



City of Clearwater Council Meeting Notice

Tuesday, April 12, 2016 at 6:30pm

129 E Ross Clearwater, KS 67026

www.clearwaterks.org

Please call the Clerk's office at 620-584-2311 or the Kansas Relay Service 800-8766-3777 at least 48 hours in advance if you require special accommodations to participate in this meeting. We make every effort to meet reasonable requests.

AGENDA

[Please note that the meeting agenda is subject to change during the meeting.]

1. Call meeting to order and welcome

Burt Ussery, Mayor

2. Invocation and flag salute

3. Roll Call

Courtney Meyer, City Clerk

Burt Ussery, Mayor

Laura Papish, Councilmember President

Austin Wood, Councilmember

Paul Clark, Councilmember

Ron Marsh, Councilmember

Chris Griffin, Councilmember

4. Action: Approve April 12, 2016 meeting agenda

5. Public Forum

Pursuant to Ordinance No. 917 and Section 2.08.010 adopted by the governing body and approved by the Mayor on November 24, 2009, members of the public are allowed to address the Mayor and City Council for a period of time limited to not more than five minutes.

6. Action: Approve Consent Agenda

TAB A

a. Minutes 03/22/16 Council Meeting

b. Approval of Wholesale Fireworks Tent Permit

7. Action: Authorize the Mayor to Enter Into a Contract for the Rental of the Concession Stand at City Park.

TAB B

8. Action: Consider the Creation of a Building Incentives Program for Park Glen Estates

TAB C

9. **Action:** Adopt a Resolution 4-2016 Creating a Building Incentives Program for the City of Clearwater TAB D
10. **Discussion:** Partisan – Non Partisan Elections TAB E
11. **Report:** Personnel Policy Manual Update Review
12. **Action:** Claims and Warrants
Courtney Meyer, City Clerk
13. **City Administrator Report**
Justin Givens, City Administrator
14. **Council Reports**
15. **Adjournment**

NOTICE: SUBJECT TO REVISIONS

It is possible that sometime between 6:30 and 7:00 pm immediately prior to this meeting, during breaks, and directly after the meeting, a majority of the Governing Body may be present in the council chambers or lobby of City Hall. No one is excluded from these areas during those times.

Honorable Mayor and City Council

**From: Justin S. Givens,
City Administrator**

Re: Agenda Summary 04 12 2016

- Item 6:**
- a. Approval of Minutes as submitted
 - b. Approval of a Fireworks Tent Permit for Wholesale Fireworks

-----end of Consent Items

Item 7: Kylie Cain, the operator of the concession stand during the summer has requested that the contract be renewed for this summer. The contract is based on May 1 thru September 30. The city receives \$250.00 per month.

Item 8: Following discussion at the last meeting, Shawn Weaver, the developer of Park Glen Estates has asked that the Governing Body consider an incentive package for the Park Glen Estates Development. The proposed program would share some of the same incentives offered at Chisolm Ridge (building permit fee reduction, Sewer and Water Tap fee waiver, Direct Cash Incentives to the Homebuyer) but would also include a program that would assist builders with the payments of their construction loans while the house is being built and sold as well as an ongoing cash incentive to the homebuyer.

Item 9: A resolution has been created that would establish an incentive program for the lots that the city owns in Chisolm Ridge. The program would consist of lot transfers with rebates and fees applied to the special assessments as well as waivers or reductions in building permit fees and city operated utilities.

Item 10: Based on changes in Local Election Laws, the Governing Body will have to adopt a new ordinance moving from April elections to November elections. This change will also stretch out the terms of the current Governing Body until January of the following year of the 2017 and 2019 elections. A part of the election law change allows cities to have partisan or nonpartisan elections. That decision will need to be incorporated into the new ordinance when adopted. Staff is seeking direction from the Governing Body on whether the ordinance would be crafted with partisan or nonpartisan language.

Item 11: Staff will present a draft form of the Personnel Policy Manual and outline changes from the previous version. The manual has been reviewed by legal counsel with some changes and following the input of the Governing Body will be ready for adoption.

Item 12: Claims and Warrants. A full list of Claims and Warrants will be presented at the meeting on Tuesday.

Item 13: A full City Administrators Report will be presented to the Governing Body at the meeting.

Items of Note: The Art Walk will be this evening from 6pm – 9pm in the downtown area. City Hall will be one of the stops on the walk.

Staff is including two letters proposed for use on the Strategic Plan. One letter is for members of the Steering Committee and the other would serve as an introduction letter for area groups. It is recommended that each member of the Governing Body solicit two members of the community to serve on the Steering Committee. Those members would be appointed at the April 26th meeting.

City of Clearwater, Kansas
Sedgwick County
City Council Meeting - **MINUTES**
March 22, 2015
Clearwater City Hall – Council Chambers
129 E. Ross Avenue Clearwater, KS 67026

1. Call to Order

Mayor Burt Ussery called the meeting to order at 6:30 p.m.

2. Invocation and Flag Salute

Mayor Ussery gave the invocation which was followed by the pledge of allegiance and flag salute.

3. Roll Call

The City Clerk called the roll to confirm the presence of a quorum. The following members were present:

Mayor Burt Ussery, Councilmembers Ron Marsh, Laura Papish, Chris Griffin and Paul Clark were present.

Austin Wood was absent.

The following staff members were present:

Justin Givens, City Administrator; Courtney Meyer, City Clerk; Austin Parker, City Attorney; Bill Hisle, Police Chief; Ernie Misak, Public Works Director; Beki Zook, Recreation Director; Pamela Riggs, Community Center Director.

Others Present:

Lona Kelly, Sedgwick County Department on Aging; Randy Frazer, City of Moundridge; Marlene Parret, Robert Pugh, Dylan Gordon, Aaron Thomas, Yvonne Coon, David Coon, Ardena Matlack.

4. Approval of the Agenda

Mayor Ussery called for a motion to approve the March 22nd agenda as presented.

Motion: *Marsh* moved, *Clark* seconded to accept the March 22, 2016 agenda as presented. Voted and passed unanimously.

5. Public Forum

None

6. Consent Agenda

Mayor Ussery called for a motion to approve the consent agenda.

Motion: *Clark* moved, *Marsh* seconded to approve the consent agenda as presented. Voted and passed unanimously.

7. Mayor Proclaims April 5th as National Service Recognition Day

Lona Kelly, Sedgwick County Department on Aging, addressed the council and explained that the volunteers for the Community Center have been a tremendous help for the City of Clearwater.

Mayor Ussery then read the proclamation and proclaimed April 5th as National Service Recognition Day

and recognized and thanked the volunteers. (Yvonne Coon, Lewis Kellogg, Kathleen Kinkaind-Brinkerhoff, Vivian Maechtlen, Ardena Matlack, Mary McMahan, Farol McMillan, Verna Parret, Robert Pugh, Carl Shaffer, Norma Sullivan, Donna Whitney, Don Watt)

8. Authorize the Senior Center Director to enter into a Facility Agreement with Friendship Meals

In March of 2016, the current Senior Meal provider informed the city that they were no longer going to prepare or provide meals to the lunch group and the Community Center. At that time, staff began to look at other alternatives for a Senior Lunch Program. Staff identified the Aging Projects-Meals on Wheels/Friendship Meals as a viable alternative to our previous provider.

Meals on Wheels/Friendship Meals provides meals to most of the Senior Programs in Sedgwick County. They are prepared at a centralized location and brought to each facility for shared meals as well as delivery. The program is very similar in that they will provide at no cost to the city a Program Coordinator who will be responsible for the lunch program at the center. In reviewing the agreement, the city will need to recruit volunteers to help deliver meals but we do have a kitchen that is licensed thru the Sedgwick County Health Department.

There is no direct cost to the city for this program. Aging Projects will provide the paid person to help administer the program. The cost of meals will increase from the current \$2.00 to \$3.00 which is the same price at other locations that serve Meals on Wheels and Friendship Meals.

Council discussed and agreed to authorize the Mayor to enter into agreement with Friendship Meals.

Motion: *Papish* moved, *Clark* seconded to authorize the Mayor to enter into an agreement with Friendship Meals. Voted and passed unanimously.

9. Consider A Proposal from WSU Hugo Wall School of Public Administration for a Strategic Plan for the City of Clearwater

At the March 8, 2016 meeting, staff presented a proposal from the Hugo Wall School for a Strategic Plan for the City of Clearwater. During the discussion of the item, the Governing Body requested that more information be presented including testimony from other cities who have gone thru the process and their thoughts. Based on that discussion, Randy Frazer, City Administrator of Moundridge, was on hand to discuss the process and how Moundridge used the plan in their city.

Mr. Frazer explained City of Moundridge's experience with the strategic planning and stated that they would do it again. It has been very beneficial to the City of Moundridge.

Givens reminded the council that the Hugo Wall School has proposed a multi-stepped planning process that will involve community stakeholders in each of the phases that will create the final report. This report and the information that is gathered will also help in updating the city's Comprehensive Plan which is due for review in the next year. The planning process will involve:

- A Strategic Planning Committee or as a Substitute the Governing Body
- An Influencing Factors Report
- Stakeholder Interviews
- Community Engagement Sessions
- Plan Development and Review

It is anticipated that the process would take approximately 6 months and be completed by the end of 2016.

The proposal cost is \$15,525. These costs can be split as a 2016 and 2017 budget item and funds for the expenditure would come from the 100.407.4020.723.002 Reserve fund for 2016. The budgeted amount for the Reserve Fund in 2016 is \$336,329. The remaining cost for 2017 would be programmed into the budget as Contract Labor.

Motion: *March* moved, *Clark* seconded to move forward with the WSU Strategic Planning that will be split over two budget cycles. Voted and passed unanimously.

10. Consider the Creation of a Building Incentives and Property Tax Abatement Program for the City of Clearwater

Givens explained in March of 2015, Interim City Administrator, Jim Hieneke, presented the Governing Body with a wide range of incentive programs that are available to cities to help promote and encourage development within the community. Prior to establishing any partnership or program with builders it is paramount that the city determine what, if any incentives would be available to builders and prospective homeowners. Building on the material that Hieneke presented, and based on conversations staff has had with various builders in the area a summary of popular programs was compiled with costs that would be associated with each program.

There are several programs that have been proven to be more effective in the promotion of building incentives and rebates. Some of those programs provide direct incentives to developers thru rebates and refunds as well as direct and delayed assistance to the homebuyer for the community.

Clearwater primarily has three active subdivisions, Chisholm Ridge, Park Glen Estates, and Prairie Meadows. Chisholm Ridge is more of a blend of housing ranges that focus on homes starting in the 1,100 square foot range. Park Glen Estates and Prairie Meadows focus more on upscale houses starting at a minimum square footage of 1,500 square feet.

Administrator Givens went over several options for incentives for builders and buyers.

Council discussed all options and gave the staff direction to offer to sell the builder's city owned lots for the cost of the remaining specials and to offer \$1500 in closing costs for the 1st 10 buyers that will be building new.

11. Consider a Rate Change for the Twilight Swim for the Clearwater Municipal Pool

Givens explained the current cost of the Twilight Swim is \$1.50 for admittance. Twilight swim is available Monday, Wednesday, and Friday when the pool is open from 7:00 to 8:30. The price for admission is \$1.00 for ages 2-6 and 61+ and \$1.50 for ages 7-60. The pool manager has requested that the price be adjusted to a flat rate of for all swimmers.

In 2015, 549 people used the Twilight Swim for the municipal pool. Generally, there are four life guards on duty during those hours for a cost of approximately \$54.00 for each of the 32 sessions of Twilight Swim. Based on 2015, Twilight Swim generated \$823.50 in gate admission with a personnel cost of \$1,728.

If the fee were to be changed from \$1.50 to \$1.00 the loss would be \$229.50 per season. If the price were increased to \$2.00 for the hour and half swim the net gain assuming the same number of people would be \$274.50 per year.

Council discussed and decided to adjust the fee \$1.00 for all ages

Motion: *Marsh* moved, *Clark* seconded to adjust the twilight swim fee to \$1.00 for all ages. Voted and passed 3-1.

12. Emergency Management Action Plan

Administrator Givens updated council on the emergency action plan.

Council reviewed and asked that department heads and council get together to discuss action for the plan and also asked staff to compile a folder with the plan and important contact information.

13. Claims and Warrants

Meyer presented the claims and warrants in the amount of \$83,601.89.

Motion: *Papish* moved, *Griffin* seconded to pay the claims and warrants in the amount of \$83,601.89. Voted and passed unanimously.

1. City Administrators Report

- Public Works
 - Sewer Cleaning will be taking place this week. Staff has placed information on the affected areas doors.
 - staff is working on a water leak in 300 block of South 2nd
 - The sewer is in for the new house on Grant. Staff is assisting with the repair to a parking area for one of the property owners who was effected by the installation of the new service.
 - Staff will begin mowing this week
- Parks and Recreation
 - Approximately 125 children showed up for the Easter Bunny Event in the park.
 - Decker Electric was out to repair and replace lights at the baseball and softball fields
- Library
 - Story Time and Lego Club are this week.
- Community Center
 - The Senior Group will be taking a trip to the Wichita Children's Theater for Joseph and the Amazing Technicolor Dreamcoat
- Police
 - The Police Interceptor has been picked up and is at KA-Comm getting the peripheral equipment installed it should be in service the first of April
 - Officer Adams continues his training at the Kansas Law Enforcement Training Center with good reports from the instructors. His training will be completed in May and then he will complete a weeks- worth of field training.
- Administration
 - Staff has been assisting the auditor this week. He should be finished this week.
 - Staff has a meeting this week with Renn and Co about Cyber Liability Insurance
 - Staff has been working with our Financial Advisor on the permanent financing for Park Glen Estates

Marsh asked for an update on the ball field net. Givens said the company who was supposed to be fixing the issue will not be able to come out before the season is underway because the material they needed to fix the net was not in. Givens did state that public works will be going out tomorrow to do a temporary fix to get through the season.

14. Council Reports

Papish had nothing to report.

Clark had nothing to report.

Marsh asked that communication between staff and council be more open. He would have liked to know the issues with the fence company as they were happening and any other issues or concerns as they happen and not just when staff has reached an impasse.

Griffin raised questions about curfew for the park. Counsel explained that there is no curfew just for the park, but there is a city wide curfew for kids 17 and under that will be upheld. He also mentioned a safety hazard with some of the park benches where the legs stick out and asked that the paths around the ponds be cleaned up.

Ussery had nothing to report.

15. Adjournment

With no further discussion Ussery called for a motion to adjourn.

MOTION: *Papish* moved, *Clark* seconded to adjourn the meeting. Voted and passed unanimously
The meeting adjourned at 9:10 p.m.

CERTIFICATE

State of Kansas }
County of Sedgwick }
City of Clearwater }

I, Courtney Meyer, City Clerk of the City of Clearwater, Sedgwick County, Kansas, hereby certify that the foregoing is a true and correct copy of the approved minutes of the January 26, 2015 City Council meeting.

Given under my hand and official seal of the City of Clearwater, Kansas, this 9th day of February 2016.

Courtney Meyer, City Clerk

CITY OF CLEARWATER, KS
FIREWORKS SALES PERMIT APPLICATION

Wholesale Fireworks
ORGANIZATION/BUSINESS

PERMIT NUMBER: _____

Jacob Marietta/ Lynette White
RESPONSIBLE PARTY

APPLICATION DATE: 2-17-14

FEE: \$ 5,000.00

PO Box 780604
STREET ADDRESS

TELEPHONE NO: 316-733-7900

Wichita, KS 67278
CITY, STATE, ZIP

20-4183606
KANSAS SALES TAX NUMBER

DISPLAY

RETAIL SALE

STREET ADDRESS

1201 E Ross
STREET ADDRESS

DATE OF EVENT

July 1 – July 4. 2014
DATES OPEN

Lynette White, agent

ALL APPLICATIONS MUST BE ACCOMPANIED WITH A CERTIFICATE OF INSURANCE

.....

FOR OFFICE USE ONLY

APPROVED BY THE CITY COUNCIL AT THE _____ MEETING.

CITY CLERK

FIRE CHIEF

DATE: _____

DATE: _____

**City of Clearwater
City Council Meeting
April 12, 2016**

TO: Mayor and City Council
SUBJECT: Authorize the Mayor to Enter In to an Agreement with Kylie Cain
for use of the Concession Stand at City Park
INITIATED BY: City Administrator
PREPARED BY: City Administrator
AGENDA: New Business

Background: In April of 2015, the city approved an agreement with Kylie Cain to operate the concession stand at City Park. The Ms. Cain has requested that contract be renewed again in 2016.

Analysis: The contract is set on an annual basis and allows Cain to operate the concession stand at City Park. Under the lease agreement, the city receives \$250.00 per month from May thru September. The City continues to pay for utilities while the stand is open but the lessee is responsible to keep the interior and exterior in a neat and sanitary condition. The lessee is also considered to be an independent contractor and is not in any way considered to be a representative of the city.

Financial: The city receives \$1,250 for the term of the contract.

Legal Considerations: Review and Comment as Necessary.

Recommendations/Actions: It is recommended the City Council:

- 1) Authorize the Agreement with Kylie Cain.
- 2) Not Authorize the Agreement;
- 3) Table the Matter for Further Study;
- 4) Take No Action.

Attachments: Concession Stand Agreement (2-pages)

LEASE AGREEMENT FOR OPERATIONS AT CITY PARK CONCESSION STAND

THIS AGREEMENT is entered into this _____ day of _____ 2016, by and between:

THE CITY OF CLEARWATER, KANSAS, a municipal corporation, hereinafter referred to as "City;" and

KYLIE CAIN, hereinafter referred to as "Lessee."

WHEREAS, Lessee owns sno cone equipment and other concession equipment and seeks to operate such equipment as a sole proprietorship at the concession stand in City Park within the City;

WHEREAS, City desires to offer concessions to users of the City Park for the summer;

NOW THEREFORE, FOR AND IN CONSIDERATION OF the mutual promises, terms, covenants, and conditions set forth herein, the parties agree as follows:

- 1. Payment.** In consideration for the cooperation of City as to the City Park concession stand, Lessee agrees to pay to the City the sum of \$250.00 per month for the term of this Agreement. Said payment shall be due and payable to the City Clerk on the first day of each month.
- 2. Utilities.** City shall be solely responsible for all utilities.
- 3. Maintenance.** Lessee will maintain the interior concession stand area in a clean, sanitary condition and shall keep the area surrounding the concession stand clean and free of debris arising from operation of the business.
- 4. Relationship of parties.** Lessee is at all times an independent contractor. Lessee is solely responsible for remittance of sales tax. Lessee agrees to hold the City harmless for any and all claims for personal injury or for loss or damage to any property.
- 5. Term.** The term of this Agreement shall be from May 1, 2016 to September 30, 2016 without respect to the actual operating dates of Lessee's business at the location.
- 6. Non-interference; cooperation.** Lessee agrees not to interfere with City employees in the conduct of their duties.
- 7. Removal of equipment and property.** On or before midnight, September 30, 2016, Lessee shall remove all equipment and property from City's premises belonging to Lessee.

8. Assignment; sub-leasing prohibited. This agreement is personal to Lessee and shall not be assigned. The City's concession stand shall not be sub-leased by Lessee to another party.

9. Termination. Either party may terminate this agreement upon thirty (30) days prior written notice without cause. Payment due the City hereunder shall be prorated to the termination date. Lessee shall remove all equipment and property from City's premises belonging to Lessee prior to the termination date.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed the day and year above written.

CITY OF CLEARWATER, KANSAS

LESSEE

Burt Ussery, Mayor

Kylie Cain

SEAL

ATTEST:

Courtney Meyer, City Clerk

APPROVED AS TO FORM:

City Attorney, AUSTIN PARKER

**City of Clearwater
City Council Meeting
April 12, 2016**

TO: Mayor and City Council
SUBJECT: Discussion of Development Incentives for Park Glen Estates
INITIATED BY: City Administrator
PREPARED BY: City Administrator
AGENDA: New Business

Background: At the March 22, 2016 City Council Meeting, the Governing Body discussed builder and homebuyer incentives for new homes in Clearwater. At that time staff was directed to prepare an incentive program for homes in the Chisolm Ridge Addition. Further discussion included a program for incentives in the Park Glen Estates Addition. It was determined that, if requested by the developer the city would consider an incentive package for that development separately from incentives in Chisolm Ridge.

Following the March 22 meeting, staff and the Mayor were contacted by the developer, Shawn Weaver, requesting that development incentives be considered for the Park Glen Estates Development.

Analysis: Mr. Weaver has requested that the Governing Body consider a comprehensive incentive program that would assist both homebuilders and homebuyers. Through discussions with the developer a program was crafted for consideration. The incentive package proposed includes:

- 1) Reduction of Building Permits by 50% - this program is the same as incentives offered for builders in Chisolm Ridge. Estimates savings of \$750 for the builder
- 2) Waiver of Water and Sewer Connection Fees – this program is similar to that which is offered in Chisolm Ridge. Estimated savings of \$1500 for the builder
- 3) Construction Loan Defrayments – Under the program proposed by the developer, the city would cover the interest on the loan used by the builder during construction and until the home has been sold. The program as proposed would be for a maximum of 12 months. The city would be made whole by the developer at that time when the house sells to a new homebuyer. The estimated payment on a house built in this area would be \$1,200. The City would need to make sure that a certain amount of cash was set aside to cover the interest payments until that time when it is reimbursed by the builder. Assuming 3 houses per year, the city would want to set aside \$43,200 to cover the costs of interest payments.
- 4) Direct Cash Incentive to Homebuyer – the program developed for Chisolm Ridge would be extended to Park Glen Estates new homebuyers. The \$1,500 cash incentive could be used to help offset closing costs or other costs associated with buying a new home. Again with 3 new homes in a year the city would be required to set aside \$4,500 per year.

- 5) On Going Cash Incentives – this program would continue cash payments over a selected period of time (5 years proposed) that would be equal to 50% of the city’s portion of property taxes incurred by the home owner. The property owner would be required to be current on their property taxes prior to any cash incentive being granted. It is estimated that this payment would be approximately \$850.00 per year. The city would need to set aside the amount required to cover the ongoing payments per year. If this program was extended over a period of time to include all 11 lots and based upon 3 new homes per year. In year 4 and 5 of the program the city would be required to set aside \$9,350. In the first year if 3 homes are eligible the cost to the city would be \$2,550.

Financial: The total capital outlay to the city would be approximately \$50,000 that would be need to be encumbered to ensure that adequate cash is on hand to allow the program to work. The bulk of that money would be in the construction loan defrayment program that the city would be reimbursed for.

Legal Considerations: Review and Comment as Necessary.

Recommendations/Actions: It is recommended the City Council:

- 1) Direct Staff in an appropriate manner

Attachments: Financial Information Developed by Shawn Weaver (2-pages)

Increased Home Construction Impact Study in Clearwater, KS

QUICK FACTS ABOUT CLEARWATER (67026 Zip Code):

Total Homes in 67026 Zip Code	1,453
Average Existing Home Value	\$ 141,700
Total Existing Home Values	\$ 205,890,100
Average Property Tax (1.63%)	\$ 2,310
Population	4,822
Average people per home	3.32

Currently Available New Construction Housing Options

	Park Glen Estates	Chisholm Ridge	2-5 acre tracks	TOTALS
Lots Available	70	51	40	161
Average Property Value	\$ 295,000	\$ 145,000	\$ 350,000	\$ 263,333.33
Total Values	\$ 20,650,000	\$ 7,395,000	\$ 14,000,000	\$ 42,045,000.00
% increase in Homes	4.8%	3.5%	2.8%	11.1%
% increase in Home Values	10.0%	3.6%	6.8%	20.4%

Annual Income via Property Tax and Sales Tax Revenue to Clearwater

Property General Taxes (1.63% of homes value)	\$ 336,595	\$ 120,539	\$ 228,200	\$ 685,334
Average Water, Sewer, Trash bill (\$55/home)	\$ 46,200	\$ 33,660	\$ 13,440 no sewer bill	\$ 93,300
Average Phone, Cable, Internet bill (\$53/home X 2) 3% Franchise fee	\$ 2,671	\$ 1,946	\$ 1,526	\$ 6,144
TOTALS	\$ 385,466	\$ 156,145	\$ 243,166	\$ 784,777

Average Per Home/Per Year:	\$ 5,507	\$ 3,062	\$ 6,079	\$ 4,874
-----------------------------------	-----------------	-----------------	-----------------	-----------------

Local Business Income Generated from Additional Housing

Mize's (40% of \$281/mo average X 2)	\$ 188,832	\$ 137,578	\$ 107,904	\$ 434,314
SKT (\$53/mo average X 2)	\$ 89,040	\$ 64,872	\$ 50,880	\$ 204,792
Restaurants (15% of \$181/mo average X 2)	\$ 45,612	\$ 33,232	\$ 26,064	\$ 104,908
Pharmacy (25% of \$119/mo average X 2)	\$ 49,980	\$ 36,414	\$ 28,560	\$ 114,954
Doctor's Office (25% of \$138/mo average X 2)	\$ 57,960	\$ 42,228	\$ 33,120	\$ 133,308
Miscellaneous (\$100/mo average X 2)	\$ 168,000	\$ 122,400	\$ 96,000	\$ 386,400
TOTALS	\$ 599,424	\$ 436,723	\$ 342,528	\$ 1,378,675

Average Per Home/Per Year:	\$ 8,563	\$ 8,563	\$ 8,563	\$ 8,563
-----------------------------------	-----------------	-----------------	-----------------	-----------------

Student Population Impact

Estimated Student Increase	92	67	53	212
Average Per Grade Level (K-12)	7	5	4	16

Clearwater does not collect any Sales Tax Revenue at this time.

Incentive Options proposed by Developer Shaun Weaver: Park Glen Estates

Incentives to Homeowners

Tiered Property Tax Abatement			
Year	Type	% Amount	\$ Amount
1	General	100%	\$ 1,650.00
2	General	100%	\$ 1,650.00
3	General	100%	\$ 1,650.00
4	General	100%	\$ 1,650.00
5	General	75%	\$ 1,237.50
6	General	75%	\$ 1,237.50
7	General	75%	\$ 1,237.50
8	General	50%	\$ 825.00
9	General	50%	\$ 825.00
10	General	50%	\$ 825.00
TOTAL			\$ 12,787.50
New Home Purchase Credit			\$ 2,500.00

Incentives to Builders

50% off Building Permits	\$ 750.00
Waive Sewer and Water Tap Fee	\$ 1,500.00
Loan Interest Defrayment (Average 9 months) (5% upto 12 months and \$265,000 value)	\$ 9,937.50
TOTAL	\$ 12,187.50

Total Incentive Cost to Homeowners & Builders

HOMEOWNERS: Average Per Home/Per Year (10 years)	\$ 1,528.75
BUILDERS: Average Per Home/Per Year (10 Years)	\$ 1,218.75
TOTAL	\$ 2,747.50
Average Income to City Per Home/Per Year	\$ 4,874.39

NET INCOME TO CITY FOR OFFERING INCENTIVES

Average Net Income Per Home/Per Year (First 10 Years)	\$ 2,126.89
---	-------------

Increased Home Construction Impact Study in Clearwater, KS

QUICK FACTS ABOUT CLEARWATER (67026 Zip Code):

Total Homes in 67026 Zip Code	1,453
Average Existing Home Value	\$ 141,700
Total Existing Home Values	\$ 205,890,100
Average Property Tax (1.63%)	\$ 2,310
Population	4,822
Average people per home	3.32

Currently Available New Construction Housing Options

	Park Glen Estates	Chisholm Ridge	2-5 acre tracks	TOTALS
Lots Available	70	51	40	161
Average Property Value	\$ 295,000	\$ 145,000	\$ 350,000	\$ 263,333.33
Total Values	\$ 20,650,000	\$ 7,395,000	\$ 14,000,000	\$ 42,045,000.00
% increase in Homes	4.8%	3.5%	2.8%	11.1%
% increase in Home Values	10.0%	3.6%	6.8%	20.4%

Annual Income via Property Tax and Sales Tax Revenue to Clearwater

Property General Taxes (1.63% of homes value)	\$ 336,595	\$ 120,539	\$ 228,200	\$ 685,334
Average Water, Sewer, Trash bill (\$55/home)	\$ 46,200	\$ 33,660	\$ 13,440 no sewer bill	\$ 93,300
Average Phone, Cable, Internet bill (\$53/home X 2) 3% Franchise fee	\$ 2,671	\$ 1,946	\$ 1,526	\$ 6,144
TOTALS	\$ 385,466	\$ 156,145	\$ 243,166	\$ 784,777

Average Per Home/Per Year:	\$ 5,507	\$ 3,062	\$ 6,079	\$ 4,874
-----------------------------------	-----------------	-----------------	-----------------	-----------------

Local Business Income Generated from Additional Housing

Mize's (40% of \$281/mo average X 2)	\$ 188,832	\$ 137,578	\$ 107,904	\$ 434,314
SKT (\$53/mo average X 2)	\$ 89,040	\$ 64,872	\$ 50,880	\$ 204,792
Restaurants (15% of \$181/mo average X 2)	\$ 45,612	\$ 33,232	\$ 26,064	\$ 104,908
Pharmacy (25% of \$119/mo average X 2)	\$ 49,980	\$ 36,414	\$ 28,560	\$ 114,954
Doctor's Office (25% of \$138/mo average X 2)	\$ 57,960	\$ 42,228	\$ 33,120	\$ 133,308
Miscellaneous (\$100/mo average X 2)	\$ 168,000	\$ 122,400	\$ 96,000	\$ 386,400
TOTALS	\$ 599,424	\$ 436,723	\$ 342,528	\$ 1,378,675

Average Per Home/Per Year:	\$ 8,563	\$ 8,563	\$ 8,563	\$ 8,563
-----------------------------------	-----------------	-----------------	-----------------	-----------------

Student Population Impact

Estimated Student Increase	92	67	53	212
Average Per Grade Level (K-12)	7	5	4	16

Clearwater does not collect any Sales Tax Revenue at this time.

Incentive Options proposed by Developer Shaun Weaver: Park Glen Estates

Incentives to Homeowners

Tiered Property Tax Abatement			
Year	Type	% Amount	\$ Amount
1	General	100%	\$ 1,650.00
2	General	100%	\$ 1,650.00
3	General	100%	\$ 1,650.00
4	General	100%	\$ 1,650.00
5	General	75%	\$ 1,237.50
6	General	75%	\$ 1,237.50
7	General	75%	\$ 1,237.50
8	General	50%	\$ 825.00
9	General	50%	\$ 825.00
10	General	50%	\$ 825.00
TOTAL			\$ 12,787.50
New Home Purchase Credit			\$ 2,500.00

Incentives to Builders

50% off Building Permits	\$ 750.00
Waive Sewer and Water Tap Fee	\$ 1,500.00
Loan Interest Defrayment (Average 9 months) (5% upto 12 months and \$265,000 value)	\$ 9,937.50
TOTAL	\$ 12,187.50

Total Incentive Cost to Homeowners & Builders

HOMEOWNERS: Average Per Home/Per Year (10 years)	\$ 1,528.75
BUILDERS: Average Per Home/Per Year (10 Years)	\$ 1,218.75
TOTAL	\$ 2,747.50
Average Income to City Per Home/Per Year	\$ 4,874.39

NET INCOME TO CITY FOR OFFERING INCENTIVES

Average Net Income Per Home/Per Year (First 10 Years)	\$ 2,126.89
---	-------------

**City of Clearwater
City Council Meeting
April 12, 2016**

TO: Mayor and City Council
SUBJECT: Consider a Resolution Establishing a Builder and New Homebuyer Incentive Program for the City of Clearwater
INITIATED BY: City Administrator
PREPARED BY: City Administrator
AGENDA: New Business

Background: At the March 22, 2016 meeting staff presented the Governing Body with several options that municipalities have used to promote building and home buying. During that meeting, staff was directed to prepare a programs that would establish incentives for builders as well as the purchases or those homes.

Analysis: Staff has prepared a program based on the direction of the Governing Body. This particular incentive program was designed to help stimulate home sales in the Chisolm Ridge Housing Development. The program consists of:

- 1) The Reduction of Building Permits for New Residential Construction;
- 2) Lot Transfer Fee Schedule for City Owned Lots;
- 3) Utility Connection Fee Abatements;
- 4) Builder Rebates;
- 5) Homebuyer Cash Incentives;

The City can by virtue of its agreement with the Metropolitan Building and Code Enforcement Department waive 50% of the building permit fees. These fees are generally paid when the building permit is pulled and split 50/50 with MABCD. The fees are based on 38 cents per square foot of finished space and 30 cents per square foot for unfinished space. The typical 1100 square foot home building permit would be approximately \$1200.00. The city would abate or waive its portion of the permit fee saving the builder approximately \$600.00. Additional savings for the builder would include the waiving of utility connection fees. Those fees are typically \$1,500 charged to the builder. The total savings for the builder for permit and utility fees would be approximately \$1,800.00.

Staff has also prepared a transfer fee schedule for each lot available in the Chisolm Ridge Addition. Previously, the city has tried to market the sale of these lots for \$10,000.00 but has yet to sell a lot. Based on the discussion at the previous meeting, staff has developed a fee transfer schedule that would pay off the existing specials for the property and rebate a portion of the lot transfer back to the builder. Initially, staff proposed transferring the lots for the costs of the existing specials, but some concerns about maintaining property values in this development as well as other developments were raised. By transferring the lots for the original \$10,000.00 property values should remain stable. Upon transfer, the city would use the proceeds to pay off the existing specials and rebate to the builder

the difference in the \$10,000 and Special Assessment payoff. The Schedule is attached as Exhibit A. The average builder rebate would be approximately \$2,500.00.

The total builder incentive would be approximately \$4,300.00. Based on construction estimates of builder costs a builder would normally net approximately \$4,000.00 on a home in this area. With the builder incentives offered the city can help double that margin of profit for the builder.

Additionally, staff has included a Homebuyer Incentive Program. A purchaser of a new home in the development would receive a cash incentive of \$1,500.00. These payments would only be available for the first 10 home buyers in 2016. Additionally, the homebuyer will not be responsible for the payment of the existing special assessments. On average, this would save the homebuyer \$1,500.00 thru the next five years.

Financial: Currently, the City is paying the special assessments on lots in the Chisolm Ridge Development which total approximately \$35,000 per year. The reduction of lots that are owned by the city obviously reduces the amount the city would have to allocate to the payment of these specials. All other items are somewhat budget neutral. The only direct cost to the city would be the cost of materials for a new water meter and the \$1,500 homebuyer incentive. For 2016, the City would use reserve funds for the total possible expenditure of \$15,000. The cost for water meter assemblies (\$500.00) would be paid from the Water Department Operating Costs and would be recouped in approximately 2 years of water sales.

Legal Considerations: Review and Comment as Necessary.

Recommendations/Actions: It is recommended the City Council:

- 1) Adopt the Resolution as Submitted;
- 2) Adopt the Resolution with Modifications;
- 3) Not Adopt the Resolution;
- 4) Table the Matter for Further Study;
- 5) Take No Action.

Attachments: Incentives Resolution (3-pages)

CITY OF CLEARWATER, KANSAS

RESOLUTION NO. 4-2016

A RESOLUTION ESTABLISHING THE CITY OF
CLEARWATER, KANSAS RESIDENTIAL NEW HOME
CONSTRUCTION INCENTIVE PROGRAM

WHEREAS, the City of Clearwater, Kansas desires to establish a Residential New Home Construction Incentive Program within the City of Clearwater, Kansas.

NOW THEREFORE, BE IT RESOLVED by the Governing Body of the City of Clearwater, Kansas that the following Residential New Home Construction Incentive Program (herein referred to as the "Program") is hereby established:

Section 1. PURPOSE

The purpose of the City of Clearwater, Kansas Residential New Home Construction Incentive Program is to provide the community with long-term stabilization and improvement of its property tax base while increasing the community supply of residential housing. The Residential New Home Construction Incentive Program is designed to encourage the construction of new homes within the corporate limits of the City of Clearwater. The Program consists of (1) reduction of building permit fees for new residential construction; (2) a lot transfer fee schedule for City owned lots; (3) utility connection fee abatements; (4) builder rebates and (5) homebuyer cash incentives.

Section 2. PROGRAM

Under the Residential Construction Incentive Program, fees associated with new home construction will be reduced or abated as follows:

- 50% reduction of building permit fees,
- Abatement of the City sewer connection fee,
- Abatement of the City water connection fee,
- Transfer of City-owned lots for prices established in EXHIBIT "A" to this document, and
- Abatement of all currently levied special assessments against all transferred city-owned lots

In addition to the above-listed reductions and abatements, the City agrees to provide builder rebates for City-owned lots as established in EXHIBIT "A" to this document and make a one-time payment of up to \$1,500.00 at closing to the first ten (10) eligible first-time homebuyers in each calendar year.

Section 3. ELIGIBILITY

Eligibility for this program is as follows:

- 1) The properties listed in EXHIBIT "A" to this document are eligible to participate in this Program so long as a New Home Building Permit is issued prior to December 31, 2016.

- 2) All ad valorem property taxes and special assessments, if any, on the property for which an application is submitted may not be delinquent. If any ad valorem property taxes or special assessments are delinquent, such property will not be eligible for the program until such time as all taxes and special assessments due and owing are paid in full and proof thereof is provided to the City of Clearwater City Clerk.
- 3) The minimum livable square footage of a newly constructed home must be 1,000 square feet as determined and approved on the building permit application. It must include a front façade composed of at least ____ % stone, brick or other masonry material.
- 4) Only single family residential structures are eligible for this program.
- 5) Only one homebuyer payment to a person or couple will be granted in a single calendar year. Corporations are not eligible for the homebuyer payment.
- 6) Construction must be completed within the standard 180 day construction window. Extensions of this time frame may only be granted in writing at the discretion of the City Administrator. The applying homeowner may be required to pay all or part of a previously discounted or abated fee before resuming construction.

Section 4. AMENDMENT OR REPEAL

This Program may, at any time after adoption, be amended, supplemented, or repealed by a majority vote of the Governing Body of the City of Clearwater, Kansas.

Section 5. IMPLEMENTATION

The City Administrator, or his designee, shall be authorized to implement the foregoing program in compliance with all applicable federal, state and local laws, rules and regulations.

Section 6. EFFECTIVE DATE

This Program shall be in full force and effect upon the adoption of this Resolution by the Governing Body of the City of Clearwater, Kansas.

ADOPTED by the Governing Body and Approved by the Mayor of the City of Clearwater, Kansas on this 12th day of April, 2016.

Burt Ussery, Mayor

SEAL
ATTEST:

Courtney Meyer, City Clerk

EXHIBIT A of Resolution No.

RESIDENTIAL CONSTRUCTION INCENTIVE PROGRAM

ELIGIBLE LOTS AND TRANSFER SCHEDULE

Lot	Block	Addition	Street	Transfer Fee	Builder Rebate
17	1	Chisholm Ridge Add.	Longhorn Court	\$10,000	\$1,987.37
18	1	Chisholm Ridge Add.	Longhorn Court	\$10,000	\$1,987.37
19	1	Chisholm Ridge Add.	Longhorn Court	\$10,000	\$1,987.37
20	1	Chisholm Ridge Add.	Longhorn Court	\$10,000	\$1,987.37
21	1	Chisholm Ridge Add.	Longhorn Court	\$10,000	\$2,421.31
22	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
25	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
26	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
28	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
29	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
31	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
32	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
33	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
34	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
36	1	Chisholm Ridge Add.	Red River Circle	\$10,000	\$2,421.31
37	1	Chisholm Ridge Add.	Red River Drive	\$10,000	\$2,421.31
38	1	Chisholm Ridge Add.	Red River Drive	\$10,000	\$2,421.31
7	2	Chisholm Ridge Add.	Salt Creek Court	\$10,000	\$3,518.14

**City of Clearwater
City Council Meeting
April 12, 2016**

TO: Mayor and City Council
SUBJECT: Discussion of Partisan/Non Partisan Municipal Elections
INITIATED BY: City Administrator
PREPARED BY: City Administrator
AGENDA: New Business

Background: The city is required, due to State Legislation to transition from April elections to November elections. This transition has extended the terms of three council members; Clark, Griffin and Marsh from terms expiring in April of 2017 to January of 2018. Those members of the Governing Body that have terms expiring in 2019; Mayor Ussery, Papish and Wood, will serve until January of 2020. Additionally, the legislation that was approved by the state has allowed for cities to determine if they would like to have partisan or nonpartisan elections.

Analysis: Traditionally, in Kansas, local municipal elections have been non-partisan. That is to say that candidates are not required to declare a specific party and no party affiliation is listed on the ballot. The change in legislation allows cities to determine if they would like to transition to partisan elections as we move from April to November elections in 2017.

Staff is seeking direction from the Governing Body so that an ordinance can be crafted that would reflect the will of the body. The city is required to adopt an ordinance to be compliant with the changes in state election laws.

Financial: There are no direct financial aspects to this issue.

Legal Considerations: Review and Comment as Necessary.

Recommendations/Actions: It is recommended the City Council:

- 1) Direct Staff in an appropriate manner

Attachments: None