

February 13, 2023

The City Council of Scott City met in special session on the above date at 12:15 p.m. in City Hall.

Present were Mayor Everett Green, Council members Jeff Allen, Kelly Funk, Josh Gooden, Bo Parkinson, Barb Wilkinson, City Administrator Brad Pendergast (by Zoom), and City Clerk Ruth Becker.

Presented to the Council earlier in the day via email and in hard copy format at the Council table was *Resolution No. 2023-03*, a resolution granting support of East Cambridge, LLC to apply for and participate in the Request for Proposal to the Kansas Housing Resources Corporation Investor Tax Credit (KHITC) program.

Scott County Development Committee (SCDC) Executive Director Katie Eisenhour was present to inform the Council that East Cambridge, LLC, the developer constructing homes in the MIH (Moderate Income Housing) area of Scott City intends to submit an application for Kansas Housing Investor Tax Credits (KHITC) to be utilized to effectively reduce the purchase price of homes yet to be built within the Moderate Income Housing (MIH) project in the 500 block of Chestnut Street, Eastridge Subdivision. Mrs. Eisenhour explained that inflation and supply chain issues, caused in large part by the Covid pandemic, has been detrimental to the process of providing access to moderate cost homes to Scott City residents. She announced that she had reached out to the Kansas Housing Resources Corporation (KHRC) to inquire about assistance. She learned that the approximately \$80,000 that was returned to KHRC as an “unused” portion of the original funding could be returned to SCDC to assist with the four homes that have already been completed, but remain unsold, to be used as a down payment assistance incentive to the homebuyers of each of the four finished homes.

Mrs. Eisenhour informed the Council that the deadline to complete the building of eight additional MIH homes is June 23, 2023 and that the developer is not likely to meet that deadline. Filing an application for an extension of the deadline will be necessary. She indicated that if East Cambridge, LLC, were to apply for the tax credit offered through KHITC, it would demonstrate commitment to the project and show forward movement with the project, which will be critical for the consideration of the deadline extension. She reminded the Council that the remaining eight homes to be built have been included in the list of homes to be eligible for participation in the 2023 Neighborhood Revitalization Program (NRP).

SCDC Executive Director Katie Eisenhour reminded the Council that the City has not expended any funds for the MIH project. Any funds spent on the project have been reimbursed in full by the original grant. Mrs. Eisenhour acknowledged that an application for tax credits by East Cambridge, LLC no way guarantees that the tax credits will be issued to the developer, but that the City Council’s support of the effort will make the right impression, showing that the City will support the project for the long haul. She also noted that she, as SCDC Executive Director, will assist East Cambridge, LLC as the economic development agency for the City of Scott City.

Motion by Josh Gooden seconded by Jeff Allen to approve *Resolution No. 2023-03* authorizing East Cambridge, LLC to apply for and participate in the Request for Proposal for the Kansas

Housing Investor Tax Credit program with respect to the eight (8) homes yet to be built in the Moderate Income Housing district in the 500 block of Chestnut Street, Eastridge Subdivision, City of Scott City, Kansas. Vote – Unam.

Motion by Jeff Allen seconded by Josh Gooden to adjourn at 12:28 p.m. Vote – Unam.

Everett M. Green
Mayor

Ruth Becker
City Clerk