for other costs relating to services rendered for the City to review, evaluate, process and consider the petition for a CID. If bonds are requested and subsequently approved by the City the applicant shall also be responsible for all costs of issuance associated therewith. The applicant shall also be responsible for paying an annual administrative fee to cover the cost of monitoring and administering

the CID. Fee amounts shall be set out in the CID Procedures as described in Section

V. PROCEDURES.

City staff shall develop procedures for processing CID applications and filing CID petitions, in addition to such other matters such as the establishment of fees. Such procedures shall be approved, and amended as appropriate, by the City Manager.

VI. STATUTORY AMENDMENTS; CONFLICT WITH STATE LAW.

Any amendment to the Act or any statute cited herein or used as a source of authority for development of the City's CID Policy shall apply without the need to modify or amend this Policy. If any part of this policy conflicts with state law, the latter shall control.

VII. EFFECTIVE DATE.

This CID Policy shall take effect upon passage by the City Council.

VIII. RESPONSIBILITY FOR ENFORCEMENT.

The City Manager shall be responsible for the enforcement of this Policy.

CITY OF TOPEKA
COMMUNITY IMPROVEMENT DISTRICT ("CID") PROCEDURES

Effective Date: 11-9-11

Sections:

I. POLICY APPLICABILITY.

The following procedures are established under the authority of the City Manager and are intended to provide guidance in establishing a Community Improvement District ("CID" or "District") in accordance with the Governing Body CID Policy as approved by Resolution No. 8392 on October 25, 2011. The CID Policy is incorporated herein by reference. These procedures may be waived by the City Manager, if such waiver is in the best interest of the City and does not conflict with any statutory or procedural requirement of state law. If any part of this procedure conflicts with state law, the latter shall control.

II. DEFINITIONS.

The terms used in these Procedures shall have the same meaning as set forth in Section III of the CID Policy.

III. APPLICATION PROCESS.

A. <u>CID Application</u>. An applicant shall make application for a CID by filing with the City Clerk one (1) original written application on a form provided by the City, in addition to an electronic copy of the application. The applicant shall also submit the petition required by the Act.

B. <u>Fees</u>.

1. Application Fee. A non-refundable application fee in the amount of $1,500.00, made payable to the City of Topeka, shall accompany the CID Application.

2. Reimbursement. Applicant shall pay the following costs by either paying the third party directly or by reimbursing the City prior to the City incurring the cost:

a. All costs necessary to comply with state law, including but not limited to: costs of all legal publication notices, resolutions, ordinances, and proceedings relating to the issuance of bonds;

b. City bond counsel, the City's financial advisor, and any other third party professional retained by the City to review and evaluate the petition.

3. CID Administrative Fee if District is Approved. An annual administrative fee of 1% of the annual CID revenue generated within the District shall be charged to reimburse City for services rendered in the administration and supervision of the Project. Such CID Administration Fee shall be paid from the Project Fund. The CID Administrative Fee is an eligible cost for reimbursement if there are sufficient funds. In no event shall the total fee, including the initial application fee and the CID Administrative Fee, but excluding the costs in Section III(B)(2), exceed 5% of the total Project cost.

4. Amendments. The City Manager may establish City fees, for amendments and modifications to the District financing documents that occur throughout the term. In addition, the applicant shall be responsible for all City Consultant fees associated with any such amendment request.

5. State Fee. In addition to the CID Administrative Fee, if a CID sales tax is utilized, the Kansas Dept of Revenue may retain 2% of the CID sales tax up to a maximum of $60,000.00 per state fiscal year, in the state CID sales tax administration fund to defray the expenses of the state in administration and enforcement.

C. Preliminary Review and Pre-Application Meeting. Prior to submittal of a formal application, an applicant is encouraged to meet with the Review Committee to discuss a proposed project and possible CID financing. These discussions are preliminary and are not binding on the applicant, the Review Committee, or the Governing Body. If the City utilizes any consultants to assist with the preliminary evaluation, the applicant shall be responsible to pay the associated costs, provided the City has first notified the applicant of such request and received their consent.

IV. DISTRICT ESTABLISHMENT.

A. Petition. A CID shall be established by petition filed with the City Clerk. The Petition must meet all requirements of the Act, the CID Policy and these Procedures and must be submitted in sufficient time for staff to follow established procedures for publication; to perform site plan review; and to analyze the merits and feasibility of the proposed CID. The City reserves the right to request any additional information to supplement the Petition.

B. Petition Participation.

1. An applicant seeking to finance all or a portion of the CID eligible expenses with a CID special assessment must obtain the signatures of 100% of the property owners of all land area within the District.

2. An applicant seeking to finance CID eligible expenses in whole or in part by a CID sales tax must obtain the signatures of 100% of the property owners of the land area within the proposed District.

C. Public Hearing (Sales Tax Only). If a CID sales tax is requested for all or part of the project, the Governing Body shall adopt a resolution calling for a public hearing on the creation of the District and imposition of a CID sales tax. The resolution shall be published once per week for two (2) consecutive weeks with the last publication at least seven (7) days prior to the hearing and also sent by certified mail to all owners at least ten (10) days prior to the hearing.

For Districts financed by special assessments only and for which a petition signed by 100% of the property owners is submitted, no notice or public hearing is required for Governing Body action.

D. Governing Body Action. The Governing Body will not consider a CID until a complete application is submitted and reviewed by the Review Committee, fees are paid, and a recommended Development Agreement is available. Following the public hearing, if required, the Governing Body by majority vote may establish the District by ordinance.

1. The ordinance shall authorize the Project, approve the estimated cost of Project, include a legal description of the District (with map), approve the method of financing including the levying of a CID sales tax (if applicable), and approve the maximum amount and method of assessment, if applicable. The ordinance shall become effective upon publication once in the official city newspaper. The ordinance shall also be recorded with the Register of Deeds.

2. Governing Body establishment of a CID does not constitute approval of a site plan, zoning, or other land development approval. Establishment of a CID is an entirely separate process. CID projects are still required to obtain the necessary development and regulatory approvals.

V. METHOD OF PROJECT FINANCING.

A. Certificate of Completion.

1. As noted in the Policy, Projects may be financed by a variety of methods. Before payment will be made to applicant, the City must issue a

Certificate of Completion. Multiple Certificates of Completion may be issued for projects with approved phases.

2. The request for Certificate of Completion shall include an affidavit of the applicant certifying:

a. Project improvement is an approved CID eligible cost and identify its priority for reimbursement, if any;

b. Project was constructed in accordance with all applicable laws and codes;

c. Cost was incurred for authorized project improvements;

d. Cost has not previously been submitted for reimbursement;

e. Cost reflects the actual cost expended; and

f. Applicant has no outstanding or anticipated liens for work constructed.

B. <u>Reimbursement</u>.

1. If pay as you go financing is used, the applicant shall submit to the Director of Finance copies of all invoices supporting its request for reimbursement, accompanied by a Certificate of Completion. Invoices must be submitted quarterly and such submission must occur at least thirty (30) days prior to any quarterly disbursement period or applicant shall have to wait until the next quarterly disbursement period.

2. The Director of Finance shall attempt to determine the eligibility of the cost within thirty (30) days of the submittal. If the Director determines the nature or amount of the request for reimbursement is outside the scope of the Act or the Development Agreement, Developer may appeal this decision in accordance with the procedure in Chapter 2.145 of the Topeka Municipal Code. Any reimbursement payment shall be stayed pending a determination by the hearing officer.

3. Requests for reimbursement shall be denied unless submitted before the Project is closed or within thirty (30) days thereafter.

4. CID revenues shall be paid in the following order:

a. First, the CID administrative fee.

b. Second, cost of preparation and publication of notices of hearings, resolutions, ordinances and other proceedings relating to the creation or administration of the District or the issuance of bonds.

c. Third, the Petitioner's other costs as defined in Section III(B) of the CID Policy.

C. Special Assessments.

1. If special assessments shall be levied to finance all or any part of the Project cost, the City must follow the procedures set out in K.S.A. 12-6a01 *et seq.* except that no assessments may be levied against the City at large. In addition, if the source of financing includes payment from a pledge of revenue received from the CID sales tax or any other funds appropriated by the City for purpose of paying Project costs, including the principal and interest of bonds, then the ordinance levying the assessments may state that the annual installments of such assessment for any year may be reduced or eliminated to the extent that, prior to the date the City certifies the City tax levy to the County, the City has received sufficient funds from the above described sources to pay the debt service on any bonds issued for the Project costs, which would have been paid by such installment.

2. The City is not required to refund any prepayment of assessments after such prepayment is made to the City. Any prepayment must be paid in full prior to the issuance of bonds, or after the issuance of bonds by paying all of the installments which have been levied and also the unlevied installments with interest on the latter at the rate provided in the bonds from the date of the bonds to the time of maturity of the last installment in compliance with K.S.A. 10-115, and amendments thereto.

D. CID Sales Tax.

1. A CID sales tax may be levied in any increment of .10% or .25% not to exceed 2%, which amount is in addition to the aggregate amount of the retailers' sales tax contained in K.S.A. 12-187 through 12-197. The revenue from the CID sales tax may be pledged to pay the bonds issued for the Project or to reimburse the cost of the Project through pay-as-you go financing.

2. If CID bonds are issued, the CID sales tax shall expire no later than the date the bonds mature. If pay-as-you-go financing is used, the CID sales tax shall expire on a date approved by the City, but no later than 22 years from the date the state director of taxation begins collecting such tax or when the Project bonds or pay-as-you-go costs have been paid.

3. Procedure:

a. Upon adoption of a CID sales tax, the City shall send a certified copy of the resolution or ordinance authorizing the levy of the CID sales tax to the Kansas Director of Taxation. Notice must be received ninety (90) days before the first day of the quarter in which the CID sales tax will commence. Thereafter, the Kansas Director of Taxation shall commence collection of the CID sales tax in the District at the same time and in the same manner for the collection of the state retailers' sales tax. The full remittance shall be deposited in the state treasury.

b. The state may retain 2% of all CID sales taxes collected up to $60,000 per state fiscal year for deposit in the state CID sales tax administration fund to defray the state costs of administration and enforcement (the "state fee").

c. The state shall no less than quarterly remit to the City the CID sales tax receipts collected less the state fee, if any. The amount shall be deposited in the City CID Project fund. Such fund shall be created for each District.

d. Within 15 days of written request of the City, the state will provide the City with a copy of any retailers' sales and use tax return filed with the state in connection with a District for which sales or use tax revenues are intended to be used to finance Project costs. Such returns and the information contained therein shall be kept confidential, but may be used for purposes of allocating and depositing such revenues in connection with the bonds used to finance Project costs.

E. Appeals. No suit to set aside assessments or otherwise question the validity of the proceedings for the District establishment or Project authorization shall be brought 30 days after publication of the resolution or ordinance creating the District. No suit to set aside the CID sales tax may be brought 30 days from the publication of the ordinance or resolution declaring the intent to impose the CID sales tax. No protest petition pertaining to the issuance of full faith and credit bonds may be brought 60 days following the date of public hearing to create or modify the District.

VI. BOND FINANCING GUIDELINES.

If CID bonds are issued for the project, the following guidelines shall be applied:

A. The maximum maturity for Bonds is 22 years.

B. For feasibility, it is recommended that Bonds be issued in a minimum amount of $ 1,000,000. This amount may be adjusted upon recommendation of the Review Committee and approval of the Governing Body.

C. CID Bonds issued under this Policy must include security for the bonds of a sufficient amount, and in a form approved by the City's bond counsel and financial advisor, to minimize any risk of default.

D. Bonds issued under this Policy must be sold to qualified investors (as defined by the Securities and Exchange Commission Regulation D) in accordance with the minimum denominations as provided herein.

E. Bonds must initially be offered in denominations of $100,000 or greater. These denominations may be stepped down (upon consultation with the City's bond counsel and financial advisor) when one of the following are met:

1. the Project being bond financed is substantially leased;

2. the estimated revenue stream yields significant debt service coverage on the bonds;

3. construction of the Project being bond financed is 100% complete;

4. the repayment term is less than or equal to 60% of the maximum permitted repayment term; or

5. waiver by the City Manager.

F. If a negotiated sale of the bonds is utilized, the City will generally select the underwriter(s) needed to structure, price, and sell the bonds. Exceptions to this process may be approved by the City Manager upon consultation with the City's bond counsel and financial advisor.

G. All pricing for negotiated sales will be performed with direct involvement by City staff and the City's financial advisor. Any savings generated as a result of discounts or premiums will be used for the benefit of the District.

CITY OF TOPEKA

Daniel R. Stanley, Interim City Manager

City of Topeka
Council Action Form
Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org
November 10, 2020

DATE:	**November 10, 2020**		
CONTACT PERSON:	**Brendan Wiley**	**DOCUMENT #:**	
SECOND PARTY/SUBJECT:	**Friends Of Topeka Zoo (FOTZ) - Zoo Governance**	**PROJECT #:**	
CATEGORY/SUBCATEGORY	**006 Communication / 005 Other**		
CIP PROJECT:	**No**		
ACTION OF COUNCIL:	**Discussion 10-06-20. Discussion 10-13-20.**	**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

DISCUSSION regarding the details of the future vision of Friends Of Topeka Zoo (FOTZ) to operate the Topeka Zoo through a Public Private Partnership.

(The presentation will detail plans for growth, economic impact and risk mitigation that would otherwise be difficult to accomplish under the current zoo operating model.)

VOTING REQUIREMENTS:

Discussion Only. No action required by the Governing Body.

POLICY ISSUE:

Determine whether to move forward with discussions related to entering into a Public Private Partnership with Friends of the Topeka Zoo (FOTZ) to manage the Topeka Zoo in accordance with terms and conditions set out in a corresponding License and Management Agreement.

STAFF RECOMMENDATION:

Based on feedback from the Governing Body, staff will present at the November 17, 2020 Governing Body Meeting the License and Management Fee proposal.

BACKGROUND:

On four separate occasions over the past ten years, Friends of the Topeka Zoo has engaged Zoo Advisors to consult on the formation of a Public Private Partnership to aid the City in better preserving the future of the Topeka Zoo. Zoo Advisors has worked with both FOTZ and City staff to evaluate the economic impact and opportunity that exists through creating a partnership.

BUDGETARY IMPACT:

Budgetary impact will be the subject of a future discussion.

SOURCE OF FUNDING:

Not Applicable

ATTACHMENTS:

Description

Executive Summary - Friends Of Topeka Zoo (FOTZ) Vision
REVISED -Topeka Zoo - Public Private Partnership Model Assessment 11-10-20
REVISED - Presentation 11-10-20
October 13, 2020 GB Meeting Packet
October 6, 2020 GB Meeting Packet

CITY OF TOPEKA

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EXECUTIVE SUMMARY
TOPEKA ZOO GOVERNANCE DISCUSSION – Friends of the Topeka Zoo Vision

Objective: To allow the Governing Body to generate a better understanding of what the Topeka Zoo will look like if operated through a Public Private Partnership by Friends of the Topeka Zoo.

Background: On four separate occasions over the past ten years, Friends of the Topeka Zoo has engaged Zoo Advisors to consult on the formation of a Public Private Partnership to aid the City in better preserving the future of the Topeka Zoo. Zoo Advisors haved worked with both FOTZ and City staff to evaluate the economic impact and opportunity that exists through creating a partnership.

Purpose of the Non-action Item: The purpose of this Non-Action Item is to allow Friends of the Topeka Zoo to make a presentation that details the future vision for the Topeka Zoo if the Zoo is operated by Friends of the Topeka Zoo through a Public Private Partnership. The presentation will detail plans for growth, economic impact and risk mitigation that would otherwise be difficult to accomplish under the current zoo operating model.

Next Step: Based on feedback from the Friends of the Topeka Zoo presentation, staff will discuss with the Governing Body options of funding the Public Private Partnership.

November 10, 2020

Introduction & Executive Summary

Zoo Advisors has been engaged by the Friends of the Topeka Zoo (FOTZ) to review the proposed plans to modify the governance partnership between the Zoo, City of Topeka, and FOTZ and create a new public/private partnership (PPP) through a management license agreement with the City. We have conducted an assessment of the operating model which was developed and provided to our team for review. We have shared our observations about the assumptions and conclusions from the model with the FOTZ Board and highlight those findings below.

Background

Zoo Advisors (ZA), a national zoo planning firm from Philadelphia, PA, has been engaged by FOTZ numerous times dating back to 2012 to assist in developing a PPP between FOTZ and the City of Topeka (COT). ZA is an expert in zoo governance and financial modeling and has worked with over 100 zoos and aquariums and advised more than a dozen zoos on PPP and governance models. ZA clients include many neighboring zoos including in Wichita, Garden City, Manhattan (KS), Hutchinson, and Kansas City.

FOTZ is proposing a public/private partnership between the City and Society. A PPP is the shifting of the organizational, operational, and fiscal responsibilities of the zoo from the City to a non-profit management organization. The Zoo remains owned by the City but would be managed under a license agreement by FOTZ, which has been a long-term partner in improving the Zoo, operating admissions, food, and gift, raising money, and offering Zoo membership.

Today over 75% of all Association of Zoos and Aquariums (AZA) accredited zoos are managed through a public/private partnership – most through a non-profit. And there are many publicly run facilities that are considering governance and funding alternatives. Many zoos within the region already operate under this PPP model including Sedgwick County Zoo in Wichita, Kansas City Zoo, and Omaha's Henry Doorly Zoo. Zoos that have moved to this model have seen tremendous success with increased attendance, added investment in exhibits, and growth in revenue – both earned and fundraised. No zoo that has moved to this model has failed.

Benefits

The reasons for this trend to a PPP are clear:

- Streamlined organizations under a single, unified operating umbrella are far more efficient.
- Long-term spending by public entities is capped under PPP.
- The expertise of private governance allows these organizations to exceed evolving animal welfare and care standards and maintain AZA accreditation and better prevent USDA violations
- Private organizations are more easily able to quickly adapt to changing environments and audiences.
- Private governance positions zoos and aquariums as more prominent philanthropic priorities in their communities.
- The PPP will drive increased economic impact for the region, bringing in visitors from a broader geographic area

This change in structure provides a number of shared benefits to both the Zoo and the City. The community benefits from increased investment in high-quality exhibits and attractions and an enhanced visitor experience, realized from greater private support. As the zoo grows and succeeds – through gains in attendance, membership, earned income, and contributed support – additional dollars become available for zoo improvements – *'what's earned in the zoo, stays in the zoo'*.

Such a move provides a more cohesive vision, unified management structure and increased operational effectiveness for the Zoo. Additionally, this allows the zoo to become more entrepreneurial, efficient, and responsive to community needs by eliminating the redundancy that occurs with two organizations operating at one facility.

A public-private partnership model will broaden the level of funding streams into the Zoo and eliminate leadership and governance issues. **Now is the time for Topeka Zoo to make this change** to help proactively ensure the Zoo fulfills its mission, remains accessible to the community and is financial sustainable.

Findings

After our review and analysis of the proposed financial model for FOTZ for the PPP out through 2035, we provide the following observations and assessment.

We find the projected operating model to be credible and achievable. The estimates of changes to key operating metrics (including attendance, membership, revenues, and expenses) are well-calibrated to the actual performance of peer facilities around the United States, and well within reasonable expectations based on the proposed changes to the physical site and governing structure.

Attendance

As is true of any visitor attraction, attendance is the lifeblood of a financially sustainable operation for Topeka Zoo. While the Zoo generates income through a variety of channels, there is no single more impactful metric than the number of guests that will pass through the Zoo's gate, and the associated revenue that comes with them. Therefore, the estimates in the model about the number of visitors that will visit the Zoo in upcoming years are critically important.

The model contains projections through the 2035 operating year and predicts that attendance will grow to approximately 280,000 visitors. **We find this projection to be reasonable and achievable.**

The most recent data from the American Community Survey (via the U.S. Census Bureau) indicates that the Topeka, KS Metropolitan Statistical Area ("the MSA") is currently home to abought 232,000 residents. That number has declined by about 1,800 (or roughly 0.8%) since 2015. At the macro level, we would characterize population growth as essentially flat.

While it is impossible to predict what the MSA's population may look like in 2035, assuming there is no radical shift in growth, the Zoo's peak projected market penetration (attendance divided by MSA population) would be about 120%. To test this number, we developed a benchmark group of other AZA zoos in comparable markets:

Facility	MSA	Attendance	Penetration
Topeka (current)	232,374	208,000	90%
Caldwell	228,093	208,842	92%
Cameron Park	270,813	360,289	133%
Erie	279,396	401,168	144%
Great Plains	254,833	286,337	112%
Red River	236,705	150,000	63%

The average market penetration among these zoos is 106%, but two of them (Cameron Park Zoo and Erie Zoo) penetrate at above 130%. It is not atypical for zoos in smaller markets (such as Topeka) to exceed 100% penetration—especially in scenarios were the guest experience is excellent. Therefore we assess that it is reasonable for Topeka Zoo to reach the attendance levels in its projection model so long as the proposed master plan is implemented on a schedule approximating what is modeled.

The **attendance composite** (the percentage of visitor types) in the model is based on averages of 3 years of actual Topeka Zoo operating data. The model indicates that approximately 40% of visitation will come from members during the first year, and gradually shift towards general admissions attendance later in the model period as visitors come from further distances. By 2035, the model estimates that 27% of visitors will be members, while the remaining 73% will be made up of other admissions categories. This attendance composite would represent a healthy visitor mix.

We assess the **admissions fee structure** to be well thought out and credible. If primary market research on price elasticity and tolerance has not been conducted by Topeka Zoo, we strongly recommend that the organization considers it in upcoming years, ideally before major improvements start to open. This type of research would scientifically test the actual value that consumers place on the Zoo experience, and help the organization maximize revenues empirically.

Membership

We assess the projections surrounding the membership program to be credible. These projections indicate a slow and steady shift towards a lower capture rate. "Capture rate" is a metric calculated by dividing the total number of annual membership transactions by the total number of visitors, and serves the purpose of contextualizing the size of a membership program relative to the number of overall visitors. By the latter half of the model period, capture rate is expected to fall from the current rate of over 2.5% to roughly 1.9% to 2.0%. **This represents a favorable outcome,** in that a larger proportion of visitors are projected to pay the full admissions rate.

The model also accounts for increases in membership dues to keep pace with concurrent increases in admissions fees.

Fundraising and Development

We assess the contributed revenue estimates under the "Fundraising and Development" heading to be reasonable and credible. Each of these estimates represents incremental growth on existing actual performance.

If anything, it is likely that FOTZ will be even more effective in its fundraising program if it separates itself from the City. The impression that a zoo is own and operated by a public entity such as a city or county has been demonstrated to be a detriment in contributed revenue efforts. By contrast, numerous zoos which have moved to a private governance structure in recent years have experienced significant development and an increase in their ability to fundraise, especially for capital projects. For example:

- **John Ball Zoo (Grand Rapids, MI):** Shifted governance from County operation to nonprofit in 2013; shortly thereafter embarked on a visionary masterplan funded significantly by private fundraising efforts; secured additional tax funding; grew attendance by 28% at peak.

- **Reid Park Zoo (Tucson, AZ):** Privatized in 2019; has since announced a major new suite of master plan improvements.

- **Potawatomi Zoo (South Bend, IN):** Privatized in 2014; developed new exhibits and opened a new entry complex in 2019, funded in part by increased contributed support; secured public tax funding in 2018; increased attendance by over 20% at peak.

- **Sedgwick County Zoo (Wichita, KS):** Has been operated by a private nonprofit for over two decades experienced attendance growth of over 20% in the last ten years; built industry leading elephant habitat; new entrance under construction; funded in part by contributed support.

- **Kansas City Zoo (Kansas City, MO):** Also has been run by a private nonprofit for over two decades; set out on a 14 year development plan in 2006 to revitalize habitats and experiences across the Zoo; grew attendance by 85% at peak; currently building a $50M + aquarium supported by private fundraising.

While we expect Topeka Zoo will experience similar results in the years after revising its governance structure, it is very difficult to specifically project these outcomes. Therefor a much more conservative estimate is projected in the model.

Other Earned Revenues

Strollers, Wagons, Scooter Rentals: We assess this projection to be credible.

Venue Rentals: We assess this projection to be somewhat aggressive, but credible if modifications to the site include improvements to venues and the organization implements a strong rental program. It is also possible the COVID or comparable future incidents could impact these numbers.

Birthday Parties: We assess this projection to be credible.

Concessions: While the strategy of tying concessions revenue growth to increases in attendance is accurate, this projection neglects to include any meaningful growth to per capital spending. In practice, visitor per capita spending on concession typically increases by about 2% per year based on improvements in products and service. This would translate to roughly 25% more gross concessions revenue by 2035.

Leopard Spot: As with the concession program, we assess the gross revenue projections to be too conservative for the same reason. We recommend projecting a 2.0% increase in per capita spending in each year in both cases.

Education Programs and Camps: We assess this projection to be credible.

Conservation: We assess this projection to be credible.

Personnel Expenses

We assess the projections surrounding personnel to be generally well-reasoned. The built-in 2.5% annual escalation is on the conservative side (typically we model 3.0%), but the 2.5% number is certainly credible and achievable.

At roughly 33% of full-time wages, the “benefits and allowances” line-item is reasonable for a zoo with a high percentage of employees with benefits packages originating in the public sphere.

The model also projects a significant increase in staffing between 2021 and 2035—the Zoo intends to bring on 16 full-time positions and has budgeted for increases in seasonal staff to match attendance growth. Based on the Zoo's stated schedule of improvements, we assess the quantity and timing of the new full-time positions to be reasonable and necessary to accommodate the Topeka Zoo of the future, although we question the decision to eliminate the Guest Experience Manager position. These new positions will create approximately $183,000 in new personnel expenses in 2021, rising to about $1.15 million by 2035. Benefits are calculated at 32% of base salaries. It is also possible that some additional administrative personnel might be necessary to function in roles previously administered by the City.

Other Expenses

Based on our review of the remaining operating expenses categories, we find them to be generally reasonable and credible with two exceptions:

- **Insurance:** Further questioning about this line item reveals that it does not include vehicle insurance for the Zoo's fleet (six motor vehicles and several golf carts), which is estimated to incur about $10,000 annually in addition expenses; and that property insurance has been underestimated by about another $10,000. We recommend the addition of $20,000.

- **Volunteer**: While not a large line-item, volunteer expenditures at about $23,000 are significantly higher than we typically observe. We are advised by Topeka Zoo staff that this line does not include any personnel expenses.

Capital Maintenance Plan

In addition to our review of the operating model, we also assess the capital maintenance plan. While, the plan appears to be incredibly thorough and well thought out, **it is impossible to make an absolute judgement because there has been no formal asset assessment of the Zoo's holdings.** We recommend that the Zoo consider undertaking such an assessment in upcoming years to add certainty to its estimates.

Alternative

It is our assessment that the best possible outcome for the Topeka Zoo is to proceed with the proposed shift in governance. One of the most impactful benefits that would come with this change is the improved ability and energy of FOTZ to invest significantly in the Zoo. If the partnership revision does not proceed, and the current funding model is unable to match what is proposed by FOTZ, the Zoo would very likely suffer in the long term. The driving factor for maturing zoological organizations like Topeka is investment in guest experience and animal welfare. If investment is not made, the Zoo's accreditation could be at risk; attendance will wane; finances will suffer; and ultimately the organization could find itself on an unsustainable financial footing with growing concerns of maintaining ever-increasing animal welfare standards.

Topeka Zoo

Public Private Partnership Presentation
November 2020

Introduction

The goal of this presentation is to lay out the case for a new public private partnership (PPP) governance model for the Topeka Zoo and Conservation Center. This PPP best positions the Zoo to exceed animal welfare standards, fulfill its conservation mission, and achieve long-term success and sustainability.

On the following slides, the Friends of the Topeka Zoo share a bold vision for what the Zoo can accomplish and how it can become an even stronger asset and economic engine for the Topeka community and greater region.

FOTZ - History of Success

- Funded seven seasonal exhibits and other exhibit improvements
- Raised $2M for Camp Cowabunga; $5.75M for Kay McFarland Japanese Garden; $4.6M (to date) Giraffe and Friends
- Result: Doubling of attendance in 10 years from 111,000 to 224,000
- Funding support of $124K annually for COT positions: educator, camp counselors, and animal care staff for seasonal exhibits
- Successfully running and growing admissions, concessions, membership, marketing and fundraising
- Strong, engaged, and professional board governance


ARUSHA TENT

PPP – Public Private Partnership

- A full shift of Zoo management to Friends of Topeka Zoo (FOTZ)
  - Animal care, maintenance, & operations all shift from City to FOTZ
  - Zoo operations under independent nonprofit with City representation on FOTZ board
  - Capital improvements made by FOTZ
- Public funding will continue to support Zoo operations and capital
  - Initially through management & license fee – 1) for operations 2) for capital
- PPP model has been vetted, evaluated and analyzed over the last five plus years
  - Follows best practice among AZA institutions
  - Path to stronger financial sustainability

PPP – Public Private Partnership

topeka zoo & conservation center

FOTZ ←Partnership→ **City**

FOTZ

- Day-to-day Zoo management & operations
- Staffing
- AZA Accreditation
- Animal Care
- Education, Programs & Conservation
- Guest Experience
- Visitor Services – food, gift; attractions
- Fundraising – operating and capital
- Events
- Marketing & Communication
- Manage capital projects

City

- Ownership of Buildings
- Quasi-Landlord (Licensor)
- Funding support
- Financial support on capital projects
- Representation on FOTZ Board

PPP – Proven Success

- Over 75% of AZA zoos are operated by nonprofits under a PPP
  - Model for growth – attendance, revenue, fundraising
  - Sets zoos up for long-term success
  - Opens possibilities for alternative funding and greater contributed giving

Grand Rapids, MI

- *28% attendance growth*
- *New exhibits built*
- *Tax initiative passed*

Tucson, AZ

- *13% attendance growth*
- *New exhibits built*
- *Tax initiative passed*

South Bend, IN

- *>20% attendance growth*
- *Tax initiative passed*
- *New entrance & exhibits*

Wichita, KS

- *>20% attendance growth*
- *New exhibits and entrance being built*

Kansas City, MO

- *85% attendance growth*
- *Decade of new exhibits*
- *Tax initiative passed*

** Attendance growth over ten-year period; peak year may differ*

PPP – Proven Benefits

- Everyone under one umbrella, streamlined operations and organizational structure; less repetition of service
- Expertise to exceed animal welfare and latest AZA standards
- Access to added resources to support the Zoo
- Flexibility to respond to changing environments and audiences
- Ensures the Zoo remains more accessible to the community over the current municipal model
- Better positions the Zoo as a regional asset and philanthropic priority for the community

PPP Implementation - Results

- Continued roll-out of the Zoo's ambitious master plan
  - Giraffe and Friends – 2022
  - Children's Zoo - 2024
  - Tiger - 2027
- Increased economic impact for the region – jobs, construction, sales tax, community investment
- Continued attendance growth – **up 25% over next 15 years to close to 300,000**
- Less reliance on public support as a % of growing budget – drops from 50% to 40% over contract

Topeka Zoological Park

TOPEKA ZOO MASTER PLAN

January 2016

0 30' 60' 90' 1" = 60'-0"

GLMVZOOS
...the wilder side of GLMVArchitecture

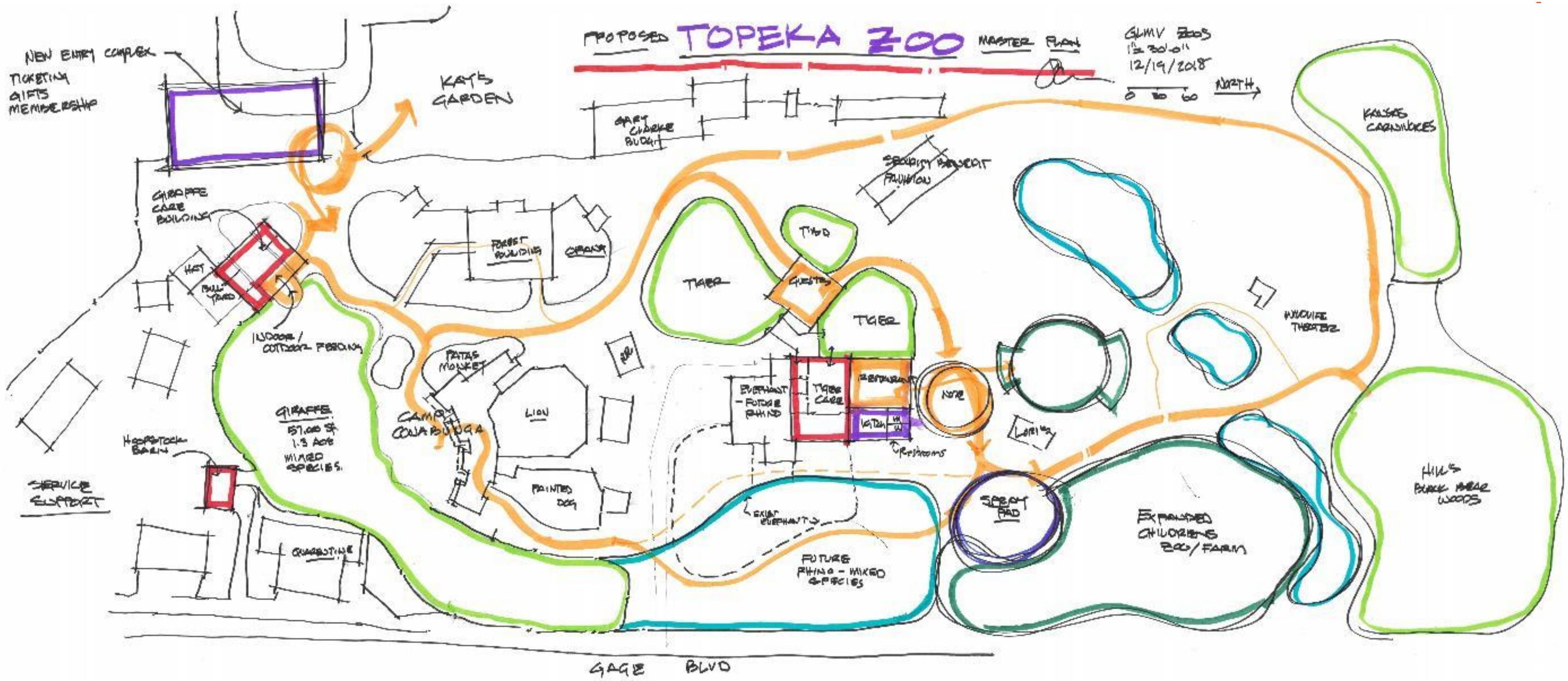
topeka zoo
& conservation center

Topeka Zoo

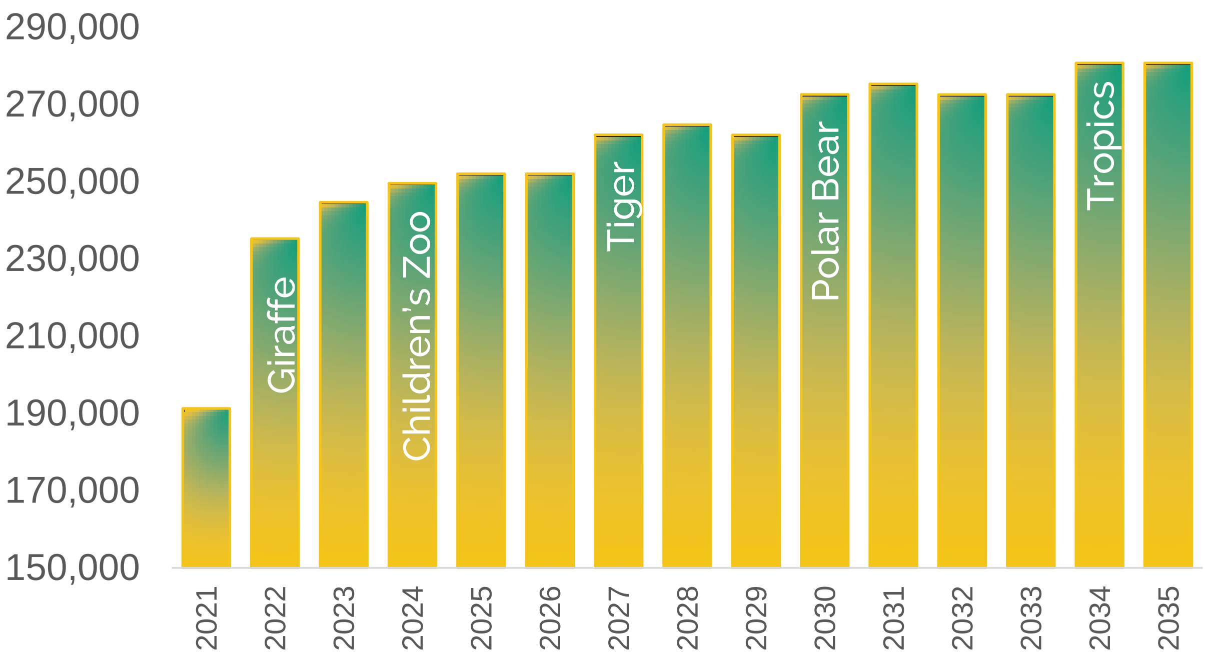
Giraffe Exhibit

GLMVZOOS

Master Plan - Update



Total Attendance

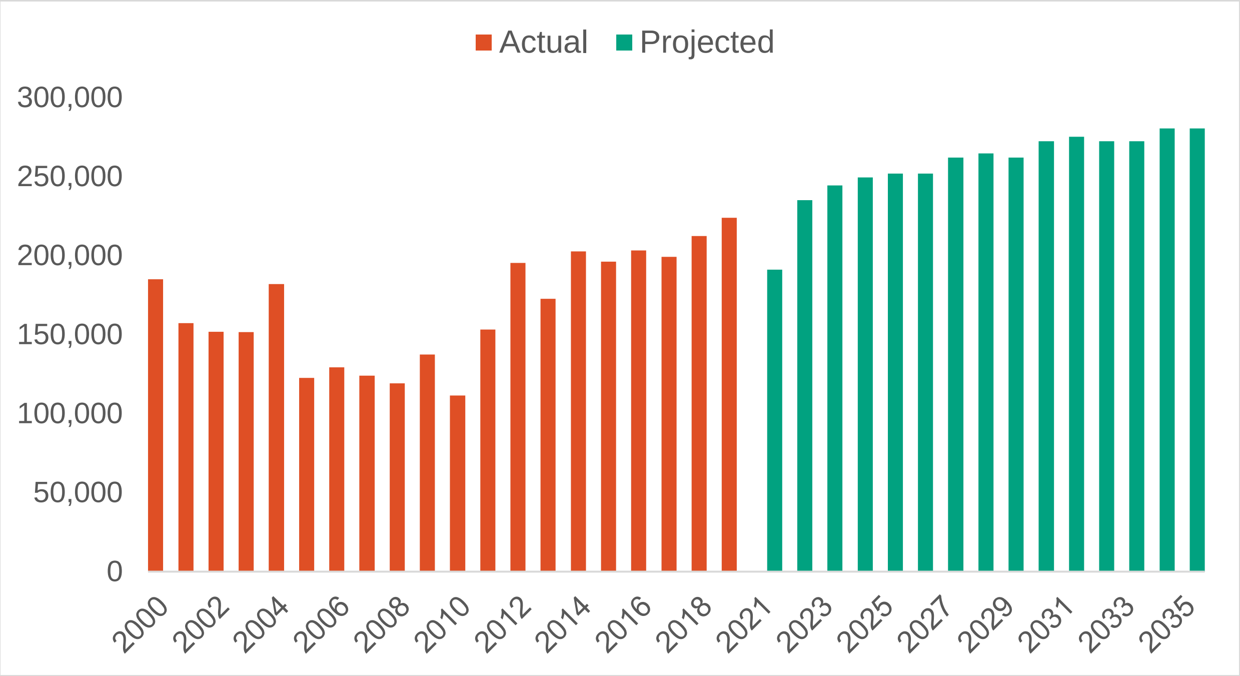


2021 is projected as a year when COVID is still impacting the Zoo's attendance.

In subsequent years, the Zoo is projected to show steady attendance growth, peaking at 280,000.

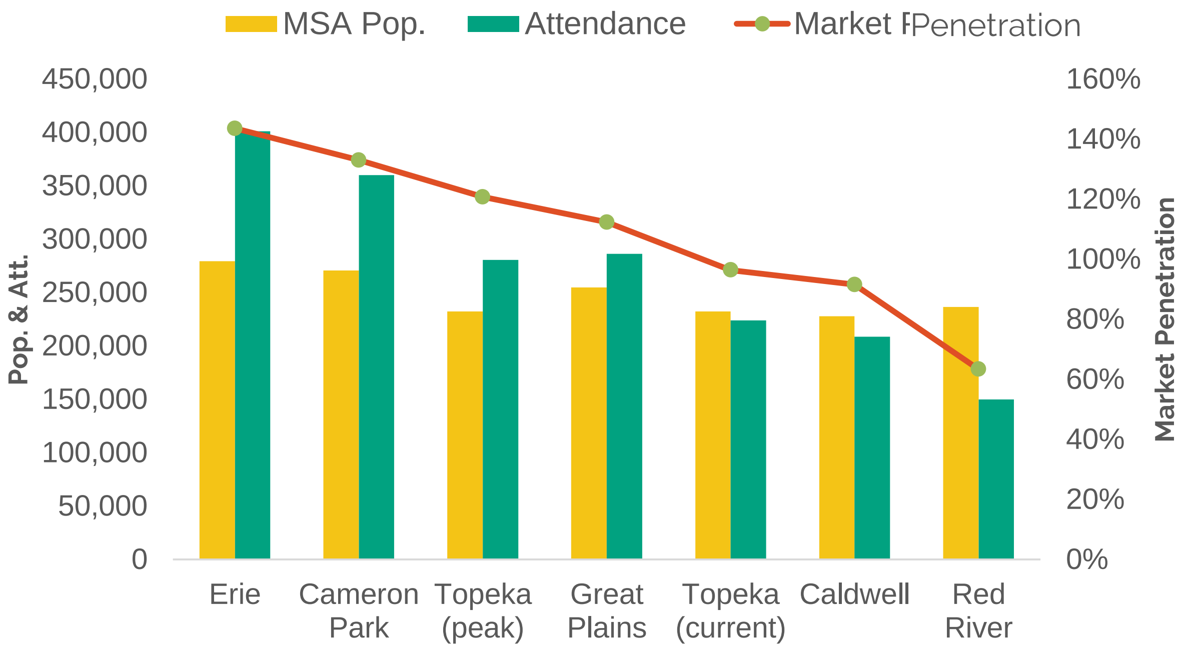
* *Improvements, i.e. specific animal species, beyond 2023 are subject to change.*

Attendance History



Since 2000, Topeka Zoo's attendance has been on a generally upwards trend. The model projects that the trend will continue with the implementation of the master plan to reach **280,000 annual visitors.**

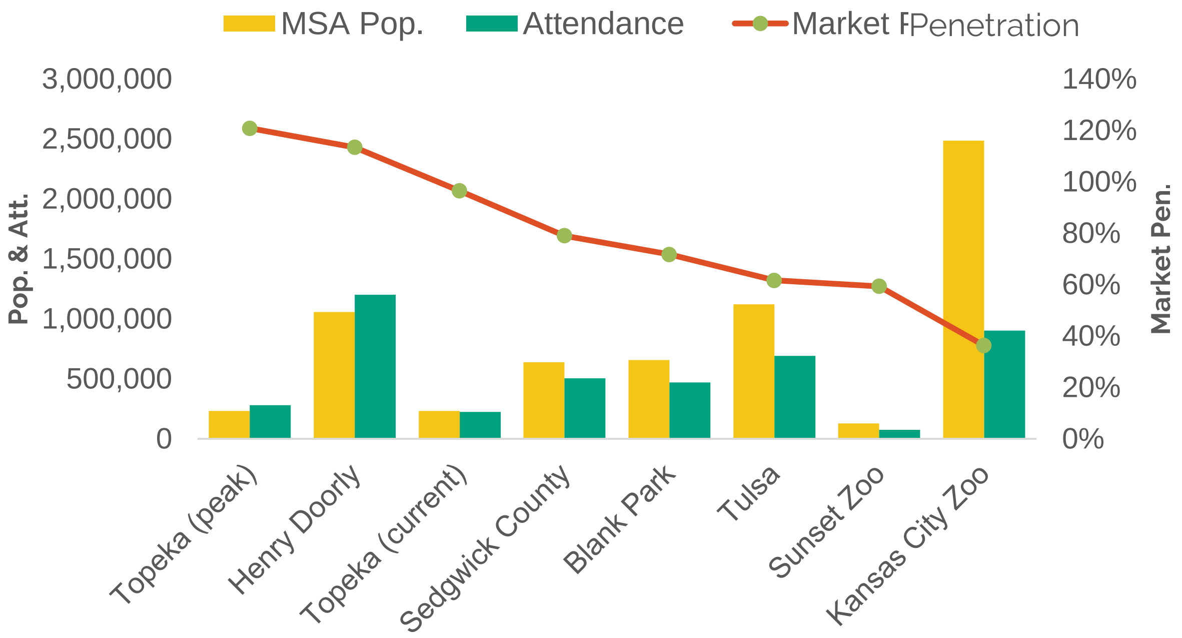
Market Benchmarks



Topeka Zoo currently penetrates its market at about 96%. The model projects it will reach peak penetration (*total attendance divided by MSA population*) of about 121%.

* ***MSA:*** *Metropolitan Statistical Area*
Market Penetration: *Total Attendance/MSA*

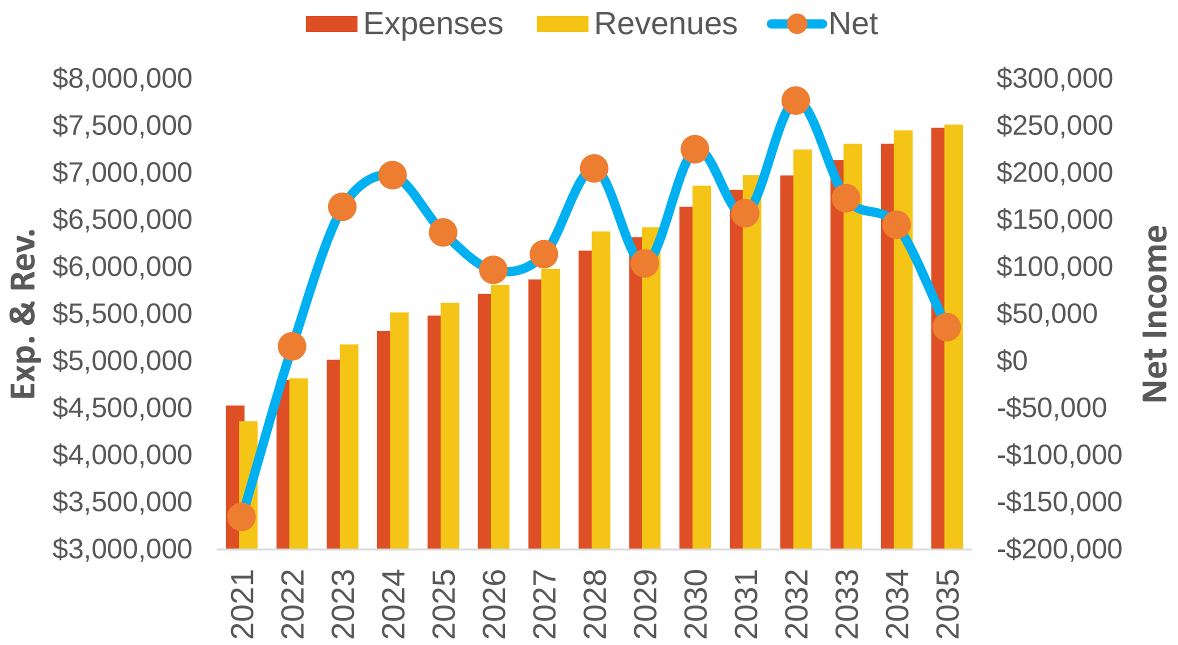
Regional Benchmarks



At peak attendance, the model shows Topeka Zoo having the highest market penetration among regional benchmarks, which is to be expected given it is in one of the smallest markets.

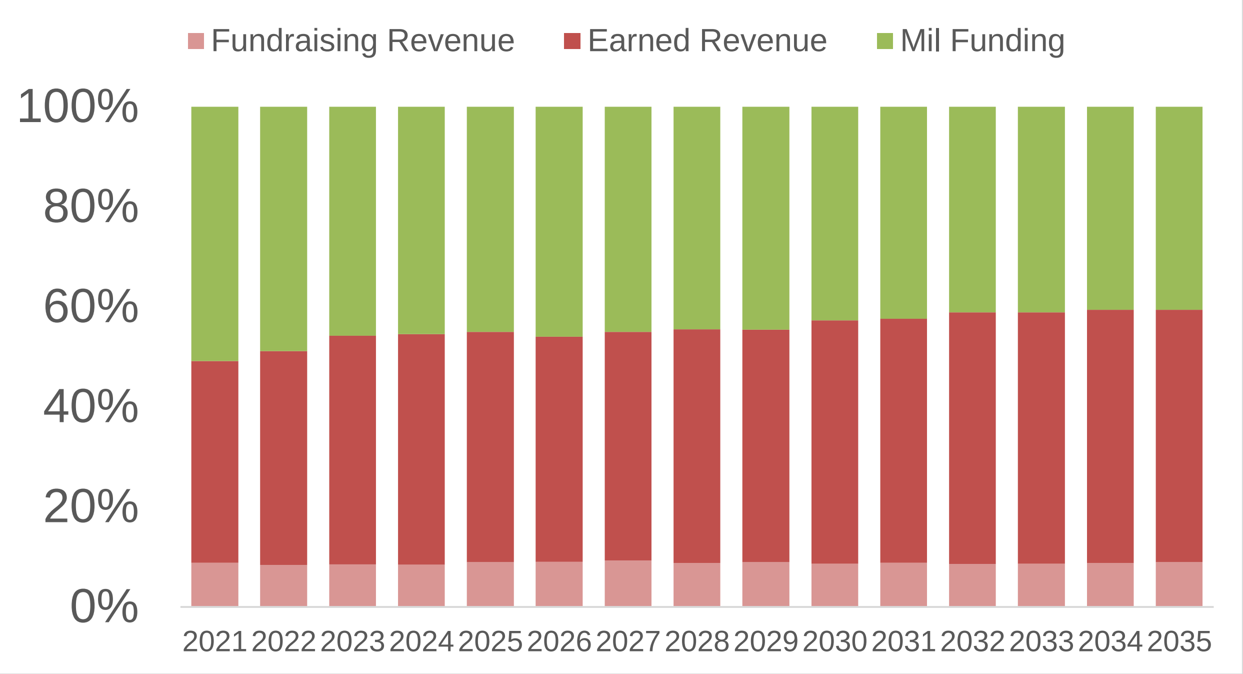
* ***MSA:*** *Metropolitan Statistical Area*
Market Penetration: *Total Attendance/MSA*

Topline Financials



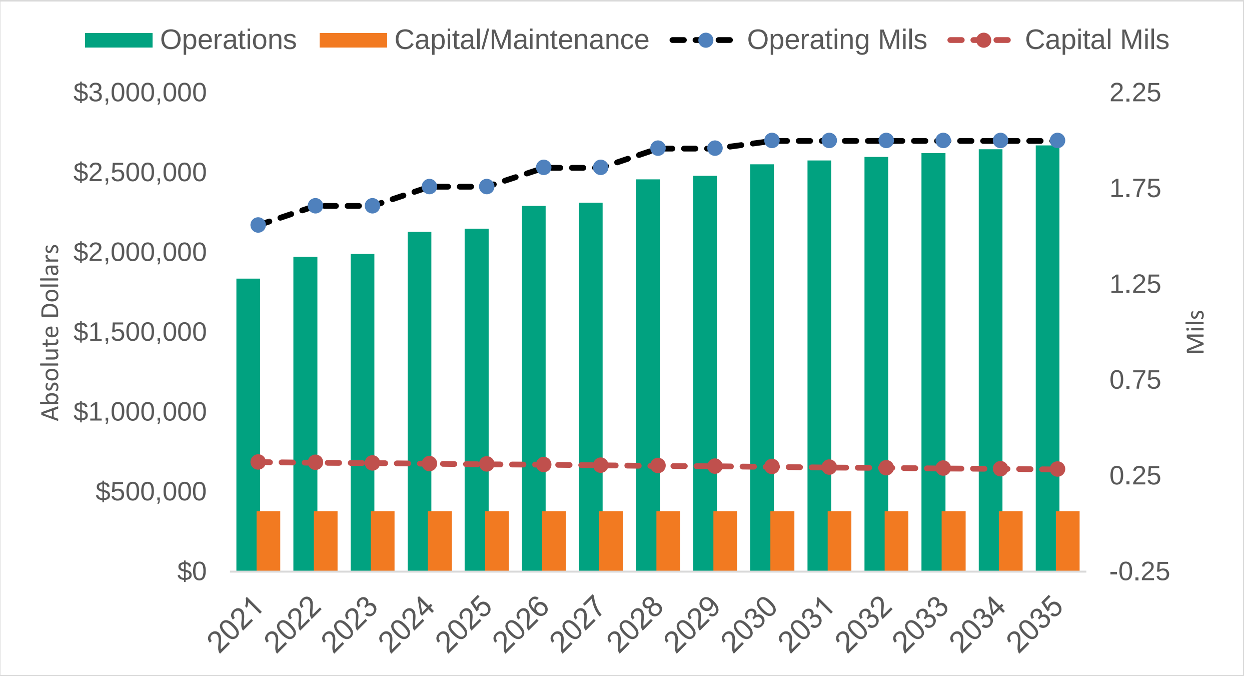
The model projections show a sustainable and thriving Zoo, with revenues exceeding expenses in all but one year (2021, a COVID-recovery year).

Revenue Composite



Based on the projected levels of support, the Zoo's total public operating subsidies would decline from about 50% to about 40% of total revenues by 2035.

City Funding Support ($s & Mils)



The City's funding support for operations will grow from 1.56 to 1.96 mils over 9 years and then remain level at 2 mils from 2030 to 2035. Capital mil funding will decline from 0.32 to 0.28

Key Considerations

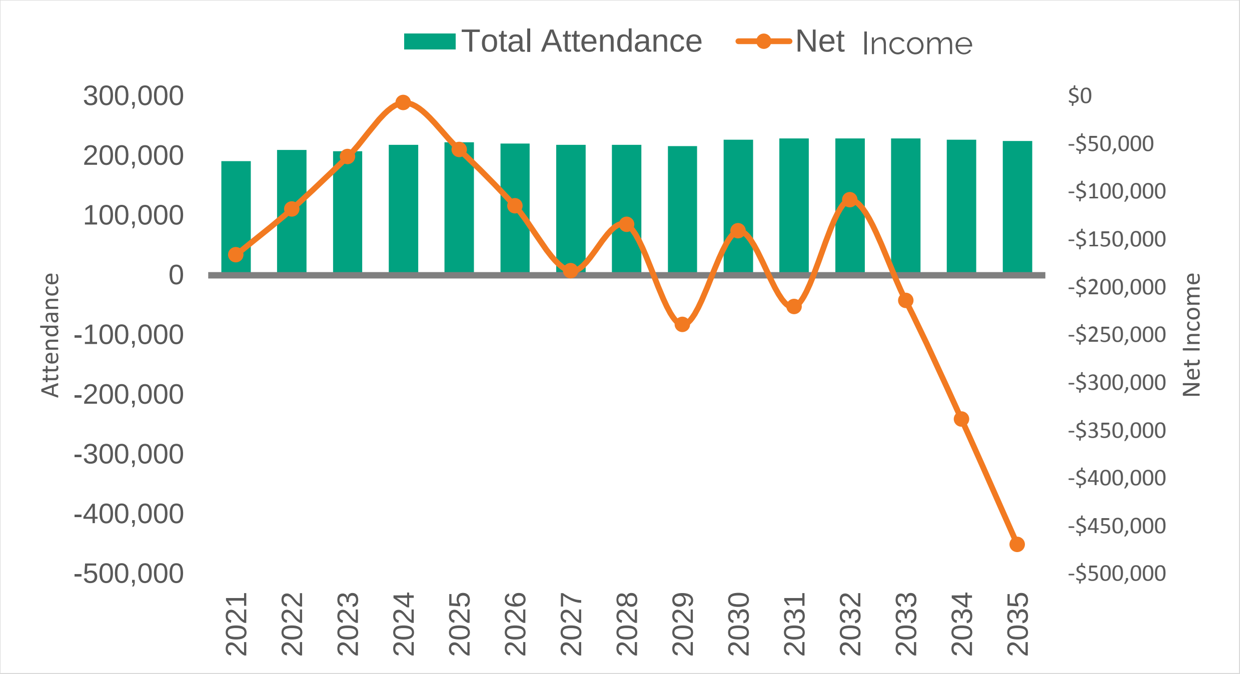
- 15 year contract length
- All current positions transition to FOTZ
- Continued investment in adding new staff
- City will have representation on FOTZ Board
- Zoo pricing will remain accessible to Topeka community

No PPP - Risks of Not Proceeding

topeka zoo & conservation center

- Can COT continue to respond swiftly to rising animal welfare standards and needs?
  - USDA Violation Risks; Maintaining AZA accreditation
  - COT has two previous consent agreements with USDA
- More limited investments will lead to attendance declines; long-term sustainability in question
- Continued pressure on municipal budgets and funding
- Duplicative services
- Reduction of animal collection

Topline - No PPP



If the Zoo elects not to revise its partnership agreement, attendance is likely to be stagnant due to lack of continued investment and net income is projected to become unsustainable and have a negative economic impact.

Inflection Point

topeka zoo & conservation center

- PPP needed to continue the Zoo's growth trajectory and a solid foundation of financial sustainability
- The zoo field is changing and evolving quickly….
  - FOTZ is better positioned to take on greater management role and guide the Topeka Zoo towards exceptional growth and conservation impact
  - FOTZ can better leverage public support for greater investment in Zoo improvements and development

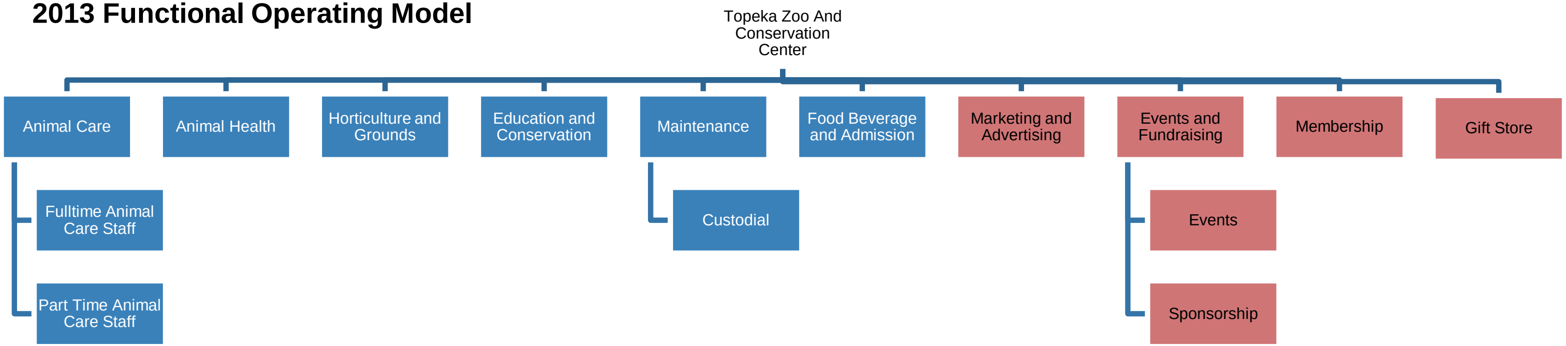
Next Steps

- ✓ Gain Council approval for COT/FOTZ management agreement
- ✓ Commit to COT license and management fee for operating and capital support
- ✓ Begin implementation steps for transitioning employees to FOTZ
- ✓ Begin transition process

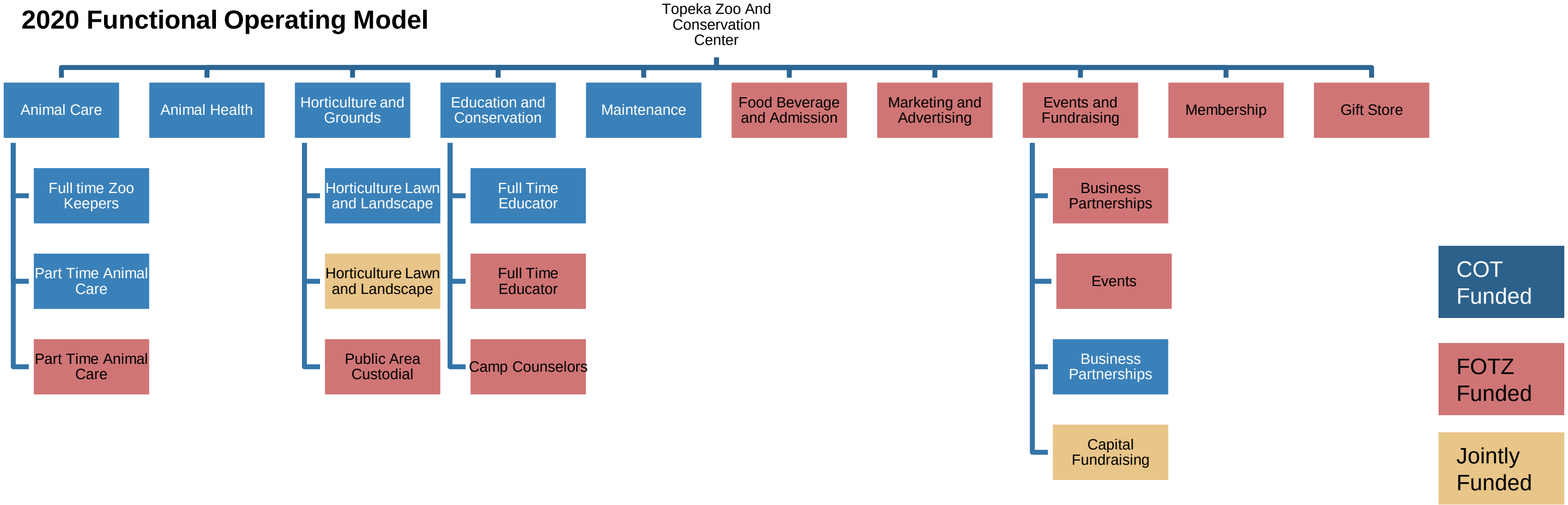

Tiger Cubs

Supporting Slides

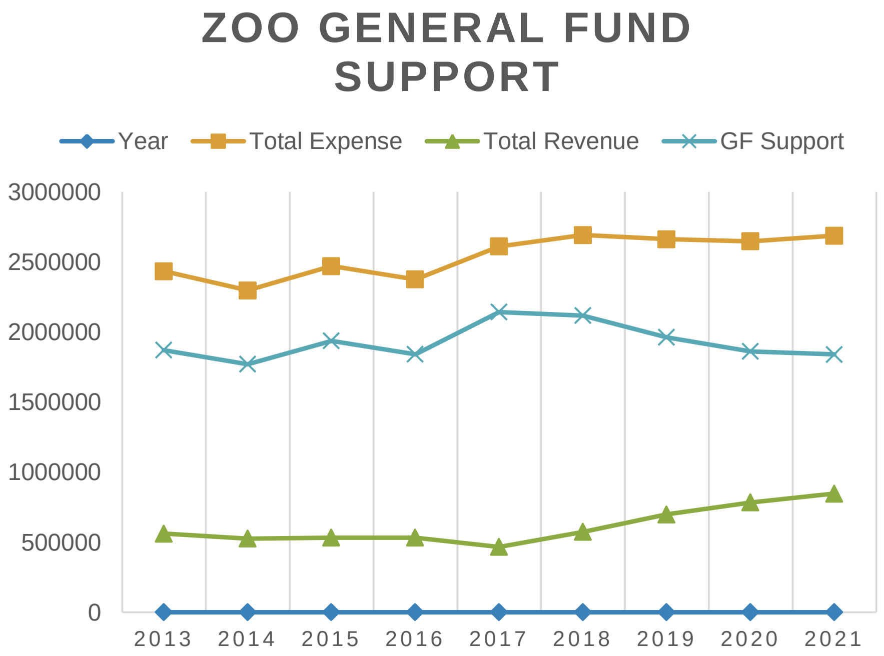
2013 Functional Operating Model



2020 Functional Operating Model



General Fund Operational Support - History



Year	Total Expense	Total Revenue	GF Support
2013	2,433,815	562,193	1,871,622
2014	2,297,439	526,763	1,770,676
2015	2,470,559	533,235	1,937,325
2016	2,375,174	533,335	1,841,839
2017	2,610,591	467,332	2,143,259
2018	2,691,853	574,506	2,117,347
2019	2,661,575	698,756	1,962,819
2020*	2,647,382	785,000	2,238,534
2021*	2,687,269	847,522	1,839,747

* 2020 and 2021 are budget amounts. All other years are actual expenditures and revenue.

Leveraging Half-Cent Countywide Sales Tax for Zoo Capital Improvements

Project	Sales Tax	Donations/Grants	Project Cost
Camp Cowabunga	$2,500,000	$2,044,000	$4,544,000
Kay McFarland Japanese Garden	$1,250,000	$5,750,000	$7,000,000
Giraffe and Friends*	$1,500,000	$6,000,000	$7,500,000
Utilities and Parking	$500,000	$0	$500,000
Projected totals at end of 2022	$5,750,000	$13,794,000	$19,544,000

* Denotes future estimate.

License and Management Fee and Payment Schedule

2021 Approved Zoo Expense Budget	$2,687,269	
less 2021 Approved Revenue Goal	$847,522	(Includes $2 per ticket rate increase.)
License and Management Fee	$1,839,747	
Cash Value of a COT Mill (estimated)	$1,178,138	
License and Management Fee in Mils (Operating Support)	1.562	

- Payment Schedule
  - Establish payment schedule in inverse proportion to admission revenue bell curve.

Capital Maintenance - GO Bond CIP Support History

Project	Year	Cost
Animals and Man Roof Replacement	2010	$89,504
Hippo Wall and KS Carnivore Roof	2011	$170,402
Rainforest Roof Replacement	2011	$1,012,187
Necropsy Room	2011	$109,256
Security Fence Phase 1	2011	$155,477
Animals and Man Boiler Replacement	2012	$105,547
Quarantine Facility	2012	$1,034,287
Rainforest AC Upgrade	2013	$242,400
Security Fence Phase 2	2013	$126,130
Pond Repair	2015	$217,709
Greenhouse/Storage	2016	$154,200
Digital X-Ray	2016	$91,140
Fire Hydrant Install	2017	$154,000
Zoo Parking Lot Resurfacing and Drainage	2018	$416,079
Storm Drainage	2019	$1,456,000
		$5,534,318

Past average capital maintenance cost from the CIP is somewhere between $338,226 and $614,924 annually from 2010 - 2019.

The table to the left and the above figures are based on a “wait till it breaks then replace it” type of maintenance plan. Recent CIBs have supported a true maintenance plan designed to extend the life of infrastructure. It has an annual estimated cost of approximately $632,625 per year.

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Email: byounger@topeka.org

Topeka Zoo Governance - Operations October 13, 2020 Agenda Packet Support Documents

- Executive Summary
- Presentation

CITY OF
TOPEKA

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EXECUTIVE SUMMARY
TOPEKA ZOO GOVERNANCE DISCUSSION – Financial Matters

Objective: To obtain direction from the Governing Body on the appropriate License and Management Fee to propose to Friends of the Topeka Zoo (FOTZ), in conjunction with the formation of a Public Private Partnership between the City and FOTZ, for the purpose of allowing operational enhancements at the Topeka Zoo and Conservation Center (the Zoo) to occur.

Background: On three separate occasions over the past ten years, FOTZ has engaged Zoo Advisors to consult on the formation of a Public Private Partnership. Zoo Advisors has worked with both FOTZ and City staff. Previous FOTZ and Zoo budgets have been studied and benchmarked against other similar-sized zoos. Information gathered during the consultations was used to generate a five year forecast. All models use a License and Management Fee as the foundation of the budgets.

Purpose of the Non-action Item: The purpose of this Non-Action Item is to generate a better understanding of the purpose of the License and Management Fee associated with the proposed Public Private Partnership, available methods of funding a License and Management Fee and the methodology behind the amount of the License and Management Fee.

Next Step: Based on feedback received from the Governing Body, staff will present incorporate language into the proposed License and Management Agreement between FOTZ and the City for further consideration at the October 20th Governing Body Meeting.

October 13, 2020

Zoo Governance

Creating a Public Private Partnership – The Financial Matters

Topeka City Council Meeting – 13 October 2020

Purpose of Discussion Item

To obtain direction from the Governing Body on the appropriate License and Management Fee to propose to FOTZ, in conjunction with the formation of a Public Private Partnership between the City and FOTZ, which would allow for operational enhancements at the Topeka Zoo into the future.

Components of a License and Management Fee

- Operating Support – The Operating Support addresses the annual operating needs of the Zoo. These have traditionally been funded through the annual funding appropriation from the City's Operating Budget and revenue generated on-site to support annual budgetary needs.
- Infrastructure Support – The Zoo's Infrastructure Support has traditionally been addressed through the City's Capital Improvement Budget and Capital Improvement Plan (CIB/CIP). (Infrastructure Support is addressed on the following three slides.)

Capital Maintenance vs. Capital Improvement

For the purpose of this presentation, the City's Infrastructure Maintenance needs are broken down into the following two categories:

- **Capital Maintenance** - maintenance on existing infrastructure performed to extend the life of the infrastructure. Examples include: roof replacements, HVAC equipment, plumbing, electrical, pathways, parking lots, and building envelopes etc.

- **Capital Improvement** - new infrastructure or projects. Examples include: Zoo Master Plan projects, new structures for seasonal exhibits, and experiences.

Capital Improvements

The Zoo Master Plan consists primarily of projects that replace or update existing infrastructure with new experiences. Each project is intended to eliminate deferred maintenance requirements.

- Funding sources, included in the CIB/CIP, for future Zoo Master Plan improvements currently include:
  - Private donations
  - Grants
  - Half-Cent Countywide Retailers Sales Tax

Leveraging Half-Cent Countywide Sales Tax for Zoo Capital Improvements

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License Fee Examples

License Fee	Amt	Capital Maintenance	Accessibility/ Ticket Cost	Term	Structure	Pros	Cons
Zoo Advisors Model	Average mill levy allocation changes over 10 years starting at 2.5 mills then decreasing.	Accomplished by License Fee	Adult - $7.75 Child - $6.25 Senior - $7.25	10 Years	Year 1 - 2.5 mills Year 2 - 2.375 mills Year 3 - 2.25 mills Year 4 - 2.125 mills Year 5 - and beyond - 2.0 mills	Based on best practice and benchmarking. Perpetuates success. Promotes growth and accomplishes capital maintenance. Supports current admission rates.	Fee is higher than current support in General Fund.
Neutral General Fund Impact Model	Flat mill rate for the entire contract - 1.56 mills.	Funding approved through CIB/CIP - FOTZ is contracted with to perform capital maintenance.	Adult - $9.75 Child - $8.25 Senior - $9.25	10 Years	Flat over contract term. Fee increases if mill levy increases.	Fits within approved 2021 COT Budget.	Most likely requires an animal program reduction. Places higher burden on user through higher admission.
Negotiated Fee Model	2 mills flat for the contract term.	Negotiated CIB	Adult - $8.75 Child - $7.25 Senior - $8.25	10 Years	Flat over contract term.	Admission rate may increase at a more gradual rate.	Fee is higher than current support in General Fund. May require an animal program reduction.

Neutral Impact General Fund Model

- Key Advantage: Fits within the approved 2021 COT General Fund Budget
- Like all the models, it offers the following:
  - Provides an opportunity to break a cycle.
  - Makes every level of the operation performance based.
  - Allows for enhanced private support.
- What it changes from the Zoo Advisors Model:
  - Removes contingency.
  - Slows staff growth.
  - Places additional burden on oversight and volunteers.
- Considers operational funding separate from capital maintenance.

Staff Objective

- Staff will revise the financial provisions contained within the proposed License and Management Agreement based upon feedback received during tonight's meeting. This language will describe the following:
  - Revenue Retention
  - Fees
  - Donations
  - License and Management Fee and Payment Schedule
  - Capital Maintenance and Capital Improvements
  - City Assistance with Additional Funding Sources
  - Transfer of Funds Received by City for FOTZ

Financial Language Contained within the Draft License and Management Agreement

Revenue, Fees and Donations

- Revenue Retention – Authorizes FOTZ to keep all revenue earned at the Topeka Zoo.
- Fees – Authorizes FOTZ to set fees for services it provides.
- Donations – Obligates FOTZ to raise funds to enhance the Topeka Zoo.

License and Management Fee and Payment Schedule

- License and Management Fee:

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Capital Maintenance

- The proposed budgets were prepared by the COT Facilities Department for Zoo Capital Maintenance:
  - 2021 – $609,500
  - 2022 – $595,500
  - 2023 – $680,000
  - 2024 – $645,500

- Based on guidance received during tonight's meeting, staff will formulate a proposal for review at the October 20th Governing Body Meeting.

Funding Assistance and Transfers

- Describes instances where the City may transfer funds to FOTZ. Examples of this may include:
  - ➢A bequest left to the City for the benefit of the Zoo.
  - ➢Public funding/grant that must flow through the City to the Zoo.
  - ➢Half-Cent Countywide Sales Tax designated to a Zoo project.
- Describes a scenario where FOTZ may request funding assistance from the City. Examples of this may include:
  - ➢FOTZ pursuing participation of a public funding source such as an extension of the Half-Cent Countywide Sales Tax.
  - ➢FOTZ pursuing STAR Bonds to support a project.
  - ➢FOTZ pursuing a Taxing Authority or Taxing District.

Next Steps

- October 20 – Personal Property / Insurance; Proposed License and Management Fee and Summary of License and Management Fee conversation with FOTZ.

- November 10 – City Employees
  - Overview of relevant language regarding Employee Services Agreement contained in proposed License and Management Agreement.
  - Executive Session - AFT Labor Agreement

- November 17 – Action Items
  - Approval of License and Management Agreement with FOTZ and Employee Services Agreement
  - Approval of AFT Working Agreement

- Around January 1 – Transition Begins

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Topeka Zoo Governance - Operations October 6, 2020 Agenda Packet Support Documents

- Executive Summary
- Presentation
- Excerpt of GB Meeting Minutes

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EXECUTIVE SUMMARY
TOPEKA ZOO GOVERNANCE DISCUSSION

Objective: Create a governance model that allows for countywide public funding that promotes low cost admission, growth and an annual visitorship of 300,000 guests. The desired model would be similar to that of the Topeka Shawnee County Public Library or the Transit Authority. The first step in this process would be to shift the operation of the Topeka Zoo under Friends of the Topeka Zoo ("FOTZ") through a Public Private Partnership.

Background: Over the past thirty years, the Topeka Zoo has experienced cycles in which funding becomes strained followed by regulatory problems. Two previous cycles have resulted in consent agreements with the United States Department of Agriculture. The Topeka Zoo is currently operating in another one of these cycles.

During the last cycle, the City of Topeka requested a special inspection of the Topeka Zoo in 2009. One recommendation from the special inspection was to privatize the operation of the zoo through a public private partnership. Since the 1980's, privatizing the operation of publicly-owned zoos has become a zoo industry best practice.

Since 2013, City of Topeka funding for the Topeka Zoo began a trend of falling behind cost of business. To avoid past problems and keep available funding focused on critical areas, the City began outsourcing zoo functions to FOTZ. Examples of this include:

- 2013 - Food and beverage, admission and public area custodial services shifted to FOTZ.
- 2015 - FOTZ funds and employs the seasonal staff to work seasonal exhibits. These seasonal staff are FOTZ employees that report directly to City staff.
- 2018 - FOTZ began employing a full time educator to report directly to City staff as the City budget could no longer support the position in its temporary employee line. This fulltime educator reports directly to City staff.
- 2019 - FOTZ began employing camp counselors who report directly to City staff. While formerly volunteer/intern positions, new KDHE requirements makes them paid positions.

Why is now the right time to do this?

There is positive momentum at the Zoo. With the recent opening of two master plan projects, and funding for the third 80% in place, support of the zoo is at an all-time high. However, while we can grow infrastructure, we do not have a way to grow operations. Furthermore, we have already outsourced every possible function to FOTZ. If we don't change our model, we will need to change our product.

It would simplify operations if all employees were on the same team, rather than working under two separate organizations. This would allow all team members to have access to the appropriate tools to do their jobs and optimize fundraising efforts that would support all operations at the Zoo.

October 6, 2020

What if we don't?
Any further delays will make it more challenging each year for City staff to maintain minimum standards. Standards are always going to be enhanced. Costs are always going to increase. If we don't change our operating model, we need to begin the process of downsizing to a zoo that the City can afford to operate in accord these enhanced standards. This will require prioritizing which animal groups we want to maintain and which buildings we want to keep open.

What about the Pandemic?
COVID-19 has been a great exercise in disaster management. City staff at the Zoo know what the direct cost of every animal, every building and every program is at the Zoo and has gone through the exercise of priority reductions based on any given scenario. Furthermore, because FOTZ is a 501(c)(3), FOTZ had access to additional CARES Act funding that the City did not. FOTZ staff have not had to face reductions like City staff has. FOTZ is ready to assume the full operation of the Topeka Zoo and Conservation Center.

Zoo Governance

Creating a Public Private Partnership as the First Step in a Long-Term Plan.

Topeka City Council Meeting – 6 October 2020

Long-Term Objective

- Create a governance model that allows for countywide public funding that supports admission costs that ensure high accessibility that grows annual visitorship to at least 300,000 guests thereby securing a successful future for the Topeka Zoo and Conservation Center.

Long-term Plan Action Steps

1. COT shifts operational responsibility of the Zoo to Friends of Topeka Zoo (FOTZ) through a public private partnership.
2. FOTZ seeks support from the City Governing Body and County Commission for a long-term model.
3. FOTZ works with members of the Kansas Legislature to draft legislation creating a new countywide taxing district or authority, similar to the Topeka Shawnee County Public Library District or the Transit Authority.
4. Community determines whether to adopt or reject the proposed taxing district or authority through a public vote.
5. If community votes in favor, City Governing Body and County Commission appoint a Board to oversee the new district or authority.
6. If community does not vote in favor, the Public Private Partnership may become the long-term sustainable model.

Short-Term Objective:
Pursue a Public Private Partnership as the first step in a long-term plan that will preserve the integrity of the Zoo

Public Private Partnership: Current Relevance

- Organizational mission will remain on hold as we decide whether or not we are an organization that is growing or shrinking.
- COT staff who work at the zoo will be doing so in a much less resource supported environment. To generate resources we have to rehome some key animals and not replace older key species after they die.
- Failure to change our model keeps the team of City staff and FOTZ staff divided and continues use of necessary resources on repetitive services.
- Current model is not sustainable for current zoo.
- "Bridge" to Long-Term Action Steps 2, 3 and 4 – FOTZ will take lead on pursuing legislation to create a taxing district or authority that would be submitted to the voters for approval.

Public Private Partnership: Background

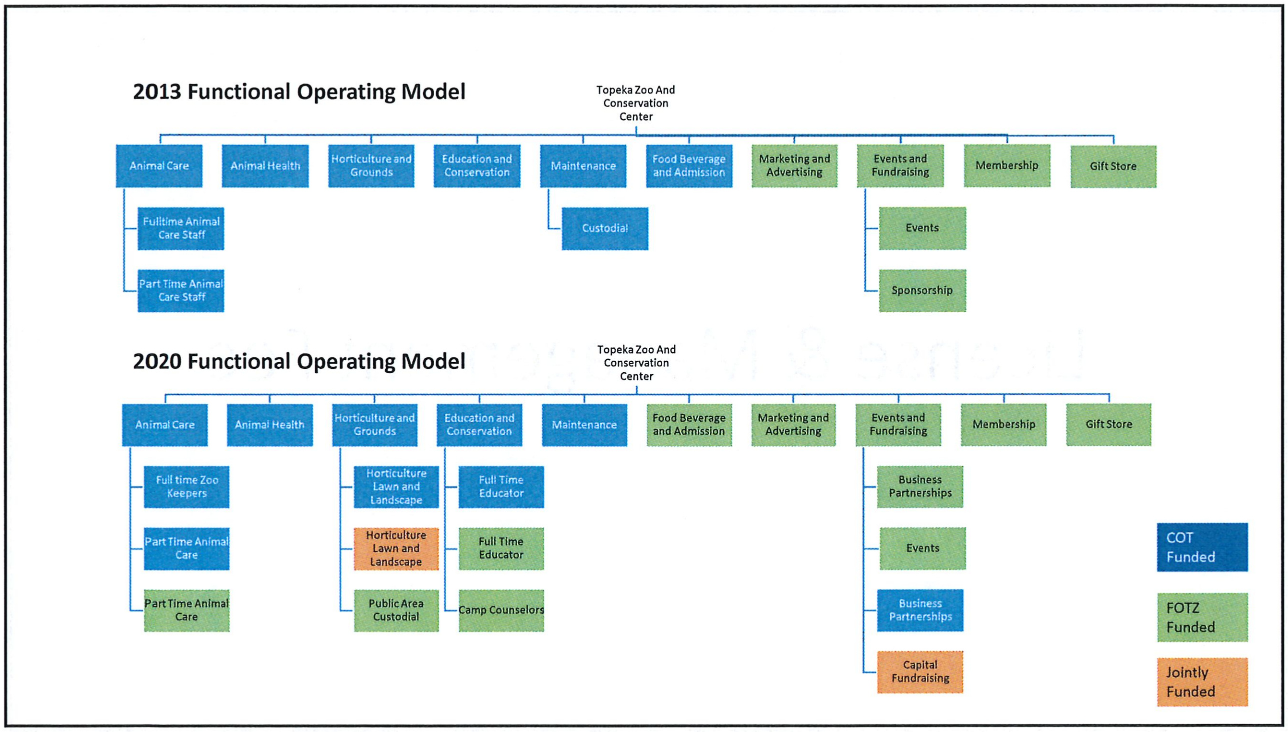
- If the governance change would have been adopted at the time it was originally recommended in 2009, adopting a model similar to the Library District or Transit Authority could have been the logical next step.
- However, at the time of the 2009 recommendation, too many systems were too broken for any type of governance shift to occur. We had to put things back together first.
- Along the way, we needed FOTZ to become engaged in zoo operations so that services the City was no longer able to afford could continue.
- We are now in a position to pursue a model that will allow operational employees of both organizations to work under one umbrella, as one team with less repetition of service.

Public Private Partnership: Current Status

- Eleven years into the process.
- Proposed license and management agreement has been drafted.

- Issues requiring further discussion:
  1. Determine license and management fee.
  2. Agree on plan for capital maintenance.
  3. Finalize employee matters – Come to an agreement with the union that represents some members of COT staff who work at the Zoo.
  4. Identify which entity will provide insurance (i.e. Who will insure what)?
  5. Finalize IT transition plan.

Status of Operational Shift to FOTZ


2013 Functional Operating Model
Topeka Zoo And Conservation Center
Animal Care
Animal Health
Horticulture and Grounds
Education and Conservation
Maintenance
Food Beverage and Admission
Marketing and Advertising
Events and Fundraising
Membership
Gift Store
Fulltime Animal Care Staff
Part Time Animal Care Staff
Custodial
Events
Sponsorship
2020 Functional Operating Model
Topeka Zoo And Conservation Center
Animal Care
Animal Health
Horticulture and Grounds
Education and Conservation
Maintenance
Food Beverage and Admission
Marketing and Advertising
Events and Fundraising
Membership
Gift Store
Full time Zoo Keepers
Part Time Animal Care
Part Time Animal Care
Horticulture Lawn and Landscape
Horticulture Lawn and Landscape
Public Area Custodial
Full Time Educator
Full Time Educator
Camp Counselors
Business Partnerships
Events
Business Partnerships
Capital Fundraising
COT Funded
FOTZ Funded
Jointly Funded

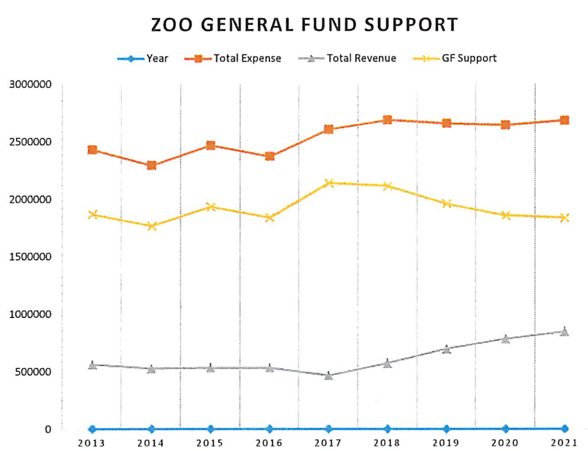
License & Management Fee

Financial Considerations:

- Accessibility – Established through Admission Rates.
- Operations – Has typically been supported through COT General Fund.
- Future Capital Improvement/Maintenance –
  - Capital Maintenance (Capital Funding to Maintain Existing Assets) – Has typically been supported through GO Bonds or to a limited degree, COT General Fund. Typically, capital maintenance is a function of a license or management fee.
  - Capital Improvements (Capital Funding for New Improvements and Projects)* – Future Improvements and projects will be funded through a combination of private funding secured through FOTZ and ½ Cent Countywide Retailers Sales Tax. Typically, capital improvements are not a function of a license or management fee.

* There may be a time when the COT wants to fund a Capital Improvement on or near Zoo property outside of the License or Management agreement. Examples of this may include funding a master plan or multipurpose infrastructure needs. This license or management fee/agreement does not prohibit that.

General Fund Operational Support - History



Year	Total Expense	Total Revenue	GF Support
2013	2,433,815	562,193	1,871,622
2014	2,297,439	526,763	1,770,676
2015	2,470,559	533,235	1,937,325
2016	2,375,174	533,335	1,841,839
2017	2,610,591	467,332	2,143,259
2018	2,691,853	574,506	2,117,347
2019	2,661,575	698,756	1,962,819
2020*	2,647,382	785,000	1,862,382
2021*	2,687,269	847,522	1,839,747

* 2020 and 2021 are budget amounts. All other years are actual expenditures and revenue.

GO Bond CIP Maintenance Support

Project	Year	Cost
Animals and Man Roof Replacement	2010	$89,504
Hippo Wall and KS Carnivore Roof	2011	$170,402
Rainforest Roof Replacement	2011	$1,012,187
Necropsy Room	2011	$109,256
Security Fence Phase 1	2011	$155,477
Animals and Man Boiler Replacement	2012	$105,547
Quarantine Facility	2012	$1,034,287
Rainforest AC Upgrade	2013	$242,400
Security Fence Phase 2	2013	$126,130
Pond Repair	2015	$217,709
Greenhouse/Storage	2016	$154,200
Digital X-Ray	2016	$91,140
Fire Hydrant Install	2017	$154,000
Zoo Parking Lot Resurfacing and Drainage	2018	$416,079
Storm Drainage	2019	$1,456,000
		$5,534,318

Average Capital Maintenance cost through the CIP is somewhere between $338,226 and $614,924 annually.

Current maintenance approach will be addressed in next week's presentation.

License Fee Examples

License Fee	Amt	Capital Maintenance	Accessibility/ Ticket Cost	Term	Structure	Pros	Cons
Zoo Advisors Model	2.25 mils flat or 2.125 mils average over 10 years starting at 2.5 mils then decreasing.	Accomplished by License Fee	Adult - $7.75 Child - $6.25 Senior - $7.25	10 Years	Year 1 - 2.5 mils Year 2 - 2.375 mils Year 3 - 2.25 mils Year 4 - 2.125 mils Year 5 - and beyond - 2.0 mils	Based on best practice and benchmarking. Perpetuates success. Promotes growth and accomplishes capital maintenance. Supports current admission rates.	Fee is higher than current support in General Fund.
Neutral General Fund Impact Model	1.55 mils flat for the contract term.	Approved CIB - FOTZ is contracted with to perform capital maintenance.	Adult - $9.75 Child - $8.25 Senior - $9.25	10 Years	Flat over contract term. Fee increases if mil levy increases	Fits within approved 2021 COT Budget.	Most likely requires an animal program reduction. Places higher burden on user through higher admission.
Negotiated Fee Model	2 mils flat for the contract term.	Negotiated CIB	Adult - $8.75 Child - $7.25 Senior - $8.25	10 Years	Flat over contract term.	Admission rate can increase at a more gradual impact.	Fee is higher than current support in General Fund. May require an animal program reduction.

But… We are in a pandemic?

- COVID-19 has taught COT and FOTZ staffs how to engage and perform in crisis management situations.
- If either organization has to make pandemic-related future reductions, either organization can make them. We have developed the related data sets.
- If positioned as a non-profit, bounce back will be more rapid.

Proposed Timeline

- October 13 – Financial Matters
  - General Fund Neutral Model, Capital Maintenance, Contingency Planning
- October 20 – Property Ownership; Insurance; Proposed License Fee
  - Overview of applicable Articles 4, 5 and 15; 8 and 9
- November 10 – City Employees
  - Overview of Article 7 and Employee Services Agreement
  - Executive Session - AFT Labor Agreement
- November 17 – Action Items
  - Approval of License and Management Agreement with FOTZ and Employee Services Agreement
  - Approval of AFT Working Agreement
- Around January 1 – Transition Begins

Desired Feedback

- Over the next several meetings your guidance and feedback will be sought on the following items:

  - ➢License and management fee amount, structure and term.
  - ➢The future of Zoo capital maintenance.
  - ➢Transition of personal property and property insurance.
  - ➢Transition of some City staff to FOTZ employment.
  - ➢Public engagement relating to a governance transition.
  - ➢Contingency funding and planning.

CITY OF TOPEKA

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The following excerpt of minutes are from the June 4, 2019, December 3, 2019, and March 3, 2020, Governing Body Meetings regarding the operations of the Topeka Zoo.

CITY COUNCIL CHAMBERS, Topeka, Kansas, Tuesday, June 4, 2019. The Governing Body members of the City of Topeka met in regular session at 6:00 P.M., with the following Councilmembers present: Hiller, Clear, Ortiz, Emerson, Padilla, Jensen, Mays, Coen and Lesser -9. Mayor De La Isla presided -1.

The following is an excerpt of the minutes from the meeting of the Governing Body of the City of Topeka, Kansas held June 4, 2019, at 6:00 P.M.:

DISCUSSION on the governance of operations at the Topeka Zoo was presented.

Brendan Wiley, Topeka Zoo Director, gave a brief overview of evaluating Zoo governance through a Public Private Partnership including the typical partnership roles; money savings; history of similar partnerships at other zoos; successes and preventing failures; plans for long term success and the next steps. He distributed the Zoo Governance Discussion Supplemental Information **(*Attachment A*)** and commented on the City of Topeka Zoo Budget versus the Friends Of Topeka Zoo (FOTZ) Budget. He stated the City would work towards a suitable management fee and define what action would be needed from the Governing Body to plan for long term success. He noted staff has met with two stakeholders who are interested in two projects after the completion of Kay's Garden.

Councilmember Emerson spoke in support of the Zoo; however, he expressed concern with public perception of how a private partnership relates to civic pride. He asked if more monetary donations would be received if a private organization operated the Zoo.

Brendan Wiley stated the Zoo would not be "privatized" and the City would still maintain ownership; however, the private-public partnership would allow a different operating model.

Councilmember Ortiz complimented the Zoo and staff for continued improvements. She asked for clarification on what was being proposed and why. She noted there would be advantages in receiving grants only available to non-profit organizations. She asked if the partnership was approved, how the ongoing projects would be affected; what are the City's assets; and what would the partnership agreement entail. She thanked FOTZ for thinking outside the box and proposing a solid operational model for the Zoo.

Doug Gerber, Deputy City Manager, stated an agreement or plan has not yet been determined; however, if there was support from the Governing Body, City staff in collaboration with FOTZ will begin drafting an agreement to be considered by the Governing Body.

Brendan Wiley stated the typical private-public partnership organizational structure consists of one executive leader with all other positions remaining the same with the intent of providing better employment opportunities in the long term.

Councilmember Jensen requested all scenarios be reviewed with the intent of creating a good solid agreement to be reviewed by the Governing Body. He questioned how FOTZ plans to manage all costs associated with the Zoo as well as contingency funding.

Councilmember Padilla spoke in support of the concept. He requested the Governing Body be allowed to review as well as be fully briefed on the details of the agreement when drafted.

Mayor De La Isla spoke in support of Zoo leadership and staff. She expressed concern with ensuring the agreement includes all details, even during difficult financial times so the City would be safeguarded and the Zoo would continue to be successful.

Councilmember Hiller commended the Zoo and staff and stated the idea appeals to her; however, she has many questions about how it would be structured and what the agreement would include.

Councilmember Lesser asked for clarification if all Zoo employees would transition to FOTZ and how the changes would be structured. He asked Mr. Wiley to comment on his commitment to a private-public partnership.

Brendan Wiley stated all employees would eventually be transitioned to FOTZ and an organizational chart has not been discussed at this point in the process. He stated he believes a private-public partnership would support the Zoo's growth and provide a solid operational model for both the City and FOTZ.

Councilmember Mays left the room.

CITY COUNCIL CHAMBERS, Topeka, Kansas, Tuesday, December 3, 2019. The Governing Body members of the City of Topeka met in regular session at 6:00 P.M., with the following Councilmembers present: Hiller, Ortiz, Emerson, Padilla, Jensen, Dobler, Coen and Lesser -8. Deputy Mayor Clear presided -1. Absent: Mayor De La Isla -1.

The following is an excerpt of the minutes from the meeting of the Governing Body of the City of Topeka, Kansas held December 3, 2019, at 6:00 P.M.:

DISCUSSION on the governance of operations at the Topeka Zoo was presented.

Brent Trout, City Manager, stated the purpose of the discussion was to provide the Governing Body an update on the opportunity that exists to modify the current operational partnership between the City and Friends of the Topeka Zoo (FOTZ) and exploring a City agreement with a non-profit organization to manage the full operation of the Topeka Zoo.

Doug Gerber, Deputy City Manager, reported the City of Topeka currently operates the Topeka Zoo through a public-private partnership with FOTZ and in the fall of 2018, FOTZ retained a consultant to assist both organizations with evaluating the direction of the partnership and future governance of the Zoo. He stated the recommendation to evaluate the form of governance of the Topeka Zoo took place in 2009, and the topic has been discussed every two or three years since then. He reported the recent conversation was initiated due to the level of growth the Topeka Zoo continues to experience.

Brendan Wiley, Topeka Zoo Director, provided an overview of the timeline of events that led to the evaluation of Zoo operations. He spoke in support of the operational model they are working towards as it would provide relief to the general fund and allow the same people to perform the same duties. He reported the best practices transition has already begun and over the next five years, the new budget model would provide for more benefits; clarify fund raising parameters; provide clear direction for staff; and offer efficiencies in many other areas of operations. The timeline was as follows:

- 2009 - began working through compliance issues and recommendation to evaluate Zoo operations

- 2012 - consultant was hired to evaluate the form of governance of the Zoo
- 2013 - public-partnership was developed with FOTZ by transferring certain operations
- 2015- FOTZ began hiring employees
- 2016 - continue conversations with Zoo advisors in regards to what the Zoo operations model might look like
- 2019 - FOTZ hired part-time education staff and absorbed all expenses possible to relieve the general fund

Doug Gerber reported a Request for Quote (RFQ) for services was distributed across the nation and only one response was received from FOTZ; employment and compensation models for exiting employees along with a retirement model will be similar to the City's current employment model; and preliminary discussions have taken place with the AFT bargaining union. He stated they continue to develop asset lists and are requesting input from the Governing Body on the following:

1. The term of license agreement. Staff was considering 10-15 years. There are deed restrictions that will not allow for a lease agreement to be executed.
2. FOTZ Board representation. Staff was proposing two Governing Body member representatives and two City staff members (Director of Public Works and Director of Administrative and Financial Services)
3. Management Fee Model. Continue to allocate two mills of general fund dollars or some percentage of the general fund such as 2% which could steadily decline through the course of the license agreement.

Lisa Robertson, City Attorney, reported other action that would be required by the Governing Body includes amending all Topeka Municipal Code sections relating to the Zoo as well as all AFT Bargaining Union agreements if needed. She stated the license agreement would give permission for FOTZ to operate the Zoo.

Councilmember Hiller asked staff to comment on the management of assets and how it relates to the use of Capital Improvement funds.

Doug Gerber spoke to the importance of proper asset management and how it would relate to the continued use of capital funds for maintenance.

Lisa Robertson reported asset lists are being created and will be transitioned over to FOTZ through the term of the license agreement.

Doug Gerber reported the underlying ownership of the property will remain with the City.

Councilmember Emerson requested an email be distributed to the Governing Body outlining the pros and cons *i.e.* an analysis of each option presented by staff.

Councilmember Dobler spoke in support of a three-year term license agreement. He questioned if the FOTZ Board representation could be appointed members by the Governing Body, similar to other boards and commissions. He also asked staff to provide information on the City's liability and insurance requirements.

Councilmember Ortiz expressed the importance of making sure the transition of privatizing Zoo operations will be supported by the community as well as staff. She stated she would prefer funding for the Zoo decrease as it becomes fully privatized. She expressed concern with the City's liability as it relates to the public-private partnership.

Doug Gerber asked for an affirmation of direction by the Governing Body.

Brent Trout expressed the importance of the City having a partner such as FOTZ willing to address the financial challenges as well as provide the necessary resources to support a quality Zoo that will continue to grow.

Fred Patton, Kansas House of Representatives, District 50, spoke in support of the private-public partnership with FOTZ. He stated private-public partnerships are the way of the future by supporting the concept of doing more with less and the first step in making the Zoo better. He stated the partnership would allow for a boarder fund raising base and noted FOTZ has raised $22 million over the past five years.

Deputy Mayor Clear expressed the importance of allowing the experts to operate the Zoo and suggested Governing Body members serving on the FOTZ Board provide guidance not directive.

Councilmember Hiller requested staff send examples of operational models so she can better understand the context of knowledge of how different concepts work.

Councilmember Emerson spoke in support of the private-public partnership if it saves money and improves operations. He expressed the importance of the license agreement details and concurs with Councilmember Dobler in regards to an initial short-term license agreement.

Councilmembers Dobler, Lesser and Jensen spoke in support of moving forward and evaluating the partnership with FOTZ.

Councilmember Hiller suggested Zoo entry fees be evaluated and addressed in the license agreement.

CITY COUNCIL CHAMBERS, Topeka, Kansas, Tuesday, March 3, 2020. The Governing Body members of the City of Topeka met in regular session at 6:00 P.M., with the following Councilmembers present: Hiller, Valdivia-Alcala, Emerson, Padilla, Naeger, Dobler and Lesser -7. Mayor De La Isla presided -1. Absent: Councilmembers Ortiz and Duncan -2.

The following is an excerpt of the minutes from the meeting of the Governing Body of the City of Topeka, Kansas held March 3, 2020, at 6:00 P.M.:

DISCUSSION on the governance of operations at the Topeka Zoo was presented.

Brent Trout, City Manager, reported a number of meetings have been conducted related to the consideration of changing the governance of the Topeka Zoo. He spoke in support of FOTZ managing the Topeka Zoo and noted staff would provide details on the process to date.

Doug Gerber, Deputy City Manager, provided an overview of the process and reported Lisa Robertson, City Attorney, has drafted a license and management agreement and meetings with labor union representatives are complete. He stated a number of issues were identified as a result of one-on-one meetings with members of the Governing Body. He reported a comprehensive question and answer document will be compiled and presented to the Governing Body in the future. He reported questions relate to the following:

- Ownership of Facility and Animals
- Protection for all Parties Involved
- Amount of Outstanding Debt
- Board Representation
- Employee Transition

He noted there seems to be general support to move forward with the proposal with a time table of continued discussions with the AFT Employee Bargaining Unit; finalizing the financial information in the document as it relates to the Capital Improvement Plan; finalizing the asset list; finalizing ownership in regards to the City and/or FOTZ, or hybrid that works best for both. He stated there would be at least one or two more discussions before staff would request action from the Governing Body and if it was agreed to move forward, action items may be presented in

May or June, and include approval of the license and management agreement, amending the Topeka Municipal Code, and changes to the AFT Bargaining Unit Agreement.

Councilmember Valdivia-Alcala spoke in opposition of the draft agreement. She referenced Article 7, Section 7.2 – Bargaining Unit Employees; and Section 7.4(a) – Oversight of Zoo Employees – Responsibility. She asked staff to clarify the two sections.

Doug Gerber reported in the general sense; the ideal for the agreement would be that employees transfer from the City to FOTZ with the assurance employees will be treated fairly and appropriately. He noted the three employees that are close to retirement (3 years or less) under the KPERS Retirement System would have the option to remain City employees until retirement, with FOTZ honoring the terms of the agreement.

Councilmember Valdivia-Alcala expressed concern with the private/public partnership as it relates to the human resources component for employee protection; the potential for new employees to receive lower starting wages over time; and the competitive wages and benefits being proposed seem low. She asked if the City could consider utilizing the "Choose Topeka" program being offered by the Greater Topeka Partnership. She asked Brendan Wiley, Topeka Zoo Director, to list the top three reasons why he supports the proposal.

Brendan Wiley, Topeka Zoo Director, reported employees would not be members of a City bargaining unit; however, FOTZ would have protections in place similar to current City of Topeka employment systems including a human resources partner. He stated all budget models anticipate wages currently being paid, and the expectation was to hire qualified employees with competitive wages. He reported the top three reasons he supports the proposal include (1) budget compression; (2) the City cannot sustain operational growth parallel to infrastructure needs; and (3) the current funding source does not fit the user base.

Councilmember Valdivia-Alcala questioned residency requirements of the City as it relates to the management and license agreement and the governance of the Zoo. She asked Mr. Wiley if he resides in Shawnee County as well as if he was a registered voter.

Brendan Wiley stated he meets the City of Topeka residency requirement.

Mayor De La Isla questioned the legal bearing of the residency questions and cautioned Councilmember Valdivia-Alcala against asking certain types of questions that may result in putting the City in a difficult position.

Councilmember Valdivia-Alcala challenged the ruling of the chair and stated she believes the questions are germane to the topic. She stated she continues to have questions about this particular issue and requested the City Attorney clarify how the topic was not relevant to the discussion.

Lisa Robertson, City Attorney, stated the topic being discussed was governance of the Topeka Zoo and the management and license agreement. She stated direct questions about residency do not relate to the license agreement, and perhaps, should be discussed at a different time.

Councilmember Valdivia-Alcala expressed her opposition to the ruling and stated she believes the topic needs to be addressed, especially if the proposal was not approved. She stated she inquired further on the residency information because the forms provided to her by City Manager Trout appear to reflect compliance of the City's residency requirement by all directors; however, there was no way of knowing on an annual, bi-annual or tri-annual basis if a director was still living in Shawnee County. She noted one of the items used to verify residency was proof of voter registration.

Brent Trout confirmed proof of voter registration was only one of the many items allowed to be presented for proof of residency.

Mayor De La Isla respectfully requested the discussion topic remain on governance of the Topeka Zoo and the management and license agreement. She requested the City's residency policy be discussed on a future agenda.

Councilmember Valdivia-Alcala again expressed her opposition to the ruling. She stated she believes the residency requirement was germane to the topic being discussed.

Councilmember Hiller requested staff provide clarification on the proposed direction of the City. She asked if the City wanted to hire a management company to run a City owned zoo; or will the City provide start up and reversion rights for a new company to run their own zoo. She stated it was her understanding FOTZ wanted full separation of the Zoo from the City so they were free to grow the Zoo and raise funds without being burdened by municipal government regulations; however, the documents presented by staff do not reflect this.

Brendan Wiley reported the Vision has not changed; however, since the license agreement has come to fruition the direction of the conversation may have changed. He reported there have been some deed restrictions that have surfaced and the City was proposing to hire a mission based organization to help excel the growth potential of the Topeka Zoo.

Councilmember Hiller stated she continues to have questions such as insurance requirements by both entities and noted the City was self-insured. She asked if the City was expecting a net gain or to reposition what the City already has in place.

Brendan Wiley stated the Community would receive a net gain with the intent over time for the cost and/or liability of the City to become fairly stable with additional support secured through FOTZ.

Doug Gerber confirmed the Vision has not changed; however, in terms of other conversations staff has had with the Governing Body, there have been other suggested alternatives given for consideration as discussions continue.

Councilmember Lesser explained different types of insurance protections and noted very few entities self-insure. He stated there are details that need to be worked through regarding protection for the City and FOTZ, and how it relates to common practice with these types of agreement proposals or partnerships. He recognized there are a number of issues that need to be worked through; however, he believes the license agreement was a good place to start.

Councilmember Dobler stated he struggles with voting on the proposal until a master plan has been drafted for Gage Park providing him the understanding of how the zoo fits in the overall plan for the area. He stated he would support an initial 5-year term agreement with the ability to revise as needed as opposed to the 15-year term currently being proposed in the agreement.

Councilmember Naeger stated she concurs with Councilmember Dobler. She encouraged staff to work with Shawnee County to develop a Gage Park Master Pan.

Doug Gerber reported approximately two years ago, Shawnee County began moving forward with a Gage Park Master Plan and the City was prepared to contribute funding towards the plan; however, since that time Shawnee County has put those efforts on hold. He assured the Governing Body that staff understands the importance of integrating the two master plans.

Brent Trout reported it may be a few months before Shawnee County will begin to engage in the drafting of a Gage Park Master Plan as they are currently working on a Family Park Master Plan.

Brendan Wiley stated the Zoo's current master plan mainly consists of the renovation and/or rehabilitation of the zoo, addressing an extensive amount of repair to old infrastructure. He noted the next master plan would address future expansion within the fence boundary of the zoo.

Councilmember Hiller questioned the expected timeline for the proposal.

Doug Gerber reported initially the ideal timeframe to move forward with the proposal would be in conjunction with, or prior to, the adoption of the 2021 City of Topeka Operating Budget; however, given the recent discussions, this may not be accomplished based on how conversations progress in regards to a Gage Park Master Plan.

****

STATE OF KANSAS)
SHAWNEE COUNTY)

I, Brenda Younger, City Clerk of the City of Topeka, Kansas, County of Shawnee, do hereby certify that the above and foregoing is a true and correct copy of an excerpt of the minutes from the regular meeting of the Governing Body, held on Tuesday, June 4, 2019, December 3, 2019 and March 3, 2020, at 6:00 P.M., as the same appears on record in the office of the City Clerk.

(SEAL)

SEAL OF TOPEKA CAPITAL CITY INCORPORATED FEB. 14, 1857 KANSAS

Brenda Younger

Brenda Younger, M.M.C.
City Clerk

Attachment A

	FOTZ 2018	FOTZ 2017	2013 Zoo Budget
Conservation Expenses	25,261.39	20,054.71	-
Docent Supplies	1,000.00	3,871.14	-
Concession Expenses	62,837.88	40,411.35	29,046.86
Seasonal Staff	159,683.86	160,297.71	47,352.88
Janitorial Supplies	4,150.97	3,808.47	4,000.00
Website and Online Store			
Marketing and Printing			
	252,934.10	**228,443.38**	**80,399.74**

City of Topeka Zoo Budget	2016 Budget	2016 Actual	2017 Budget	2017 Actual	2018 Budget	2018 Actual
Revenue	524,389.00	533,335.00	533,104	467,332	580,000	574,506
Expense	2,364,797.00	2,375,174.00	2,499,978	2,610,591	2,595,276	2,630,937
Difference	**(1,840,408.00)**	**(1,841,839.00)**	**-1,966,874**	**-2,143,259**	**-2,015,276**	**-2,056,431**
3 yr avg based on budget		(1,940,853.00)				
3 yr avg based on actual		(2,013,843.00)				
Average annual growth 2016 to 2017 and 2017 to 2018		115,240.00	4.74%			

City of Topeka
Council Action Form
Council Chambers
214 SE 8th Street
Topeka, Kansas 66603
www.topeka.org
November 10, 2020

DATE:	**November 10, 2020**		
CONTACT PERSON:		**DOCUMENT #:**	
SECOND PARTY/SUBJECT:		**PROJECT #:**	
CATEGORY/SUBCATEGORY			
CIP PROJECT:	**No**		
ACTION OF COUNCIL:		**JOURNAL #:**	
		PAGE #:	

DOCUMENT DESCRIPTION:

VOTING REQUIREMENTS:

POLICY ISSUE:

STAFF RECOMMENDATION:

BACKGROUND:

BUDGETARY IMPACT:

SOURCE OF FUNDING:

ATTACHMENTS:

Description

Nov 10, 2020 Public Comment Received

Attachment A

From: Joe Ledbetter <joe_ledbetter@yahoo.com>
Sent: Tuesday, November 10, 2020 5:57 PM
To: Neil Dobler; Michael Lesser; Michael Padilla; Tony Emerson; Karen A. Hiller; Spencer Duncan; Sylvia Ortiz; Michelle De La Isla; Brenda Younger
Subject: I support the Zoo having its own governance. For the record.

I will not be at the meeting tonight but I support this concept. Thank you.

Sent from my iPhone