

ORDINANCE NO. 8565

AN ORDINANCE AUTHORIZING THE CREATION OF THE OUSDAHL 23 COMMUNITY IMPROVEMENT DISTRICT IN THE CITY OF LAWRENCE, KANSAS; AUTHORIZING THE REIMBURSEMENT OF CERTAIN ECONOMIC DEVELOPMENT PROJECT COSTS INCURRED WITHIN SAID DISTRICT; AUTHORIZING THE IMPOSITION OF A COMMUNITY IMPROVEMENT DEVELOPMENT SALES TAX TO BE COLLECTED WITHIN SAID DISTRICT; AND AUTHORIZING THE NEGOTIATION AND PREPARATION OF A DEVELOPMENT AGREEMENT RELATING TO SAID DISTRICT.

WHEREAS, pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the "Act"), cities are authorized to create community improvement districts as a method of financing economic development related improvements in a defined area within the city; and

WHEREAS, the City of Lawrence, Kansas (the "City") is a city within the meaning of the Act; and

WHEREAS, on May 12, 2010, a petition (the "Petition") was filed with the City by Lawrence 1714 LLC., a limited liability company, Lawrence 23 Ousdahl, L.L.C., a limited liability company, and Got-Mor, L.L.C., a limited liability company (the "Petitioners") requesting (a) that the community improvement district described therein (the "District") be created; (b) that the City levy a community improvement district sales tax within the District in the amount of 1.0% (the "CID Sales Tax"); and (c) that the community improvement district project costs to be incurred within the District be financed on a pay-as-you-go basis, all in accordance with the Act; and

WHEREAS, said Petition was signed by the owners of record, whether resident or not, of all of the land area within the proposed District; and

WHEREAS, the Act provides that prior to creating any community improvement district and imposing a community improvement district sales tax, the governing body shall, by resolution, direct and order a public hearing on the advisability of creating such community improvement district and the construction of such community improvement district projects therein, and to give notice of the hearing by publication in the official city newspaper at least once each week for two (2) consecutive weeks and to all property owners within the proposed community improvement district by certified mail all in accordance with the Act; and

WHEREAS, the City Commission of the City (the "Governing Body") adopted Resolution No. 6901 on August 3, 2010 (the "Resolution") directing that a public hearing on the proposed District be held on August 24, 2010, and directing the City Clerk to provide for notice of such public hearing as set forth in the Act; and

WHEREAS, the Resolution containing all of the information required by statute was mailed (by certified mail) to all property owners within the proposed District on August 10th, 2010 and August 12, 2010, and published once each week for two (2) consecutive weeks in the official city newspaper on August 6, 2010 and August 13, 2010; and

WHEREAS, notice of such public hearing was duly given in accordance with the provisions of the Act; and

WHEREAS, on August 24, 2010, the Governing Body conducted a public hearing (the "Public Hearing") on the proposed District, the proposed community improvement district project, maximum costs thereof and the imposition of the CID Sales Tax; and

WHEREAS, the Governing Body hereby finds and determines it to be advisable to create the Ousdahl 23 Community Improvement District, establishes the boundaries thereof, authorizes community improvement district project relating thereto, approves the estimated costs of such community improvement district project and approves the CID Sales Tax, all in accordance with the provisions of the Act and

WHEREAS, the Governing Body hereby further finds and determines it to be advisable to direct the preparation of a Development Agreement relating to the District that establishes the duties and responsibilities of the Petitioners and the City with respect to the District for the approval by the Governing Body.

THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF LAWRENCE, KANSAS:

Section 1. Creation of District; Boundaries. Based on the Petition and the information provided at the Public Hearing, the Governing Body hereby finds and determines it is advisable to create, in accordance with the provisions of the Act, the District within the City, which shall be designated as the Ousdahl 23 Community Improvement District. The District shall contain within its boundaries the real property legally described in **Exhibit A** attached hereto and the boundaries of which are contained in a map of the District attached as **Exhibit B** attached hereto.

Section 2. Authorization of District Projects; Estimated Costs. The proposed project to be undertaken within the District (the "Project") consists of reconstruction and improvements on the properties located within the District including the installation of new curbing and gutters, landscaping, irrigation, and lighting, construction of new sidewalks and installation of handicap parking for ADA accessibility, replacement of asphalt parking lots, replacement of roofs, paint and exterior building repairs, replacement or repair of mechanical systems for buildings, fencing, signage, utilities, construction of trash enclosures, and tenant improvements within the District. The total estimated cost of the proposed Project requested to be funded by the District is not to exceed \$1,508,537.00, plus the City's administrative costs (collectively, the "Project Costs"). The estimate includes the cost of repairs and improvements, in addition to as built surveys, environmental reports, assessment studies and blight determination, appraisals, landscape architecture, construction supervision and staking, soil testing, fees and permits, attorneys fees, development fees and ongoing maintenance. Such costs do not include reimbursement for: (a) costs incurred prior to May 12, 2010; and (b) costs related to the acquisition of real property within the proposed District.

Section 3. Method of Financing. In order to provide funds to finance the Reimbursable Project Costs, it is advisable to levy, in accordance with the provisions of the Act, the CID Sales Tax within the District in an amount of 1% on the selling of tangible personal property at retail or rendering or furnishing services within the District. There will be no special assessments levied on property within the boundaries of the District to pay

the Reimbursable Project Costs. The Project will be privately financed. The Reimbursable Project Costs will be financed on a pay-as-you-go-basis, i.e., the Reimbursable Project Costs will be paid for by the Petitioners without the issuance of notes or bonds of the City. The Petitioners will be reimbursed for the Reimbursable Project Costs under the Act as moneys are deposited in the District fund through funds derived by the City from the collection of the CID Sales Tax and subject to the development agreement to be entered into between the Petitioners and the City. The District fund is hereby established for the District in accordance with the provisions of the Act.

Section 4. Development Agreement. A Development Agreement relating to the District that establishes the duties and responsibilities of the Petitioners and the City with respect to the District shall be submitted to the Governing Body for approval prior to the levying of the CID Sales Tax within the District.

Section 5. Effective Date. This Ordinance shall be in force and take effect from and after its passage, approval and publication once in the official City newspaper.

PASSED by the Governing Body of the City on _____, 2010 and **SIGNED** by the Mayor.

Mike Amyx, Mayor

ATTEST:

Jonathan M. Douglass, City Clerk

EXHIBIT A

(Legal Description of property to be contained in Ousdahl 23 Community Improvement District)

Parcel I: Lot 4, Southwest Addition No. 9, In the City of Lawrence, Douglas County, Kansas, commonly known as 1730 West 23rd Street;

Parcel II: Lot 5 and the West 45 feet of Lot 6, Southwest Addition No. 9, in the City of Lawrence, Douglas County, Kansas, commonly known as 1720 West 23rd Street;

Parcel III: The East 35 feet of Lot 6, all of Lot 7, the West 35 feet of Lot 8, the North 45 feet of the East 45 feet of Lot 8 and the North 45 feet of Lot 9, all in Southwest Addition No. 9, in the City of Lawrence, Douglas County, Kansas, commonly known as 1714 West 23rd St.

Lot 1, Southridge Addition No. 2, in the City of Lawrence, Douglas County, Kansas
Lot 2, Southridge Addition No. 2, in the City of Lawrence, Douglas County, Kansas
Lot 3 Southridge Addition No. 2, in the city of Lawrence, Douglas County, Kansas
Commonly known as 1801 W. 23rd Street;

