INDEPENDENCE CITY COMMISSION

SPECIAL SESSION AGENDA

August 16, 2023

9:00 AM

Civic Center Memorial Hall

To participate by conference call:
1 785-289-4727 Conference ID: 995 148 903#

The Agenda shall be as follows:

I. SPECIAL SESSION
   A. Call to Order

II. ITEMS FOR COMMISSION ACTION
   A. Consider waiving fees and allowance of temporary sale signs for Kan-Okla 100-mile highway sale.
   B. Consider approving the removal of a trailer house, located at 1630 North 10th Street.
   C. Consider approval of an addendum to the Kelly Aerospace Thermal Systems lease.
   D. Consider approval of a Moderate-Income Housing Grant Agreement between the Kansas Housing Resources Corporation and the City of Independence for Trident Properties LLC.

III. ITEMS FOR DISCUSSION
   A. 2024 Budget

IV. ADJOURNMENT

REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
August 16, 2023

Department **Admin** **Director Approval** **David Cowan**

AGENDA ITEM Consider waiving fees and allowance of temporary sale signs for Kan-Okla 100-mile highway sale.

SUMMARY RECOMMENDATION City staff recommends the Commission's approval.

BACKGROUND Lisa Wilson, Chamber President, has presented a request for the City to Co-Sponsor with the Independence Chamber of Commerce Convention and Visitors Bureau of the 16th Annual KAN-OKLA 100-Mile Highway Sale and Independence City-Wide Rummage Sale, the waiving of sale permit fees, the allowance of temporary sale signs in the rights-of-way on Friday, September 8th and Saturday, September 9th ONLY and permission to use the parking lot of 8th & Chestnut behind Ane Mae's Coffee and Sandwich House for a group site.

FINANCIAL INFORMATION This event encourages visitors to Independence which increases the opportunity for additional sales tax revenue.

SUGGESTED MOTION I move to waive rummage sale permit fees, allow temporary sale signs in the rights-of-way, and allow use of the municipal parking lot at 8th and Chestnut on Friday, September 8th and Saturday, September 9th ONLY for the 16th Annual KAN-OKLA 100-mile Highway Sale and City-Wide Rummage Sale.

SUPPORTING DOCUMENTS

1. 16th Annual Kan-Okla 100 Mile Highway Sale and Independence City-Wide Rummage Sale

July 31, 2023

Re: 16th Annual KAN-OKLA 100-Mile Highway Sale and Independence City-Wide Rummage Sale

Independence City Commission:

The Independence Chamber of Commerce is excited about the 16th Annual KAN-OKLA 100-Mile Highway Sale that will pass through our community in September. It's a great community event that welcomes travelers and provides a wonderful opportunity to demonstrate true Independence hospitality. In years past, the City of Independence has co-sponsored the sale. Please accept this letter as a formal request for your participation again this year.

Request: Co-Sponsorship with the Independence Chamber of Commerce Convention and Visitors Bureau of the 16th Annual KAN-OKLA 100-Mile Highway Sale and Independence City-Wide Rummage Sale, the waiving of sale permit fees, the allowance of temporary sale signs in the rights-of-way on Friday, September 8th and Saturday, September 9th ONLY and permission to use the parking lot of 8th & Chestnut behind Ane Mae's Coffee and Sandwich House for a group site.

Thank you for your consideration,

Lisa Wilson

President, Independence Chamber of Commerce

Independence Chamber of Commerce
PO Box 386
616 North Pennsylvania Avenue
Independence, KS 67301
Phone: 620-331-1890 Fax: 620-331-1899 E-mail: chamber@indkschamber.org

CITY OF INDEPENDENCE KANSAS

REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
August 16, 2023

Department **Housing** **Director Approval** **April Nutt**

AGENDA ITEM Consider approving the removal of a trailer house, located at 1630 North 10th Street.

SUMMARY RECOMMENDATION City staff recommends approving the cost to remove the structure(s) located at 1630 North 10th Street.

BACKGROUND Kalpana Patel, the owner of 1630 North 10th Street, has submitted a "donation application" to the Independence Land Bank. The Independence Land Bank would consider accepting the donation if the City of Independence would partner in the cost to remove the structure(s) on the lot. This property does not have running water and has received numerous environmental violations. In addition, the trailer house is a non-conforming use. The estimated cost to remove the structure(s) is $3500. The Independence Land Bank Board of Directors has approved a 50/50 match up to $1750 for removal.

FINANCIAL INFORMATION The estimated cost to remove the trailer house is $3,500, where the Independence Land Bank has authorized a 50/50 match up to $1750. It is anticipated that the structure will not be removed until after the first of the year, when demolition funds will be available.

SUGGESTED MOTION I authorize staff to receive proposals to remove the structures at 1630 North 10th Street, pending acceptance of the property into the Independence Land Bank and available funding.

SUPPORTING DOCUMENTS

1. 1630 N 19th Patel Donation Form

PROPERTY DONATION FORM

LAND BANK

LAND BANK

A property owner who desires to donate property to the Independence Land Bank should complete this form and submit it the Independence Housing Authority Executive Director (Director) at apriln@independenceks.gov, or by mail at 811 West Laurel, Independence, Kansas, 67301.

The Director will review the information and may contact the property owner for additional details, if necessary. The Director will bring the information before the Independence Land Bank's Board of Directors. The Board of Directors will determine whether the acceptance of the property will further the goals of the Independence Land Bank.

Owner's Information

Owner's Name(s) and Marital Status:

Kalpana Patel

Owner's Mailing Address:

418 Sinclair St. Independence KS. 67301

Owner's Phone Number:

620-926-2828

Owner's Email Address:

gopancpatel@gmail.com

Property Address: 1630 North 10th Street, Independence, KS 67301

I certify that I am the owner of the property listed above and that I am offering to donate the property to the Land Bank of Independence, Kansas. I understand that this offer does not commit the Land Bank to accept the property. I agree to answer the Property Donation Questionnaire fully to the best of my knowledge.

Printed Name(s) of Owner(s)

Signature of Owner(s)

Kalpana Patel

Date:

8/2/23

Please complete the following Independence Land Bank Property Donation Questionnaire. Attach additional pages if necessary and reference the question number.

1. Is there a mortgage against the property? No

2. Is the property rented or leased? If so, when does the rental agreement/lease expire? No

3. How long have you owned this property? 2007

4. Do you know how the property has been used historically to present? If so, please provide details. Unknown

5. Have any hazardous chemicals or petroleum products ever been used or stored on the property, or are they now? If so, please provide any details you know including locations on the property, dates, the chemicals, and the quantities. Unknown

6. Has the property ever been used for dumping, burying, burning, or handling of any waste materials? If so, please provide any details you know including locations, dates, and the type(s) of waste. Unknown

7. Are there any underground storage tanks on the property? If yes, please provide the details including location, size, and type of material stored. Unknown

8. Have any underground storage tanks been removed in the past? If yes, please provide any details you know including location, size, type of material stored, and any information you know about the removal. Unknown

9. Has anyone ever collected soil or groundwater samples on the property? Please provide any information you know about the sampling including purpose, location, and dates. In addition, please provide copies of any reports you have relating to the sampling. Unknown

10. Are there any wells or cisterns currently or previously on the property? This includes private, public, drinking, irrigation, monitoring, oil, gas, or any other kind of well. Unknown

11. Are there any transformers or other electrical equipment on the property that may contain PCBs? Please describe what they are and where. Unknown

12. Are you aware of any litigation or governmental administrative regarding hazardous substances or petroleum on this property or adjacent properties? This includes any past, present, or potential litigation. Unknown

13. Are you aware of any notices regarding hazardous substances or petroleum on this property or adjacent properties that have been issued by any governmental agency? Unknown

14. Are you aware of any reports or documents such as Environmental Site Assessments, UST or AST (tank) registrations or removal reports, permits, notices of violations, compliance audits, hydrogeological reports, or any other type of report or document about conditions on the property? If yes, please detail the type of report or document, and provide copies if they are available. Unknown

15. Are there any structures on the property, or have there ever been structures such as houses, barns, storage buildings, garages, or other types of structures? If yes, please complete the Independence Land Bank Property Donation with Structure addendum to this Questionnaire. Yes

16. Are there any structures or foundations on the property, or have there ever been structures such as houses, barns, storage buildings, garages, or other types of structures? If yes, please complete the Independence Land Bank Property Donation with Structure addendum to this Questionnaire. Yes

REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
August 16, 2023

Department Admin **Director Approval David Cowan**

AGENDA ITEM Consider approval of an addendum to the Kelly Aerospace Thermal Systems lease.

SUMMARY RECOMMENDATION City Staff recommends approval of the addendum.

BACKGROUND VSE Aviation, Inc. contacted the City of Independence regarding additional space needed for expansion while their building addition is occurring. VSE visited Kelly Aerospace regarding space in the Roundtop building, and the current lease prohibits them from subleasing to VSE. The City Attorney has prepared an addendum to the Kelly Aerospace lease that provides the City's consent to Kelly Aerospace to sublease to VSE, and VSE has language binding VSE to all terms and conditions of the city's original lease with Aerospace.

FINANCIAL INFORMATION N/A

SUGGESTED MOTION I move to approve the addendum to the Kelly Aerospace lease agreement allowing a sublease with VSE Aviation, Inc.

SUPPORTING DOCUMENTS

1. City-VSE-Round Top lease-

ADDENDUM TO LEASE AGREEMENT DATED JUNE 14, 2016

This Addendum is entered into by and between the **City of Independence, Kansas**, hereafter LESSOR, and **Kelly Aerospace Thermal Systems, LLC**, hereafter LESSEE.

Whereas, the parties entered into a lease agreement on or about June 14, 2016 whereby LESSEE leased from LESSOR what is commonly referred to as the Round Top Hangar located at Independence Municipal Airport along with some adjacent property.

And Whereas, a third-party corporation, VSE Aviation, Inc. (hereafter SUBLESSEE), currently operates a business at the Independence Municipal Airport and is in need of additional space due to some construction ongoing at their location.

And Whereas, the lease agreement between LESSOR and LESSEE requires that LESSOR give its written consent before LESSEE can sublease any of its space to a third party.

Now Therefore, in consideration of the mutual covenants and agreements hereinafter contained, the parties agree to the following:

1. **Consent to Assignment**. LESSOR hereby consents to LESSEE entering into a sublease with, and/or assigning to SUBLESSEE the right to use and take possession of certain portions of the leased premises as mutually agreed upon between LESSEE and SUBLESSEE. LESSOR anticipates that LESSEE and SUBLESSEE will enter into a further written agreement drafted and executed by them setting forth in more specificity the locations upon the lease premises that SUBLESSEE will be allowed to use.

2. **Consent to Improvements.** Lessor agrees that SUBLESSEE may:

   i. Make minor repairs to the floors (including, but not limited to, sealing and coating the floors), walls, ceilings, and windows;

ii. Run electrical circuits from the main panel to the equipment;

iii. Tie in equipment to existing water source;

iv. Hang pipe to support compressed air system; and

v. Install portable heating and cooling units.
(collectively "SUBLESSEE Improvements")

3. **Terms of Original Lease Agreement**. The sublease entered into between LESSEE and SUBLESSEE shall require SUBLESSEE to be bound by the terms and conditions of the original lease agreement executed on or by June 14, 2016, between LESSOR and LESSEE.

4. **Binding Effect.** This agreement shall be binding upon the heirs, successors and assigns of the parties hereto.

LESSOR:
CITY OF INDEPENDENCE, KANSAS

By:______________________________________
Louis Ysusi, Mayor

ATTEST:

____
David W. Schwenker, City Clerk

LESSEE:
KELLY AEROSPACE THERMAL SYSTEM, LLC

By:______________________________________
NAME:
TITLE:

REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
August 16, 2023

Department **Housing** | **Director Approval** **April Nutt**

AGENDA ITEM Consider approval of a Moderate-Income Housing Grant Agreement between the Kansas Housing Resources Corporation and the City of Independence for Trident Properties LLC.

SUMMARY RECOMMENDATION City staff recommends approval upon review by the City Attorney.

BACKGROUND The City of Independence submitted a Moderate-Income Housing Grant (MIH) application on February 17, 2023 to Kansas Housing Resources Corporation (KHRC) on behalf of Trident Partnership LLC for the rehabilitation of 5 downtown buildings developing 19 apartments. Upon KHRC awarding the City of Independence a $650,000 MIH grant, KHRC requests the Moderate Income Housing Grant Agreement City of Independence-2023 Round 1 No. 23-0111-SGF for approval.

FINANCIAL INFORMATION There is no impact on the city budget.

SUGGESTED MOTION I authorize the Mayor to sign the Moderate Income Housing Grant Agreement City of Independence-2023 Round 1 No. 23-0111-SGF for approval upon review from the City Attorney.

SUPPORTING DOCUMENTS

1. Independence 23-0111_ MIH GRANT AGREEMENT_draft-3

MODERATE INCOME HOUSING PROGRAM
GRANT AGREEMENT
City of Independence – 2023 Round 1
No. 23-0111-SGF

THIS GRANT AGREEMENT ("**Agreement**") is made by and between the City of Independence, Kansas, 811 West Laurel, Independence, Kansas 67301 ("**Grantee**"), and Kansas Housing Resources Corporation, 611 South Kansas Avenue, Suite 300, Topeka, Kansas 66603 ("**KHRC**") this 20th day of July, 2023.

WHEREAS, KHRC is a non-profit public corporation responsible for administering Federal and State housing programs, as well as the State Housing Trust Fund ("**SHTF**");

WHEREAS, the Kansas Legislature provided funding to the SHTF administered by KHRC to be used for the purpose of loans or grants to cities or counties for infrastructure or housing development in rural areas, in accordance with KHRC's Moderate Income Housing ("**MIH**") program;

WHEREAS, utilizing the subject SHTF funds provided, KHRC issued a Kansas MIH Request for Proposal ("**RFP**") on November 30, 2022;

WHEREAS, in response to the RFP, Grantee requested MIH funds for proposed eligible activities through an application dated 17th of February 2023, which is relied upon by KHRC in entering into this Agreement; and

WHEREAS, KHRC's Loans and Grants Committee on 5th of April, 2023, approved a grant totaling Six Hundred and Fifty Thousand and no/100 Dollars ($650,000.00) for Grantee's proposed eligible activities set forth in its application ("**Eligible Activities**").

NOW THEREFORE, in consideration of the promises and covenants set forth herein, the parties do mutually agree as follows:

1. **Grant Funds**. KHRC hereby allocates Grantee up to $650,000 ("**Funds**") for the Eligible Activities subject to the terms and conditions set forth in this Agreement. Grantee agrees and acknowledges that KHRC made the subject allocation in reliance on the representations, statements, and information provided by Grantee in its application (the "**Application**"), which is incorporated herein by this reference and made a part of this Agreement. Grantee agrees and acknowledges that KHRC materially relied on the Application, and Grantee certifies that the information in the Application is true and correct. Any change to the Eligible Activities or to the information submitted in the Application, which would, in KHRC's sole discretion, affect KHRC's evaluation of the Application may cause for KHRC to find Grantee in noncompliance as provided in paragraph 10.

2. **Use of Grant Funds**. Grantee shall use the Funds solely on the Eligible Activities, as set forth in the Application approved by KHRC, and Grantee agrees as follows:

a. As further described in **Exhibit A** ‘Project Activities and Description’, and in accordance with **Exhibit B** ‘Project Budget Projection’, Grantee shall restore 6 vacant dilapidated historic buildings. Rehabilitating a total of 20 multi-family rental units, 19 of which will be MIH units.

b. Construction of this development shall begin by September 1, 2023 and be completed within 18 months of that date, unless Grantee requests and obtains prior written approval from KHRC.

c. A minimum of 19 MIH rental units are committed to this development/project.

d. The representations and commitments made in the Application are all hereby incorporated herein and remain continuing representations and obligations of the Grantee.

e. Prior to making any modifications to the Eligible Activities as set forth in the Application, Grantee shall submit a detailed request to KHRC and obtain KHRC’s written approval.

3. **Leverage Commitment**. In addition to the Funds provided by KHRC under this Agreement, Grantee shall provide or obtain other resources toward the costs of the Eligible Activities as set forth in the Application.

4. **Kansas Housing Investor Tax Credits**. In addition to the Funds provided by KHRC under this Agreement, Grantee agrees and acknowledges that the project builder or developer identified in the Application also received an allocation of Kansas Housing Investor Tax Credits (“**KHITCs**”) related to the Eligible Activities. Grantee agrees and acknowledges that the allocation of KHITCs shall be governed by a separate agreement between KHRC and the subject builder or developer, which shall impose additional requirements and obligations on the Eligible Activities, and that Grantee is familiar with the same.

5. **Disbursement of Grant Funds**. Grantee shall use the local jurisdiction’s approved process for selecting contractors or vendors for the Eligible Activities and shall provide KHRC with documentation regarding the same upon request. As development costs are incurred, Grantee may make requests for payment according to the terms in **Exhibit C** ‘Disbursement Schedule’ using the Request for Disbursement form provided by KHRC, as may be amended from time to time. With each request, Grantee shall provide documentation of the current project status and the progress made toward completion, including, as appropriate or as requested, documentation of costs.

   KHRC reserves the right to request additional documentation or information from Grantee prior to disbursement of any Funds, in KHRC’s sole discretion, and Grantee agrees to promptly respond to all requests. KHRC may retain a portion of the Funds, in an amount determined solely by KHRC, until demonstration of project completion has been received and verified by KHRC.

6. **Compliance with Regulations**. Grantee shall ensure compliance with all MIH rules and restrictions, the RFP, and all governing laws, including, as applicable, the accessibility requirements of the **Fair Housing Act and K.S.A. 58-1401, *et seq.*** as described in **Exhibit D**, and either the 2018 International Energy Conservation Code or the alternative MIH Energy Efficiency Requirements in **Exhibit E.**

7. **Program Income.** Grantee agrees to use any income derived from or generated by the Eligible Activities and received by the Grantee, regardless of when the income is received, solely for the Eligible Activities or for other housing purposes in Grantee's community. For the purposes of this provision, program income does not include any rental income received by the owner of rental housing constructed as part of the Eligible Activities unless the Grantee is said owner.

8. **Reporting**. Grantee shall maintain all books, records, files, and documents related to the Eligible Activities and the compliance period as detailed in paragraph 9 and shall provide any information and documentation requested by KHRC to verify compliance with the terms of this Agreement and the MIH program.

   Beginning with the calendar quarter following execution of this Agreement and continuing each quarter thereafter, Grantee shall submit in writing status reports to KHRC covering the prior quarter, until all Eligible Activities are completed, and all Funds have been disbursed and expended. Grantee agrees that each status report shall detail the use of all Funds to date, and describe the progress made toward completion of the Eligible Activities. For construction activities, the quarterly progress report shall identify work completed, estimate the percentage of construction completed, and detail any proposed changes in the project scope. This report shall be submitted to KHRC whether or not progress has occurred during the quarter. Calendar quarters are January 1-March 31, April 1-June 30, July 1-September 30 and October 1-December 31. Quarterly reports are due to KHRC within 10 days of the end of each quarter.

   Within 60 days following completion of the Eligible Activities and expenditure of all Funds, Grantee shall submit a final accounting to KHRC using KHRC forms. Said accounting shall include details regarding the use of all Funds and the use of any income generated from the Eligible Activities. Additionally, during the compliance period as detailed in paragraph 9, the Grantee shall submit reporting and documentation to KHRC to demonstrate compliance with the requirements set forth in paragraph 9, as detailed further herein.

   Grantee agrees to provide any additional information or documentation requested by KHRC, or to correct its report as needed, within seven (7) days of any request from KHRC.

To assist with the Grantee's reporting obligations under this paragraph, the Grantee acknowledges receipt from KHRC of the documents listed in Exhibit F.

KHRC reserves the right to revise, change, or update these documents, or to provide additional documents for Grantee to use when completing its reporting obligations. The Grantee agrees to use the most current version of the form(s), as may be periodically revised or updated by KHRC.

9. **Compliance Provisions**. When the Eligible Activities include the development of rental housing, either directly or indirectly, Grantee shall ensure that tenants residing in the rental housing are initially qualified with gross incomes within the then most current MIH income ranges, which will be available and posted on the KHRC website. Grantee agrees to follow a consistent method and procedure to certify tenants and to verify, through supporting documentation, that incomes are within the most current MIH income ranges. Grantee shall submit to KHRC the applicable documents identified in paragraph 8 above and shall provide KHRC with any other documentation of the procedures followed upon KHRC's request. Grantee must ensure that each tenant residing in the development qualifies; provided however that, after Grantee determines that a tenant qualifies, Grantee does not need to recertify that tenant. Grantee must follow this process and qualify all new tenants for the first five years following completion of the development. At the end of the fifth year, there shall be no further qualification procedures for tenants.

   Additionally, when the Eligible Activities include the development of rental housing, Grantee shall execute a separate Land Use Restriction Agreement at KHRC's direction concerning the subject real estate, which shall be recorded with the applicable register of deeds. The Land Use Restriction Agreement shall set forth covenants running with the land requiring that the property be rented to only MIH income eligible tenants for five years, as detailed in the preceding paragraph and further in said agreement. To the extent the Grantee does not own the subject real estate, the Grantee shall make the execution of a Land Use Restriction Agreement a condition of providing any of the Funds to the owner of the subject real estate for the Eligible Activities and shall provide documentation of the same to KHRC. Further, Grantee agrees, at KHRC's direction, to facilitate the execution of the Land Use Restriction Agreement by the owner of the subject real estate.

10. **Noncompliance by Grantee**. In the event of Grantee's noncompliance with the RFP, this Agreement, or any other reasonable requirements of KHRC, KHRC shall be permitted, in its sole discretion, to seek recapture of the Funds, withhold disbursement of additional Funds, and/or terminate this Agreement. In addition to those remedies, Grantee agrees that KHRC shall be entitled to exercise any and all administrative, contractual, or other remedies permitted by law to enforce Grantee's compliance with the terms herein, including seeking specific performance by the Grantee of its obligations under this Agreement. Grantee

agrees that Grantee's noncompliance under this Agreement may result in Grantee's loss of eligibility for future funds administered by KHRC.

11. **Rescission/Unavailability of Funds**. Grantee understands that the RFP and Grantee's award is funded in whole or in part by State of Kansas funds. In the event the State funds supporting this Agreement become unavailable, are reduced, or rescinded, for any reason, KHRC may terminate or amend this Agreement without penalty and will not be obligated to pay the Grantee from any other sources, including KHRC, SHTF, or State of Kansas monies.
12. **Miscellaneous.**

    a. KHRC's examination of the Application and any submitted documentation regarding the Eligible Activities is done solely for its own purposes. The allocation of the Funds is made in KHRC's sole discretion, and in no way warrants or represents to the Grantee or any others that the Eligible Activities are, in fact, viable or feasible. Grantee agrees and acknowledges that KHRC makes no representations to Grantee regarding compliance with the MIH program, and Grantee agrees and warrants that Grantee has independently consulted with Grantee's own counsel for any necessary legal, financial, tax and/or accounting advice for all issues related to this Agreement.

    b. The descriptive headings of this Agreement are for convenience only and shall not be deemed to affect the meaning of any provision.

    c. Grantee agrees to execute whatever additional documents or instruments may be necessary or reasonable to effect and carry forth the purpose of this Agreement.

    d. This Agreement constitutes the entire agreement of the parties and supersedes all other prior written or oral contracts between the parties with respect to the subject matter hereof. This Agreement may be modified only by the mutual written agreement of the parties.

    e. If any provision of this Agreement is determined by a court of competent jurisdiction to be invalid or unenforceable to any extent, the remainder of this Agreement shall not be affected and each provision of this Agreement shall be enforced to the fullest extent permitted by law. If a court finds that any provision of this Agreement is invalid or unenforceable, but that by limiting such provision it would become valid and enforceable, then such provision shall be deemed to be written, construed, and enforced as so limited.

    f. KHRC shall not be deemed to have waived any right under this Agreement unless such waiver is given in writing and signed by KHRC. No delay or omission on the part of KHRC in exercising any right shall operate as a waiver of such right or any other right. A waiver by KHRC of a provision of this Agreement shall not constitute a waiver of KHRC's right to otherwise demand strict compliance with that provision or any other provision of this Agreement. No prior waiver by KHRC, nor any course of dealing between KHRC and Grantee, shall constitute a waiver of any of KHRC's rights or of any of Grantee's obligations in the future. Whenever the consent of the Corporation is required under this Agreement, KHRC's grant of such consent shall not constitute continuing consent to subsequent instances where such consent is required.

g. Nothing contained in the Agreement shall be construed as creating a partnership, joint venture, employment, or agency relationship between the parties as provided under Kansas law. Neither party shall have the power or right to bind or obligate the other party, nor shall it hold itself out as having such authority. Any provision in this Agreement that allows KHRC to direct Grantee in its performance under this Agreement is solely for the purposes of compliance with the MIH program and applicable law.

h. This Agreement shall be governed and construed in accordance with and pursuant to the laws of the State of Kansas. Any dispute arising out of this Agreement shall be brought in a state or federal court of competent jurisdiction located in Shawnee County, State of Kansas.

i. Grantee shall not transfer or assign all or any of its rights, obligations or benefits under this Agreement without the prior written approval of KHRC, which approval may be withheld in KHRC's sole and absolute discretion.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed by their duly authorized official or officers on the date first indicated.

GRANTEE: CITY OF INDEPENDENCE, KANSAS

By: ____________________________________
(NAME, TITLE)

Date: ____________________________________

KANSAS HOUSING RESOURCES CORPORATION

By: ____________________________________
RYAN S. VINCENT, EXECUTIVE DIRECTOR

Date: ____________________________________

LIST OF EXHIBITS

Exhibit A – Project Activities (specifics)
- Type of activity – new construction, rehab, DPA, etc.
- Addresses of construction/rehab activity

Exhibit B – Project Budget (sources and uses)

Exhibit C – Disbursement Schedule (as approved)

Exhibit D – Accessibility Requirements (FH or KSA 58-14)

Exhibit E – MIH Energy Efficiency Requirements

Exhibit F – MIH Report Documents

EXHIBIT A

PROJECT SUMMARY

A summary of the approved MIH-assisted project is as follows:

- Restoration of 6 vacant dilapidated historic buildings. Rehabilitating a total of 20 multi-family rental units, 19 of those being MIH units.
- The apartments and projected rent are as follows; one (1) 545 sf studio apartment at $900 per month, four (4) 525-691 sf one-bedroom apartments at $1,000 per month, eleven (11) 714-1210 sf one-bedroom apartments at $1,100 per month and four (4) 914-1,628 sf two-bedroom apartments at $1,200 per month.
- $630,000 of MIH funds budgeted to rehabilitation and the remaining $20,000 to Grant Administration.
- Development team is made up of Trident Partnerships, LLC as developer and management company, The MCP Group as the contractor, Rosin Preservation as the consultant and Echelon Arch & Design as architect.
- Construction to be completed by February 28, 2025 unless extended in writing by KHRC.

EXHIBIT B

PROJECT BUDGET

Sources:

MIH Grant:	$650,000.00
KHITC:	$450,000.00
City Grants:	$325,000.00
Bank Financing:	$6,056,624.00
Developer Funds:	$400,000.00
KS Historical Tax Credits	$3,571,326.00

Itemized Cost	Development Cost
Existing Structures	$619,000
Rehabilitation	$8,710,700
Contractor Overhead	$450,000
Construction Contingency	$450,000
Architect Fee – Design	$276,250
Engineering Fees	$127,000
Grant Administration	$20,000
Construction Insurance	$50,000
Developer’s Fees	$450,000
Total	**$11,152,950.00**

EXHIBIT C

DISBURSEMENT SCHEDULE

The information below is an anticipated schedule for disbursement of funds.

Benchmark	% Project Completed	Amount to be Disbursed
Phase 1 -Stanford -Demo	0%	$ 30,000.00
Roughins	25%	$ 30,000.00
Final Occupancy	100%	$ 10,000.00
Hair Plus - Demo	0%	$ 30,000.00
Roughins	25%	$ 30,000.00
Walls/Cabinets	50%	$ 30,000.00
Finishing	75%	$ 30,000.00
Final Occupancy	100%	$ 20,000.00
Start Phase 2 - Foundation Building Demo	0%	$ 30,000.00
Roughins	25%	$ 30,000.00
Finishing	75%	$ 30,000.00
Final Occupancy	100%	$ 15,000.00
Hagers Building - Demo	0%	$ 30,000.00
Finishing	75%	$ 30,000.00
Final Occupancy	100%	$ 10,000.00
Start Phase 3 - Eagles Building Demo	0%	$ 30,000.00
Roughins	25%	$ 30,000.00
Finishing	75%	$ 30,000.00
Final Occupancy	100%	$ 15,000.00
Bookstore - Demo	0%	$ 30,000.00
Roughins	25%	$ 30,000.00
Walls/Cabinets	50.0%	$ 30,000.00
Finishing	75%	$ 30,000.00
Finishing	90.0%	$ 30,000.00
Final Occupancy	100%	$ 10,000.00

EXHIBIT D

ACCESSIBILITY REQUIREMENTS

Introduction

Two statutory authorities related to accessibility apply to housing developed with these resources.

Fair Housing Act Design Requirements – Fair Housing Amendments Act of 1988

The accessibility requirements of the Fair Housing Act apply to "covered multifamily dwellings" in buildings of four or more units that are/were first occupied after March 13, 1991, regardless of the funding source. Ground floor units and units served by an elevator must be designed and constructed in accordance with the Fair Housing Act Design Manual.

Kansas Accessibility Requirements at K.S.A 58 Article 14

The requirements of this Kansas statute apply to buildings of one, two or three units (single family, duplex, triplex) that are constructed with public financial assistance, including grant assistance from state funds, state tax credits, state loan guarantees or federal funds administered by a state agency.

Design and construction standards.

(a) Dwelling shall be designed and constructed to have at least one accessible entrance on an accessible route. If the entrance is served by a ramp, the ramp shall have a maximum slope not to exceed a ratio of one inch rise to every 12 inch horizontal run and have a level landing at the top and bottom of each run.

Accessible entrance doors and doorways shall have a minimum clear opening of 32 inches. The accessible entrance may be any entrance at the front, side, back or garage of the dwelling that is served by an accessible route. The accessible route shall be no less than 36 inches wide with a slope not to exceed a ratio of one inch rise to every 20 inch horizontal run. If a patio door serves as an accessible entrance, a standard six-foot sliding patio door assembly shall be deemed to be sufficient to comply with the requirements of this subsection. The threshold of such doors shall not exceed 1/2 inch or, in the case of a sliding door, 3/4 inch.

(b) All doorways located on the same floor on which the accessible entrance is located within the dwelling intended for user passage within the dwelling shall be sufficiently wide to allow passage by persons using wheelchairs. Except for doors serving closets having less than 15 square feet in area, all doors located on the same floor on which the accessible entrance is located which are intended for user passage shall provide a minimum 32-inch clear opening with the door open 90 degrees measured between the face of the door and the doorstop.

(c) An accessible route located on the same floor on which the accessible entrance is located shall be designed and constructed in such a manner that a 36-inch wide route is provided with a slope not to exceed a ratio of one inch rise to every 20 inch horizontal run. Such route shall have ramped or beveled changes at door thresholds. Beveled edges of such thresholds shall not exceed 1/2 inch or, in the case of a sliding door,3/4 inch.

(d) In bathrooms located on the same floor on which the accessible entrance is located, the walls at the bathtub, shower and toilet shall be reinforced so that grab bars may be installed at a later date, if needed. Such reinforcement shall be sufficient enough to support a sheer force of 250 pounds.

(e) Light switches, electrical outlets, thermostat controls and other controls located on the same floor on which the accessible entrance is located shall be placed so that a person using a wheelchair can access the controls using either a forward or sideward approach. Such controls shall be placed no less that 15 inches nor more than 48 inches from the floor in the case of a forward approach. Such controls shall be placed no less than nine inches nor more that 54 inches from the floor in the case of a sideward approach. If multiple controls serve the same elements, only one need be accessible.

Not applicable to certain dwellings. The provisions of this act shall not apply to any dwelling which is owner-occupied or which is under contract for occupation by the owner.

EXHIBIT E

MIH Energy Standard

Alternate Requirements

All MIH awarded new construction projects must either meet the 2018 IECC or build to the below list of minimum prescriptive energy requirements. Rehabilitation or conversion of existing structures must meet these requirements to the greatest extent possible, including replacement of any components.

1.) Attic insulation – R49 except for vaulted ceilings
2.) Wall insulation – R15
3.) AC – 15 SEER
4.) 95% of all lighting must be high efficiency
5.) Gas furnace – 90% AFUE
6.) Heat Pump - 8.5 HSPF
7.) Windows - .33U factor or lower
8.) Caulking/sealing of all penetrations to the exterior or unconditioned space required (wire and plumbing penetrations, ceiling registers, vent pipes, etc.).
9.) All provided appliances, if available as such, must be Energy Star labeled.

EXHIBIT F

MIH Documents for Reporting

Grantee agrees to use the items listed in Exhibit F to track household compliance as applicable to rental or homeownership projects; to submit quarterly reports; and report on project completion.

a. MIH Rental Compliance and Closeout Process;
b. MIH Rental Income Compliance Worksheet;
c. MIH Income Compliance Worksheet Instructions;
d. Request for Disbursement Form;
e. MIH Quarterly Reports;
f. Compliance Information Form;
g. MIH Certification Form;
h. Schedule A - Final Accounting of Funds;

Discussion Item
CITY OF INDEPENDENCE
August 16, 2023

Department Finance **Director Approval Lacey Lies**

AGENDA ITEM 2024 Budget

BACKGROUND Finance Director Lacey Lies will present an update on the 2024 budget.

SUPPORTING DOCUMENTS