1 2	RESOLUTION NO. 9478
3	A RESOLUTION introduced by Interim City Manager Richard U. Nienstedt regardin the purchase and management of the Hotel Topeka.
5	WHEREAS, on May 30, 2023, the Governing Body approved the purchase of th
6	Hotel Topeka ("the Hotel") by negotiated purchase agreement; and
7	WHEREAS, on May 30, 2023, the Governing Body issued Resolution No. 941
8	which announced the City's intent to reimburse itself for certain capital expenditures i
9	connection with the acquisition, renovation and equipping of the Hotel through th
10	proceeds of tax-exempt bonds; and
11	WHEREAS, the City has deposited \$766,875.00 towards the purchase price of the
12	Hotel; and
13	WHEREAS, the closing is set for October 31, 2023, where the City intends to pa
14	the remainder of the purchase price in the amount of approximately \$6.9 million; and
15	WHEREAS, the Governing Body intends to create a single purpose entity ("SPE"
16	wholly owned by the City that will take title to the Hotel and contract with a management
17	company to operate the Hotel; and
18	WHEREAS, the Governing Body acknowledges that the SPE will need funds t
19	operate the Hotel; and
20	WHEREAS, as the Governing Body's ultimate goal is to secure an entity that wi
21	purchase, operate and manage the Hotel, the Governing Body, on October 10, 2023
22	approved a contract with REVPAR to assist in that respect as well as advise on th
23	selection of a management company to operate the Hotel.
24	NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF TH
25	CITY OF TOPEKA, KANSAS, that

26	Section 1. The Governing Body authorizes the City Manager to complete the
27	purchase of the Hotel by paying the remainder of the purchase price of approximately \$6.9
28	million as adjusted at closing for cash, accounts receivable, license and permit fees,
29	prepaid expenses, consumable inventory, taxes, assessments, fees, liens, utilities and
30	advance bookings.
31	Section 2. The City Manager is authorized to: (a) facilitate the process of creating
32	an SPE wholly owned by the City to take title to the Hotel; (b) provide funding to the SPE
33	not to exceed \$500,000 from operating reserves to operate and maintain the Hotel; and (3)
34	take whatever actions are necessary to achieve the ultimate goal of securing an entity that
35	will purchase, operate and manage the Hotel.
36	ADOPTED and APPROVED by the Governing Body on October 17, 2023.
37 38 39 40 41	CITY OF TOPEKA, KANSAS
42 43	Michael A. Padilla, Mayor
44 45 46 47 48	ATTEST:
49	Brenda Younger City Clerk