

EL DORADO CITY SPECIAL COMMISSION MEETING

March 29, 2023

The El Dorado City Commission met in special session on March 29, 2023 at 5:00 pm at 220 E 1st Avenue with the following present: Mayor Bill Young, Commissioner Kelly Tetrick, Commissioner Gregg Lewis, Commissioner Kendra Wilkinson, Commissioner Leon Leachman, City Manager David Dillner, and MIO Julie Clements. Absent: City Attorney Ashlyn Lindskog and City Clerk Tabitha Sharp.

VISITORS

Mike Holton	128 N Vine	El Dorado, KS
Kevin Wishart	220 E 1 st Ave	El Dorado, KS
Alyssa Warner	220 E 1 st Ave	El Dorado, KS
Javan Gonzalez	220 E 1 st Ave	El Dorado, KS
Phil Benedict	El Dorado Chamber of Commerce	El Dorado, KS
Steve Fellers		El Dorado, KS
RLCC Members		

CALL TO ORDER

Mayor Bill Young called the March 29, 2023 Special City Commission meeting to order at 5:00 p.m.

WORK SESSION DISCUSSION ITEMS

CIVIC CENTER

City Manager David Dillner presented an overview of where the Commission is with the Civic Center and a look at the use and financials from the past few years. The goal was to outline all of the information they have, answer any questions and get the next steps. He said the City does not have specific, future plans for the Civic Center at this time. If the plan was to continue to utilize it as an event center, there might be modifications needed.

City Manager Dillner went on to look at some things that could apply to the Civic Center use from City documents, although they don't specifically address it, including the Comprehensive Plan and the Main Street Downtown Master Plan. Some options could include: locations for future governmental facilities, retail, commercial use, housing or recreation facilities. The City also has agreements with the Chamber of Commerce and Butler Electric Cooperative for use of the building. Staff researched twelve other event venues in the greater El Dorado area, which generally cost more and hold fewer people or are marketed for specific purposes. The Commission was left with three options: 1. Continue to own and operate it as an event space, recreation facility or governmental facility; 2. Accept Real Life's offer and sell it; 3. Solicit other offers or lease it to another party.

City Manager Dillner also looked at the financial aspect of the Civic Center. He said if the City continues to own and operate it as an event center, the City would need to allocate funds

for improvement, as well as develop a plan to increase use and revenue; develop a marketing program and review the fee schedule; or utilize it for innovate public events. If the Commission decided to try to sell it for the market value, the City would list it for a minimum of one year pending any reasonable offers. The cost to upgrade it for rentals could be half to three-quarters of a million dollars and would include technology, carpet, lighting, etc.

Currently, the Civic Center can be rented as a full facility or partially with just the break-out rooms. There also is a discounted rate for non-profits. The expenses for the facility include estimated staff time, maintenance costs, utilities, property tax and insurance. From 2017 to 2022, the average annual revenue was \$55,873, with expenses averaging \$93,089 and capital expenses at \$26,257 for an average loss of \$63,473 a year. Property taxes subsidize the Civic Center anywhere from half to one mill, depending on the year.

Commissioner Gregg Lewis asked how hard it was to get staff to come in after midnight to set up for church on Sundays. Kevin Wishart, Parks and Rec Director, said it wasn't easy but it is part of their job. It does cause staff to go into overtime by the end of the week.

Looking at the number of rentals, there were 73 full rentals and 50 partial rentals in 2017 and last year there were 13 full and 31 partial rentals, not including the church.

Commissioner Kelly Tetrick said the decrease in rentals was a trend and asked if those numbers were ever going to go up. He said everyone he has talked to says it's too expensive to rent and that is why they go other places. He said if he owned an asset that lost \$63,000 a year, he would sell it as quickly as possible. He said it was a huge amount of money the City could spend on something else.

Mayor Bill Young said they also subsidize pools and parks, but they have to look at the number of visits and usage. He said if the City was subsidizing the pool and it had 13 uses the whole year, they would be rethinking that as well.

City Manager Dillner said the chart did not show the number of free uses. He also said they could increase use, maybe with city events. He asked how they could proactively use it and turn it into a public space to generate more community traffic.

Commissioner Lewis pointed out he sees Burlington Northern having project meetings in the Train Depot a lot and asked why they weren't in a break-out room of the Civic Center. He said that is revenue for the Civic Center.

Mayor Young said out they are both city properties and it wouldn't make any difference on the bottom line.

Commissioner Leon Leachman said it comes back to the marketing plan and how to get other income. He agreed if they were just renting space, the City is in trouble.

Commissioner Lewis said he set up a managers' meeting for his company but because of issues at a local hotel, they moved it to Wichita because El Dorado has nothing to offer.

Commissioner Tetrick asked what they hope to get out of it. If the goal is for it to be rented 15 to 40 times a year and make no money, then that's a plan, but he didn't think that was a good plan. He asked what the ultimate goal was for that building.

Commissioner Kendra Wilkinson asked if Javan Gonzalez, Destination Services Coordinator, had ideas on how to utilize it and what needs to be done to make it more appealing.

Gonzalez said he would recommend some general cosmetic upgrades and restructuring of how the facility is laid out. He said most conferences require a certain number of hotel rooms within a certain number of blocks, usually five blocks and half the number of attendees, which El Dorado doesn't have. He also suggested changing how it is set up so more than one event can be held there on the weekends. They also could generate revenue with monthly subscriptions.

Mayor Young said his concern was the trend in revenues and expenses. He said he wasn't advocating selling it to the church for \$400,000, but he didn't want to be subsidizing it significantly to be in competition with other businesses in the community. He said it was not a standard general service.

Commissioner Lewis said he wanted to repurpose the building. He wanted to see the Police Department put in the building, along with municipal court and the evidence room so it was all secure. He suggested asking the church if they wanted to buy The Cage.

Commissioner Tetrick asked how much it would cost to build a new police station, saying it would be better to sell the Civic Center and build a new building for a million dollars.

Commissioner Kendra Wilkinson said she could envision it becoming a little shopping mall like District 142 but it would have to be marketed. She asked if that was what they need though. She said she was jumping back and forth on the fence because she can see why the Chamber and Main Street view the Civic Center as being part of a vibrant downtown.

Commissioner Tetrick questioned if thirteen rentals was vibrant.

Commissioner Leachman said they have to be fair to the church, which made an offer. He said the city has to give them an answer and he didn't think they could accept that offer.

Mayor Young said if they instruct staff to sell it, they have to give the City Manager a range. He anticipated David's first action would be to go to the church to see if they could get close to that. He said they wouldn't be looking at this if it wasn't for the church coming to them. He went on to say when they talk about the vibrancy of downtown it frustrates him because there is an assumption the church isn't a vibrant place. He said the church brings a lot to the community and is a critical part of a healthy community. He said there are a lot of buildings

downtown Main Street is working on and there isn't a shortage of space for people to remodel into housing, retail or restaurants.

Commissioner Leachman said as long as they have the Civic Center he would love to see the church continue to rent it. He said if they keep it they have to get creative with marketing.

Mayor Young said they have to figure out how they move forward. He said the consensus is the offer from Real Life is a non-start. He wanted to give staff some direction.

Commissioner Wilkinson said she is concerned they are getting in a hurry to sell it.

City Manager Dillner said he couldn't tell the commission what it would cost to retrofit the building for free. He advised against chasing all of the ideas. He said if they want to repurpose the building they need to have a conversation with the community on what that looks like then pull in an architect.

Mayor Young said he didn't know how they solicit input and not run into the same thing they did with the pool. The community wants something the city doesn't have the money to deliver. He said they were looking to David on how to move forward.

Commissioner Lewis suggested putting it on the market for \$1.9 million and seeing how it goes.

Commissioner Tetrick thought in a year they would still be talking about it being for sale.

Commissioner Lewis said to let the chamber run it for a year, have it on the market and the church would still be there.

Mayor Young said if he was the church and Velocity, he would start looking for a place immediately.

City Manager Dillner said the chamber has been helping book the facility, but City staff sets it up and they would have to continue to do that. He said it is a community asset that the community can utilize. These things are always subsidized by the taxpayer.

Commissioner Tetrick said others aren't subsidizing to rent something 13 times a year.

Mayor Young said he wasn't comfortable with the City being in the event center business, but he didn't know what other ideas for the building would be.

City Manager Dillner said he could develop a process for soliciting ideas and narrowing those down to what the commission wants to study.

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Mayor Young said his first take-away was they need to give the church their thoughts. Then set up a community forum and get as much information to that group as possible so they make some educated suggestions. If the community says it is fine with 13 rentals and investing in it, then they go on from there.

Commissioners Leachman and Lewis agreed.

Commissioner Tetrick said he didn't agree and thought they were opening up a can of worms. He thought the ideas they would get back were not going to be cheap and few would be realistic.

The majority of the Commission agreed to set up a community forum for ideas.

REGULAR AGENDA PREVIEW

The City Commission reviewed the upcoming agenda for April 3, 2023.

COMMISSION REPORTS

There was no report.

CITY MANAGER REPORT

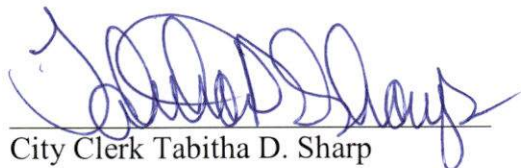
There was no report.

ADJOURNMENT

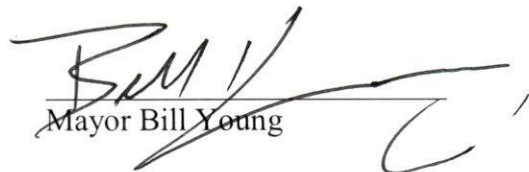
Commissioner Leon Leachman moved to adjourn the meeting at 6:55 p.m.

Commissioner Kelly Tetrick seconded the motion.

Motion carried 5 – 0.



City Clerk Tabitha D. Sharp



Mayor Bill Young