

# City Council Committee Meeting Notice

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

**Committee:** Policy & Finance **Meeting Date:** September 19, 2024

*Time:* 1:00pm

**Location:** 1<sup>st</sup> Floor Conference Room, Cyrus K. Holliday Building

620 SE Madison (a virtual attendance option is available)

### Agenda:

1. Call to order

2. Approve August 15, 2024 Meeting Minutes

3. Presentation- Debt

4. Affordable Housing Trust Fund

5. Other Items

a. 2025 Legislative Priorities Draft Language & Update

6. Adjourn

STAFF REQUESTED: Dr. Robert M. Perez, City Manager

Amanda Stanley, City Attorney Josh McAnarney, Budget Manager Rhiannon Friedman, Planning

COMMITTEE MEMBERS: Marcus Miller - District 6

Spencer Duncan (Chair) – District 8

Michelle Hoferer - District 9

Contacts: Tonya Bailey, Senior Executive Assistant

Tara Jefferies, Senior Executive Assistant

<sup>\*\*\*</sup> Please call the Council Office by 5:00pm on the date prior to the meeting to request Zoom link.\*\*\*

Council Office: <a href="mailto:councilassist@topeka.org">councilassist@topeka.org</a> 785-368-3710



## CITY OF TOPEKA

# CITY COUNCIL COMMITTEE MEETING MINUTES

CITY COUNCIL

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

# POLICY AND FINANCE COMMITTEE

Date: August 15, 2024

Time: 1:00pm

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

option is available)

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

Council Present: Councilmember David Banks, Councilmember Sylvia Ortiz via zoom

City Staff Present: City Manager Dr. Robert M. Perez, City Attorney Amanda Stanley, Planning Director Rhiannon Friedman, Division Director of Development Services Richard Faulkner, Budget Manager Josh McAnarney

#### 1) Call to Order

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

### 2) Approve June 11, 2024 Meeting Minutes

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

#### 3) ARPA Funds Update

Josh McAnarney, Budget Manager, stated there are no changes this quarter. All organizations have submitted compliant reports. Child Care Aware is planning to draw the rest of the money by the end of the year. There is concern for The Oasis Group of them getting their purchase order submitted by the end of 2024.

Chairman Duncan stated that he will reach out to the Oasis Group and ask them to attend the October Policy & Finance Committee meeting. He also suggested that there be 5-7 random Check In Audits on grants received to check to see if the groups are using the funds to show that the committee is doing its due diligence by ensuring the money is going where it is intended to go. He encouraged all groups to use all their ARPA funds received.

Councilmember Miller questioned City Attorney Amanda Stanley if there is any language in the contract that prohibits random audits. She will find out and let the committee know.

1 - Policy and Finance Committee Minutes Taken: August 15, 2024 Minutes Approved:

#### 4) LAND BANK ORDINANCE

Rhiannon Friedman, Planning Director, stated that the suggestion is to have an amendment to the current ordinance. It would allow the language to transfer property utilized as rental property; instead of only land ownership.

Chairman Duncan provided history of the Land Bank ordinance as it was originally written. He passed on that vacant lots are ideal to provide a multi-unit for-profit development. The Land Bank program will continue to have the authority to follow the rules with having good standing landlords with also owning the land for a minimum of five years.

Committee member Miller asked if there is a clear criteria for any denials of the program. Spencer Duncan replied that there is a clear list of requirements that applicants must have.

Councilmember Banks asked how many properties are in Landbank. Duncan stated there are five; they are vacant lots that the City of Topeka owned. He is looking to expand to ten to twelve.

MOTION: Committee member Duncan made a motion to approve and get on the Governing Body agenda to amend the ordinance language for the Land Bank. Committee member Miller seconded. Approved 3-0-0.

#### 5) LEGISLATIVE UPDATE

Chairman Duncan asked that there be a general consensus on topics that could be included for consideration. There will be a meeting in September to review the actual language, then in October having the Legislative update ready for the Governing Body meeting. This will give the lobbyist and the City of Topeka's legal team a chance to speak to the legislators.

Chairman Duncan gave a review of the 2024 Legislative Priorities and passed on his suggestions for what is currently in the agenda.

- <u>Finance & Taxation:</u> Remove. The Local Ad Valorem Tax Reduction (LAVTR) does not exist anymore.
- <u>Business Competition:</u> Will stay. This is relating to government competition and legislation; it would imply that if the City of Topeka is running something that a private business thinks is in competition with, they would not have to pay taxes.
- <u>Sales Tax:</u> Will stay.
- Unfunded Mandates: Will stay.
- Abandoned Housing: Will stay.
- Mental Health: Will stay.
- Medicaid Expansion: Will stay.
- <u>Homelessness:</u> Will stay.
- Minimum Wage: Will stay. Need to take out the reference to the Old Senate Bill

2 - Policy and Finance Committee Minutes Taken: August 15, 2024 Minutes Approved:

- <u>Menninger Property:</u> Most likely be removed until there is more known with the new ownership; it has moved from nonprofit.
- Broadband. Will stay.

Chairman Duncan gave suggestions to consider for new additions for 2025 relating to taxes: (1) Reevaluate the property tax valuation system; a possible rolling average for residents (2) Revenue neutral process (3) Sales tax exemption; suggests that the legislative make their exemptions at the State level but the City tax collection should be given authority by local council.

City Attorney Amanda Stanley spoke to feedback that she has received from Citizens, Governing Body and City of Topeka staff on possible items to consider for the new Legislative Agenda in 2025: (1) Open Records Act; to allow helmet cams for the Fire Department. (2) Traffic tickets; enforced by private company. (3) Change age requirement to join Police Department to 18; instead of 21 years old. (4) Grant Access Program; to incentivize local employment to be able to help with hiring qualified candidates for hard to fill categories. (5) Contract for Deeds; add language to strengthen penalties under the Landlord Tenant Act for bad landlords.

Chairman Duncan gave emphasis that the committee is looking at what language should be opened up to review for the new Legislative Agenda. He stated that Privatizing traffic tickets is not something to move forward on. He supports looking at the use of helmet cams for the Fire Department, incentives for candidates through grants for employment, and Contract for Deeds. He added that he is open to seeing the language on police officers age requirement.

Committee member Miller does not support the age requirement for police officers to age 21 and expressed the importance of being able to make quick decisions. He is open to seeing the language on the helmet cams for the Fire Department.

Committee member Hoferer offered support for the age requirement to 20 for the Police Department to help with recruitment. She also gave support to the Open Records Act with helmet cams.

Councilmember Banks expressed his thoughts about the age requirement being lower at the Police Department. He believes the interview process will show a lot about an applicant, including cognitive and skills.

City Manager Dr. Robert M. Perez spoke to the Red-Light Cameras and private companies that have certified police officers that review tickets. He also added that there could be policies put in place to help with the age requirement for the Police Department. Lastly, he added the idea of a program for rental properties required having inspections.

City Attorney Amanda Stanley stated that the City of Lawrence has implemented a program of

3 - Policy and Finance Committee Minutes Taken: August 15, 2024 Minutes Approved: voluntary inspections for rental properties. She added that she is exploring ways to tie habitability into inspections.

### 6) BI-ANNUAL CONTRACTOR LICENSING PROPOSAL

Richard Faulkner, Development Services Division Director, presented information on the current code; the current municipal code requires that all trade licenses be issued for one year. Development Services is proposing to issue licenses for two years. The proposal has gone to the Board of Building and Fire appeals (BBFA), talked with contractors and stakeholders; which is being supported. He spoke to the implementation of online license renewal which has provided the staff the ability to issue a license much quicker. By issuing a two-year license this would allow contractors the convenience of not going through the process yearly, and improving the City's efficiency to serve its customers. There were comparisons done with Olathe, Overland Park, Junction City, Shawnee, Lawrence, Lawrence, Leavenworth and Manhattan to review their building codes, all but Manhattan is in a two-year licensing.

Rhiannon Friedman, Planning Director spoke to the revenue impact of licensing contractors with the current fees. They will be staggered into two groups; Contractors with qualifying party and the trade contractors with master. With the proposal all would go to two-year licenses.

Committee member Miller asked for clarity on the process of the two groups and the cost of the contractor licensing. Planning Director Friedman stated that all licenses will be two years, there would be a staggering of the groups when being issued. Pricing is the same, but applicant would be paying for two-years at a time.

Councilmember Ortiz questioned an instance of a contractor losing his license. Richard Faulkner, Development Services, stated the contractor would have to wait until the year is up, then they would pick up where they left off, pay a penalty and then license would be issued.

Committee member Hoferer supports the proposal of a two-year licensing. She asked if there is a database of contractors that are not licensed. Faulkner responded that if they are not on the list than they are not licensed with the City of Topeka.

Committee member Miller asked Richard Faulkner for an example of how to lose a license. He responded that false credentials would be a way. Chairman Duncan added that there are laws in place relating to code violations that can contribute.

Chairman Duncan supports the proposal of a two-year licensing for contractors. He added as a possible option, an applicant could apply for a two-year license but pay for one year at a time, to spread out the cost. He also suggested the City of Topeka departments look at all fees across the City.

MOTION: Committee member Miller made a motion to approve and get on the Governing Body agenda support the Bi-Annual Contractor Licensing. Committee member Hoferer seconded. Approved 3-0-0.

4 - Policy and Finance Committee Minutes Taken: August 15, 2024 Minutes Approved:

### 7) Adjourn

There will be a September and October Policy & Finance meeting scheduled. Chairman Duncan adjourned the meeting at 1:52pm.

The video of this meeting can be viewed at: <a href="https://youtu.be/LhLfqD-aUtI">https://youtu.be/LhLfqD-aUtI</a>





### City of Topeka Policy & Finance Committee

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

**DATE:** September 19, 2024

**CONTACT PERSON:** Josh McAnarney

**SUBJECT:** Debt Presentation

PROJECT #:

### **DOCUMENT DESCRIPTION:**

Josh McAnarney, Budget Manager, presentation on Debt.

### **ATTACHMENTS:**

**Debt Presentation-Powerpoint** 







Debt Presentation 9/19/2024

# Total Amount of Principal Debt

What Fund Pays?	<u>Debt Type</u>	<u>Amount</u>
Debt Service Fund	General Obligation Bonds	\$ 130,026,133
Parking & Water	General Obligation Bonds (Business Type)	\$ 8,351,890
Utilities Funds	Revenue Bonds	\$ 373,865,000
Typically the Debt Service Fund	Temporary Financing	\$ 8,015,000
	<u>Totals of of 7/1/2024</u>	\$520,258,023



# General Obligation Debt Information

# Debt Service Fund

- Revenues: Property taxes (Debt Service Mill Levy 9.717), Auto Ad Valorem Tax, and Special Assessments
- **Expenses**: Principal and Interest payments on issued debt

# 2023 Audited Annual Report

• **Revenues**: \$22,374,767

• **Expenses**: \$20,558,787

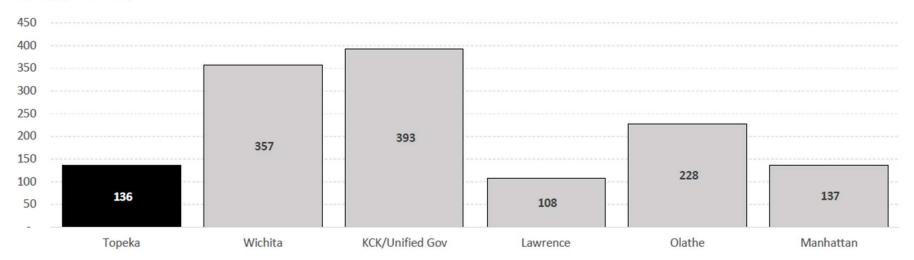
• End of Year Fund Balance: \$15,187,528 (67.9%)

Minimum Percentage Balance: 10%



# General Obligation Principal Balance vs. Peer Cities (2023) 4

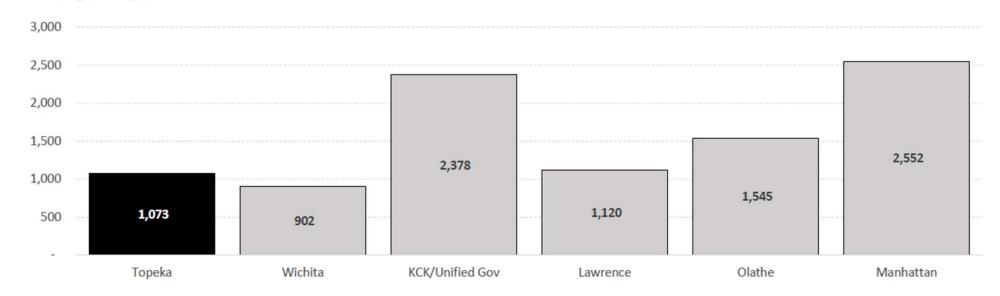
### Outstanding (\$ Millions)





# General Obligation per Capita vs. Peer Cities (2023)

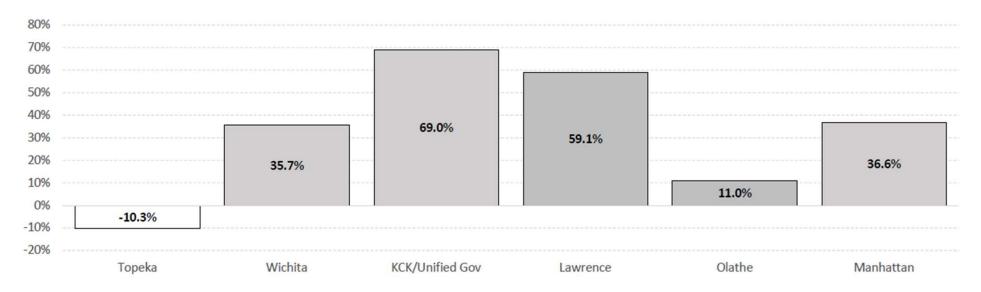
### **Outstanding Per Capita**





# General Obligation Principal Balance Change (2013 – 2023) 6

### Ten-Year Change in Bonds Outstanding





# General Obligation Bonds Next Five Years (Debt Service)

Debt Service Fund Forecast	2024	2025	2026	2027	2028	2029
Revenues*	\$21,218,367	\$18,729,589	\$19,245,788	\$19,858,180	\$20,494,068	\$21,154,385
Expenses**	\$20,168,400	\$20,530,265	\$20,089,222	\$20,364,008	\$20,787,428	\$22,893,193
Net Surplus / (Deficit)	\$1,049,967	(\$1,800,676)	(\$843,434)	(\$505,828)	(\$293,360)	(\$1,738,808)
End Year Fund Balance	\$16,237,495	\$14,436,819	\$13,593,386	\$13,087,557	\$12,794,196	\$11,055,388
Percentage of Revenue	80.51%	70.32%	67.67%	64.27%	61.55%	48.29%

End of Year Principal	2018	2019	2020	2021	2022	2023
Principal Amount	\$163,460,000	\$166,370,000	\$157,348,298	\$150,512,172	\$150,280,098	\$138,378,023
End of Year Principal	2024	<mark>2025</mark>	<mark>2026</mark>	<mark>2027</mark>	<mark>2028</mark>	<mark>2029</mark>
Principal Amount	\$133,866,340	\$140,517,534	\$144,612,818	\$146,612,818	\$163,088,575	\$162,763,642

<sup>\*</sup>Assumes D/S Mill @ 9.717 for FY25 – FY29 & Assessed Value Rate of 4%



<sup>\*\*</sup>Assumes 4% interest rate for FY25 – FY29



### City of Topeka Policy & Finance Committee

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

**DATE:** September 19, 2024

**CONTACT PERSON:** Rhiannon Friedman

**SUBJECT:** Affordable Housing Trust Fund

PROJECT #:

### **DOCUMENT DESCRIPTION:**

Concerning the Topeka housing trust fund, amending § 2.25.070 and § 2.25.010 of the Topeka Municipal Code and repealing original sections.

### **ATTACHMENTS:**

Proposed Ordinance Funding Memo

1 2	(Published in the Topeka Metro News)					
3	ORDINANCE NO					
4 5 6 7	AN ORDINANCE introduced by City Manager Robert M. Perez, Ph.D., concerning the Topeka housing trust fund, amending § 2.25.070 and § 2.25.010 of the Topeka Municipal Code and repealing original sections.					
8 9	BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF TOPEKA, KANSAS:					
10	Section 1. That section 2.25.070, Topeka housing trust fund, of The Code of					
11	the City of Topeka, Kansas, is hereby amended to read as follows:					
12	Topeka housing trust fund.					
13	(a) Established - Purpose. The City Manager is hereby authorized to establish					
14	the Topeka housing trust fund. The purpose of the trust fund shall be to encourage and					
15	support the acquisition, rehabilitation and development of affordable housing and/or					
16	emergency shelter and supportive services necessary to maintain independent living					
17	with dignity in the Topeka community. Monies placed in the housing trust fund through					
18	donations or otherwise will provide resources that can be used to address community,					
19	neighborhood, housing, and economic development needs of the City that cannot be					
20	fully met with Federal, State, or local funds; primarily through gap funding for affordable					
21	housing projects and housing-related services.					
22	(b) Eligible Applicants. Eligible applicants shall include, but not be limited to:					
23	(1) Private entities.					
24	(2) Public entities.					
25	(3) Nonprofit entities.					
26	(4) For-profit entities.					
27	(c) Eligible Uses. Eligible uses shall include, but not be limited to:					

28	(1) Property acquisition.
29	(2) New construction of affordable housing.
30	(3) Rehabilitation of existing housing.

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- existing housing.
- (4) Supportive services.
- (5) Consulting services.
- (d) Application Period. Applications requesting an allocation of monies from the housing trust fund will be accepted year-round in order to accommodate the varying needs of affordable housing providers, developers and supportive services providers. The City may from time to time, and as funding levels allow, issue a request for proposals seeking applicants who may be desirous of receiving proceeds from the housing trust fund in order to support the acquisition, rehabilitation and development of affordable housing and/or emergency shelter and supportive services necessary to maintain independent living with dignity in the community.
- (e) Affordable Housing Trust Fund Review Committee Responsibilities. This Committee shall be responsible for:
- (1) Ensuring that strong preference will be given to unrestricted donations. Donor-advised, or otherwise restricted, funds may be considered, but must go through the same review and approval process as the funding-decision process.
- (2) Conducting a review of applications requesting an allocation of monies from the housing trust fund, as set out in subsection (f) of this section, and then making a recommendation to the City Manager regarding whether or not to allocate funding.
- (3) Preparing an annual report, in conjunction with the Department of Administrative and Financial Services, not later than July 1st of each year, concerning

the activities of the preceding calendar year. Such reports shall be prepared by the Chairperson of the Affordable Housing Trust Fund Review Committee, shall cover all financial transactions involving monies raised and received, including gifts and donations, and shall thereafter be posted on the City's website.

- (f) Review of Applications. Each application requesting an allocation of monies held in the housing trust fund must be fully completed, with any required documentation attached. The Affordable Housing Trust Fund Review Committee shall review any fully completed application within 30 days of the date on which it is submitted. The following factors will be considered as part of such review:
- (1) Would the project increase the supply of affordable rental housing, including the funding of rental assistance programs, for qualified households earning 80 percent or less AMI? Funding for projects that will serve households at 50 percent or less and 30 percent or less AMI are preferred, to the extent possible.
- (2) Would the project increase the supply of for-sale housing for qualified households earning 80 percent or less of AMI?
- (3) Would the project support homebuyer assistance programs, including by way of example down payment and mortgage assistance programs, for qualified households earning 80 percent or less of AMI?
- (4) Would the project preserve rental housing, including the funding of rental assistance programs, for qualified households earning 80 percent or less of AMI? Funding for projects that will serve households at 50 percent or less and 30 percent or less AMI are preferred, to the extent possible.
  - (5) Would the project provide for the development of permanent supportive

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housing for unsheltered persons, and for supportive services associated with such housing?

- (6) Would proposals for supportive services, in combination with categories in subsections (f)(1) through (f)(5) of this section or stand-alone, enhance access to or success in safe affordable housing for households at 80 percent or less AMI?
- (7) Would the project be a strategic investment leading to the stabilization or revitalization of a neighborhood or promote a mixed-income approach to affordable housing either by project or location?
- (8) Would the project, if new construction, be compatible with the design character of the neighborhood and/or advance high-quality design standards including "crime prevention through environmental design"?
- (9) Have total development and project costs and courses of funds been submitted?
- (10) Have future operational costs and provision for any applicant-provided or partner-provided supportive services been submitted and satisfactorily addressed?
- (11) Does the experience and financial stability of the applicant indicate likely project success?
- (12) Do all elements of the proposal comply with City ordinances and other applicable laws and regulations?
- (13) Are there other sources available that could fund this proposal (i.e., are housing trust fund dollars really needed)?
- (14) How does the request meet a priority need identified in the Citywide Housing Market Study and Strategy or any addendums and updates?

- (g) Funding Recommendation Decision. The Committee, after considering each of the factors noted in subsection (f) of this section, shall forward its recommendation regarding whether or not to allocate funding to the City Manager within 30 days of the last date on which it met to consider the application. The City Manager shall review the recommendation and may return it to the Committee for further review. At such time as the City Manager believes the proposal is ready for action, the City Manager shall forward the proposal to the Governing Body with a recommendation. The decision of the Governing Body shall be final.
  - (h) Administration of Housing Trust Fund.
- (1) The housing trust fund application and review process shall be administered by the Director of Planning and Development or designee, who may promulgate rules and regulations governing the processes and procedures associated with the same; provided, however, that such rules and regulations must remain consistent with this chapter.
- (2) The housing trust fund account and monies shall be administered by the Director of Administrative and Financial Services or designee, who may promulgate rules and regulations governing the processes and procedures associated with donations to and expenditures from such fund; provided, however, that such rules and regulations must remain consistent with this chapter.
- <u>Section 2</u>. That section 2.25.010, Definitions, of The Code of the City of Topeka, Kansas, is hereby amended to read as follows:

#### Definitions.

The following words, terms and phrases, when used in this chapter, shall have

the meanings ascribed to them in this section, except where the context clearly indicates a different meaning:

"Affordable housing" means housing available to low to moderate income (LMI) individuals and families enabling LMI households to pay no more than 30 percent of household income for gross housing costs, including utilities.

"Affordable Housing Trust Fund Review Committee" or "Committee" means an 11-member committee established for the purpose of administering the manner in which funds held in the housing trust fund are accepted and allocated. The Committee shall be made up of the following individuals: (1) Director of Administrative and Financial Services, or designee; (2) Director of Planning and Development, or designee; (3) City Manager, or designee; (4) Housing and Credit Counseling, Inc. (HCCI) representative; (5) Kansas Housing Resource Corporation (KHRC) representative; (65) a local financial institution representative; (76) Citizen Advisory Council (CAC) Chairperson, or designee from the CAC; (87) an affordable housing provider appointed by the Mayor and approved by the City Council; and (98) a poverty advocate appointed by the Mayor and approved by the City Council; and (409) twothree residents of the City appointed by the Mayor and approved by the City Council. The Director of Planning and Development, or designee, will serve as the Chairperson of the Committee. Members of the Committee shall follow K.S.A. 75-4304 and refrain from any action regarding the making of a contract with any person or business by which the member is employed or in whose business the member has a substantial interest.

"Area median income" or "AMI" means the area median income, adjusted for household size, for Shawnee County as determined by the U.S. Department of Housing

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and Urban Development.

"Blighted property" means any property adversely affected by detrimental environmental conditions, topographic problems, uncontrolled vegetation, inaccessibility or substandard structures.

"Citizen Advisory Council (CAC)" refers to an advisory group consisting of a representative from each neighborhood improvement association and three at-large members appointed by the Governing Body which provides recommendations to the City Manager as to neighborhood and community needs and the allocation of City, Federal and Topeka housing funds.

"City" means the City of Topeka, Kansas.

"Dilapidated home" means a substandard dwelling, the repair of which would cost more than 50 percent of the replacement cost of the structure.

"Emergency shelter" means any facility, the primary purpose of which is to provide temporary or transitional shelter for the unsheltered.

"Extremely low income" means the household annual adjusted income is 30 percent or less of the area median income as determined by HUD.

"Gap funding" means the amount of money needed to fund the proposed project or program that is not currently provided by cash, equity or debt where at least two sources have been secured and all possible sources, including developer funds and private financing, have been pursued and optimized.

"Homeowner" means a person whose customary and usual abode is in a dwelling to which such person has title, a life estate or is buying under a land sales contract.

"Housing and neighborhood development" shall include the terms and programs associated with community development, housing development, neighborhood development, economic development or any other term or program utilized with the intent of improving any aspect of the City of Topeka.

"Housing trust fund" or "fund" means a public/private financial resource that can accept and disburse funds for acquisition, rehabilitation and development of affordable housing including transitional housing projects, programs furthering affordable housing in the community, and/or emergency shelter and supportive services related to affordable housing.

"HUD" means U.S. Department of Housing and Urban Development.

"Low and moderate income (LMI)" means the household annual adjusted income does not exceed 80 percent of the area median income.

"Low-moderate area benefit activity (LMA)" is an activity that is available to benefit all residents of an area, which is primarily residential, where at least 51 percent of the residents are low-moderate income (LMI) persons. In order to qualify on an area benefit basis, an activity must meet the identified needs of low-moderate income persons residing in an area. (LMA benefit activities are subject to other applicable HUD rules, regulations and guidelines.)

"Low-moderate income household" is established by the combined income of all persons residing in a housing unit to determine, using Section 8 income guidelines, if the household income meets the HUD median annual family income limits. (LMI households are subject to other applicable HUD rules, regulations and guidelines.)

"Low-moderate income housing activity (LMH)" is an activity that assists in the

acquisition, construction, or improvement of permanent residential structures (including homeownership) only to the extent that an LMI household occupies the housing unit. The housing unit may be occupied by either owner or renter upon completion and may be either one-family or multi-unit structures. (LMH benefit activities are subject to other applicable HUD rules, regulations and guidelines.)

"Low-moderate income job activity (LMJ)" is an activity that creates or retains jobs for low-moderate benefit only three ways: be located in a predominantly LMI area and serve LMI income residents; or involves facilities designed for use by predominantly LMI persons; or involves the employment of persons, either to create or retain jobs, principally for LMI persons. (LMJ benefit activities are subject to other applicable HUD rules, regulations and guidelines.)

"Low-moderate income limited clientele activity (LMC)" is an activity that provides benefit to a specific group of persons rather than everyone in an area generally. It may benefit persons without regard to the area in which they reside. To qualify under this activity clientele must meet one of the following: benefit a clientele who are generally presumed, by HUD, to be principally LMI persons; or be of such nature and in such location that it may be concluded that the activity's clientele will be LMI persons; or the activity removes architectural barriers to the mobility or accessibility of elderly or severely disabled persons; or the activity requires information on family size and income, as to determine LMI status. (LMC benefit activities are subject to other applicable HUD rules, regulations and guidelines.)

"Neighborhood improvement association (NIA)" means an organization whose boundaries include a census block group or multiple census block groups where at least

51 percent of the household annual incomes are at or below 80 percent of the area median income as determined by the United States Census. The City Manager must certify these boundaries before the NIA can receive funding.

"Rehabilitation" means repair of a substandard dwelling to conform to the minimum code or property rehabilitation standards established for housing and neighborhood development purposes.

"Substandard home" means a dwelling that does not conform to the City's International Property Maintenance Code (IPMC).

"Supportive services" means housing-related or other services that assist individuals and families to locate, obtain or retain affordable, quality, permanent housing. Eligible activities include: deposit/rental or utility assistance; tenant counseling; credit counseling; payment of application fees; outreach services; life skills training; and/or minor home repair.

- Section 3. That original § 2.25.070 and § 2.25.010 of The Code of the City of Topeka, Kansas, are hereby specifically repealed.
- <u>Section 4</u>. This ordinance shall take effect and be in force from and after its passage, approval and publication in the official City newspaper.
- <u>Section 5</u>. This ordinance shall supersede all ordinances, resolutions or rules, or portions thereof, which are in conflict with the provisions of this ordinance.
- Section 6. Should any section, clause or phrase of this ordinance be declared invalid by a court of competent jurisdiction, the same shall not affect the validity of this ordinance as a whole, or any part thereof, other than the part so declared to be invalid.

PASSED AND A	APPROVED by the Governing Body on
	CITY OF TOPEKA, KANSAS
	Michael A. Padilla, Mayor
ATTEST:	·
Brenda Younger, City (	Clerk

### **Funding and Affordable Housing Trust Fund (HTF)**

The purpose of this memo is to share information about the funding mechanism in Topeka's HTF program compared to federal recommendations and peer cities in Kansas and Missouri. This memo will also touch on the state of federal HTF allocations in Kansas.

### **Topeka Housing Trust Fund Model**

Topeka's HTF program is currently funded at \$1,000,000. Of this funding, \$250,000 was funded by local donations from the Capitol Federal Foundation. The additional \$750,000 was contributed by the city from general fund surpluses and a transfer from the NRP. The ordinance does not consider long term funding mechanisms, but HTF funds may be maintained through the distribution of funds through a loan or micro-loan system.

### **HUD Recommended Housing Trust Fund Funding Model**

When establishing an HTF program, HUD recommends designating a specific revenue source to the program for longevity. Some of the recommended funding sources include but are not limited to:

- Negotiated developer fees;
- The municipality's general fund;
- Payments from special bylaws/ordinances;
- And cell tower lease payments.

### **Peer Housing Trust Funds and Funding Sources**

Municipal HTF database provides a running list of local level HTF programs by state with relevant news stories available for each one. Identified programs in Kansas and Missouri use the following funding sources:

- KCMO General Obligation bonds issued annually up to the legal limit, or in excess with a special election;
- Lawrence Sales tax allocation;
- St Louis Medical marijuana sales tax.

### **National Housing Trust Fund Allocations in Kansas**

HUD also administers a national HTF program. Federal HTF funds are allocated to each state via formula. KHRC serves as the pass-through organization for these funds, and their Qualified Allocation Plan (QAP) designates Federal HTF funds exclusively to LIHTC projects within the state. The public comment period for the 2025 draft QAP has passed, but these could provide a potential opportunity for future funding.

### **Resources**

Housing Toolbox's Municipal Affordable Housing Trust Funds Guidebook p.1-2

(municipal affordable housing trust guidebook.pdf (housingtoolbox.org))

Housing trust Fund Project's Housing Trust Fund Workbook p. 43-57

(Workbook 4 PDF (housingtrustfundproject.org))

**Housing Trust Fund Landing Page – HUD Exchange**: information on the national HTF as well as recommendations for local HTF programs.

(HTF: Housing Trust Fund - HUD Exchange)

Sincerely,

Quinn Cole (she/her)

Management Analyst, Planning and Development Services



### City of Topeka Policy & Finance Committee

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

DATE: September 19, 2024

**CONTACT PERSON:** Spencer Duncan

**SUBJECT:** 2025 Legislative Priorities Draft

Language & Update

**PROJECT #:** 

### **DOCUMENT DESCRIPTION:**

2025 Legislative Priorities Draft Language, Items under consideration and not being considered

### **ATTACHMENTS:**

Legislative Priorities Attachment-Duncan

# 2025 LEGISLATIVE PRIORITIES DRAFT LANGUAGE & UPDATE

#### AGREED UPON ISSUES, DRAFT LANGUAGE

#### **Property Taxes**

The City of Topeka believes the State of Kansas should reexamine property valuation laws in Kansas and modernize the residential and commercial valuation system. This should include looking at using a rolling average system, similar to that used in Kansas agriculture property valuations.

#### **Property Taxes II**

The City of Topeka asks the State of Kansas to hold itself to the same statutes and requests it makes of the Capital City. This includes lowering the state mill levy and taking a vote each year to determine exceeding the revenue neutral rate.

#### Sales Tax

The City of Topeka should continue to be able to determine voter-approved local sales tax allocations. The Legislature is granted authority to make decisions relating to statewide sales tax. Local voters vote on and are granted authority to make decisions regarding local sales tax. Any sales tax exemptions considered by the legislature should only apply to the state portion of sales tax and not eliminate voter-approved local sales taxes.

#### STILL UNDER CONSIDERATION - NO LANGUAGE YET

- Firefighter Helmet Cameras
- Police Department Age Requirements
- Contract for deeds (strengthening penalties for bad landlords)
- Grant Access Program (state incentives for recruiting city employees)
- MTAA Items

#### **NOT BEING CONSIDERED**

- Privatization of Traffic Tickets
- Red Light Traffic Cameras