

[Published in *The Gardner News* on May 30, 2018]

ORDINANCE NO. 1082

AN ORDINANCE AUTHORIZING THE CREATION OF THE LPKC DISTRICT NO. 1 COMMUNITY IMPROVEMENT DISTRICT, LEVYING SPECIAL ASSESSMENTS WITHIN SUCH DISTRICT, AND APPROVING A DEVELOPMENT AGREEMENT.

WHEREAS, K.S.A. 12-6a26 *et seq.* (the “Act”) authorizes the Governing Body of a city to create a community improvement district to finance projects within a defined area of the city and to levy community improvement district special assessments upon receipt of a petition signed by the owners of all of the land area within the proposed district if full faith and credit bonds will not be issued; and

WHEREAS, a Petition for the Creation of a Community Improvement District (LPKC District No. 1) (the “Petition”) was filed with the City on May 18, 2018, proposing the creation of the LPKC District No. 1 Community Improvement District (the “District”) under the Act and the imposition of community improvement district special assessments (the “CID Special Assessments”) in order to pay the costs of projects as described in the Petition (the “Projects”); and

WHEREAS, the Petition was signed by Wellsville Farms, LLC, a Missouri limited liability company (the “Property Owner”), the owner of record of 100% of the land area contained in the proposed District and the owner of 100% by assessed value of the land area contained within the proposed District; and

WHEREAS, the Governing Body of the City of Edgerton, Kansas (the “City”) hereby finds and determines it to be advisable to create the District and set forth the boundaries thereof, authorize the Projects as described herein, approve the estimated costs of the Projects and approve the method of financing the same, all in accordance with the provisions of the Act; and

WHEREAS, the Governing Body of the City also desires to approve the LPKC District No. 1 Development Agreement dated June 1, 2018 (the “Development Agreement”), between the City and the Property Owner, to provide for the financing of the Projects.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF EDGERTON, KANSAS, AS FOLLOWS:

Section 1. Creation of Community Improvement District; Boundaries. That the Governing Body hereby finds and determines that it is advisable to create, in accordance with the provisions of the Act, the District within the City to be referred to as the LPKC District No. 1 Community Improvement District. A map generally outlining the boundaries of the proposed District is attached as **Exhibit A** hereto and incorporated by reference herein. A legal description of the boundaries of the proposed District is set forth on **Exhibit B** attached hereto and

incorporated by reference herein.

Section 2. Authorization of Community Improvement District Projects and Estimated Costs. The Projects consist of the demolition of existing improvements and the design and construction of utility infrastructure improvements to accommodate industrial facilities to be constructed within the District. The total estimated cost of the Projects is \$2,000,000.

Section 3. Method of Financing.

(a) The Projects will be financed with the CID Special Assessments levied pursuant to the provisions of the Act and the costs of the Projects will be reimbursed on a pay-as-you-go basis, as defined in the Act. The CID Special Assessments are hereby imposed on all vertical structures within the District that require a building permit to construct that constitute a warehouse, distribution, manufacturing, value-added assembly and/or office facility that is at least 50,000 square feet in size (each, an "Improvement"). The CID Special Assessment levied against each Improvement shall be an annual amount equal to the square footage of the Improvement multiplied by \$0.05. The CID Special Assessment shall be levied for a ten-year term, commencing during the calendar year following the year industrial revenue bonds are issued by the City for the Improvement, and may be paid in two installments in the same manner property taxes are paid.

(b) There will be no issuance of bonds, including full faith and credit bonds, pursuant to the Act.

(c) There will be no District sales tax.

Section 4. Segregation of CID Special Assessments. The CID Special Assessments collected shall be deposited into a special fund of the City to be designated as the LPKC District No. 1 Community Improvement District Revenue Fund. The CID Special Assessments collected shall be used to reimburse the costs of the Projects.

Section 5. Development Agreement. The Development Agreement, in substantially the form presented to the Governing Body of the City at this meeting, is hereby approved, and the Mayor and City Clerk are hereby authorized to execute and deliver the Development Agreement.

Section 6. Recording. The City Clerk shall file a certified copy of this Ordinance with the Register of Deeds of Johnson County, Kansas

Section 7. Term of District. The term of the District shall continue until such time that the District is terminated in the manner set forth in the Development Agreement. The City shall record written evidence of the termination of the District with the Register of Deeds of Johnson County, Kansas when the District is terminated.

Section 8. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the Governing Body of the City and publication once in the official City newspaper.

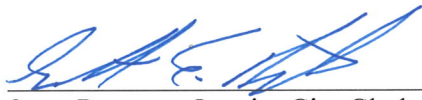
PASSED by the Council of the City of Edgerton, Kansas, this 24th day of May, 2018.



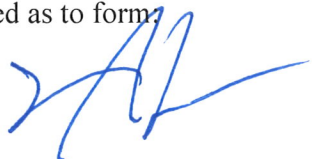
[SEAL]


Donald Roberts, Mayor

ATTEST:


Scott Peterson, Interim City Clerk

Approved as to form:


Scott W. Anderson, Bond Counsel

LPKC District No. 1 Community Improvement District