

Governing Body Minutes – May 30, 2023

SPECIAL MEETING, Topeka, Kansas, Tuesday, May 30, 2023. The Governing Body members of the City of Topeka met in special session at 12:00 P.M. with the following Councilmembers present: Councilmembers Hiller, Valdivia-Alcala, Ortiz, Emerson, Naeger, Dobler and Duncan -7. Absent: Councilmembers Kell and Hoferer -2. Mayor Padilla presided - 1.

The special meeting was held in virtual format. The meeting was available online at <https://www.topeka.org/citycouncil/stream-city-council-meetings/> or <https://www.facebook.com/cityoftopeka/>. The special meeting was available for the Public to view in the Executive Conference Room (ECR) located at 215 SE 7th Street, 3rd Floor, City Hall, Topeka, Kansas. The meeting was televised on City4. Written public comment could be submitted to the City Clerk's Office located at 215 SE 7th Street, Room 166, Topeka, Kansas, 66603 or via email at cclerk@topeka.org.

Mayor Padilla reported there was a need for an executive session and asked the City Attorney to state the motion to be considered.

Amanda Stanley, City Attorney, stated the motion would be to recess into executive session for a period of time not to exceed 45 minutes to discuss the acquisition of real property at a set location in the city as justified by K.S.A. 75-4319(b)(6). The open meeting would resume for members of the public viewing the meeting in-person in the City Hall Executive Conference Room (ECR) and will be available online at <https://www.topeka.org/citycouncil/stream-city-council-meetings/> or <https://www.facebook.com/cityoftopeka/>. The Governing Body would remain in virtual

format. The following Staff was necessary to assist the Governing Body in its deliberations:
City Manager Wade and other staff as deemed necessary.

Councilmember Emerson moved to recess into executive session as stated by the City Attorney. The motion seconded by Councilmember Dobler carried unanimously on roll call vote. (8-0-0)

Following a 45-minute time period, the meeting reconvened into open session and Mayor Padilla announced no action was taken during the executive session. He stated there was a need for a second executive session and asked the City Attorney to state the motion to be considered.

City Attorney Stanley stated the motion would be to recess into executive session for a period of time not to exceed 45 minutes to discuss the acquisition of real property at a set location in the city as justified by K.S.A. 75-4319(b)(6). The open meeting would resume for members of the public viewing the meeting in-person in the City Hall Executive Conference Room (ECR) and will be available online at

<https://www.topeka.org/citycouncil/stream-city-council-meetings/> or

<https://www.facebook.com/cityoftopeka/>. The Governing Body would remain in virtual format. The following Staff was necessary to assist the Governing Body in its deliberations:
City Manager Wade and other staff as deemed necessary.

Councilmember Hoferer joined the meeting.

Councilmember Emerson moved to recess into executive session as stated by the City Attorney. The motion seconded by Councilmember Ortiz carried on roll call vote.
Councilmember Naeger did not vote. (9-0-0)

Following a 45-minute time period, the meeting reconvened into open session and Mayor

Padilla announced no action was taken during the executive session.

Mayor Padilla moved to authorize the City Manager to acquire fee simple title of the Hotel Topeka at 17th and SW Topeka Boulevard by negotiated purchase agreement or at auction if necessary. The motion was seconded by Councilmember Emerson.

Councilmember Valdivia-Alcala stated it appears a lot of hard work went into the proposal; however, she has numerous concerns and is disappointed with many different aspects of the subject matter. She stated she would oppose the motion.

Councilmember Ortiz stated she would oppose the motion as she concurs with many of the concerns raised by other Governing Body members.

Councilmember Emerson recognized this was not an ideal situation; however, given the alternative and the strategic location of the asset, he will vote in favor of the motion. He noted he too shares the same concerns of other Governing Body members.

Mayor Padilla asked City Attorney Stanley when it would be appropriate to allow public comment.

City Attorney Stanley stated public comment could be allowed before or after the vote at the discretion of the Mayor.

Councilmember Valdivia-Alcala referenced the special meeting notice and its contents. She stated it would seem public comment would be irrelevant at this time; and asked if they would vote on the issue without receiving public input.

Mayor Padilla asked if there was anyone present who would like to speak to the subject matter.

Kurt Young, Topeka Lodging Association, stated he believes it was crucial that the

Topeka-Shawnee County area does not lose this property as a convention and association meeting hotel. He expressed concern with the property being sold and developed as a property that would not support the lodging industry or travel and tourism market. He reported anything that could be done to implement a viable convention center in Topeka would be a huge asset to the area.

Sean Dixon, Visit Topeka, provided a brief history of the property and spoke to the series of events that caused the rapid decline of the quality of the hotel after 2013. He reported one of the main reasons for lost tourism dollars was due to the condition of the Hotel Topeka Convention Center and lack of area convention center properties. He stated Visit Topeka research has shown if the hotel was repositioned it would conservatively generate 50,000 hotel room nights and 75,000 guests annually with an annual economic impact of \$20 million.

The motion to authorize the City Manager to acquire fee simple title of the Hotel Topeka at 17th and SW Topeka Boulevard by negotiated purchase agreement or at auction if necessary carried. Councilmembers Valdivia-Alcala and Ortiz voted “no.” (7-2-0)

Mayor Padilla stated to assist in the purchase of Hotel Topeka, he would move for the introduction and passage of a RESOLUTION introduced by City Manager Stephen Wade determining the City of Topeka’s intent to reimburse itself for certain capital expenditures through the proceeds of tax-exempt bonds or other obligations to be issued by itself or another governmental entity for the benefit of the Issuer (the “Bonds”). The motion was seconded by Councilmember Naeger.

Councilmember Valdivia-Alcala spoke in opposition of issuing bonds as the Governing Body continues to discuss ways to reduce the City’s overall bonded indebtedness. She

expressed concern with the large amount of dollars that would be used to purchase the hotel that instead could be used for much needed infrastructure improvements and other community needs. She stated she would oppose the motion and expressed the importance of gathering public input at a regularly scheduled Governing Body meeting.

Mayor Padilla asked if there was anyone present who would like to speak to the subject matter. No one appeared.

The motion to approve the introduction and passage RESOLUTION NO. 9419 introduced by City Manager Stephen Wade determining the City of Topeka's intent to reimburse itself for certain capital expenditures through the proceeds of tax-exempt bonds or other obligations to be issued by itself or another governmental entity for the benefit of the Issuer (the "Bonds") carried. Councilmembers Valdivia-Alcala, Ortiz and Duncan voted "no." (6-3-0)

Mayor Padilla stated if the purchase is completed, he would move that the City Manager evaluate options for the redevelopment of Hotel Topeka subject to a development agreement approved by the Governing Body. The motion was seconded by Councilmember Emerson.

Mayor Padilla asked if there was anyone present who would like to speak to the subject matter. No one appeared.

Councilmember Hoferer asked if the motion could be considered at the June 6, 2023 regular Governing Body meeting, which would allow her an opportunity to better understand what is being considered.

Councilmember Dobler left the meeting.

City Attorney Stanley confirmed the issue could be considered at the June 6, 2023

meeting. She noted the City Manager has the authority as outlined in the City's Charter Ordinance to investigate development options without any formal vote being necessary.

Councilmember Hoferer made a substitute motion to delay consideration until June 6, 2023. The motion was seconded by Councilmember Emerson.

Councilmember Hiller questioned the legal risk in delaying the vote.

City Attorney Stanley clarified the City Manager has the authority to negotiate development agreements subject to Governing Body approval. She reported the first motion approved by the Governing Body authorized the City Manager to attempt to acquire the hotel which is unlikely to be completed by the June 6, 2023, Governing Body meeting. She stated she believes there would be no legal risk in delaying the vote.

Councilmember Valdivia-Alcala spoke in support of the substitute motion as it would provide an opportunity for the public to provide input on the subject matter. She asked if a fiscal note could be included as part of the information being distributed to help citizens clearly understand what is being considered.

Stephen Wade, City Manager, stated he would work to provide fiscal information by June 6, 2023; however, consideration may need to happen at the June 13, 2023 Governing Body meeting.

Councilmember Hiller asked if the City Manager would be required to have the Development Agreement ready on June 6, 2023.

City Manager Wade clarified Councilmember Valdivia-Alcala only asked for the fiscal impacts of the project.

Mayor Padilla asked if there was anyone present who would like to speak to the subject

matter. No one appeared.

The substitute motion to delay consideration until June 6, 2023 carried. Councilmember Ortiz voted “no.” (7-1-0)

NO FURTHER BUSINESS appearing the meeting adjourned at 2:02 p.m.

(SEAL)

Brenda Younger City Clerk