

**THIRD AMENDMENT TO INTERLOCAL AGREEMENT  
AND GUARANTEE AND REIMBURSEMENT AGREEMENT AT  
EAST HILLS BUSINESS PARK**

This Third Amendment to Interlocal Agreement and Guarantee and Reimbursement Agreement (this "**Third Amendment**"), is made and entered into as of \_\_\_\_\_, 2016, among the BOARD OF COUNTY COMMISSIONERS OF DOUGLAS COUNTY, KANSAS; the ECONOMIC DEVELOPMENT CORPORATION OF LAWRENCE AND DOUGLAS COUNTY ("EDC") AND DOUGLAS COUNTY ("the County"), a Kansas not-for-profit corporation (formerly known as DOUGLAS COUNTY DEVELOPMENT, INC.); and the CITY OF LAWRENCE, KANSAS ("City"), a municipal corporation.

**RECITALS**

WHEREAS, on June 16, 1989, the parties entered into an agreement titled "Interlocal Agreement and Guarantee and Reimbursement Agreement" concerning the financing and improvement of the property comprising East Hills Business Park in Douglas County, Kansas, which agreement was amended for the first time on November 5, 1991 and amended for the second time on April 2, 2008 (the agreement as amended is hereinafter the "**Interlocal Agreement**"); and

WHEREAS, pursuant to City Resolution No. 5328, as further provided in Article III, Paragraph A.3 of the Interlocal Agreement, the City has formed the East Hills Business Park Improvement District, has made infrastructure improvements to the land within said District, and has levied Assessments against all lots and pieces of land within said District to recoup the cost of the City's expenditures; and

WHEREAS, pursuant to City Ordinance No. 6009 and City Ordinance No. 6010 (the "**Ordinances**"), as further provided in Article III, Paragraph A.4 of the Interlocal Agreement, the City has deferred collection of Assessments levied against lots and pieces of land within the East Hills Business Park Improvement District until the earlier of (i) 20 years, or (ii) until such time as any property liable for the Assessments is transferred in the manner described in Article III, Paragraph A.5 or in the manner described in Article IV, Paragraph C.1 (as amended by the First and Second Amendments) of the Interlocal Agreement; and

WHEREAS, by Second Amendment to Interlocal Agreement dated April 2, 2008 (the "**Second Amendment**"), the parties extended the 20 year deferral period provided for in the Interlocal Agreement an additional 5 years; and

WHEREAS, the deferral period, as extended by the Second Amendment, expired in May 2014, and the parties acknowledge that all of the land within the East Hills Business Park Improvement District was not transferred to third parties before such date; and

WHEREAS, the City has paid all debt incurred on the infrastructure improvements made to the East Hills Business Park and the parties agree it to be in the best interests of the public, and the best interests of East Hills Business Park, for the City to further defer collection of the Assessments; and

WHEREAS, pursuant to Ordinance No. 9293, the City may defer by ordinance certain Assessments levied against lots and parcels of land owned by the Board of County

Commissioners of Douglas County for an indefinite period and shall not be required in any such ordinance to state the period of the deferral granted.

### **TERMS OF THIRD AMENDMENT**

NOW, THEREFORE, in mutual consideration of the terms and conditions hereinafter set forth and those contained in the Interlocal Agreement, it is hereby agreed as follows:

1. The Recitals set forth above are a part of this Third Amendment.
2. Capitalized terms not otherwise defined in this Third Amendment shall have the same meaning as set forth in the Interlocal Agreement.
3. Provisions contained in the Interlocal Agreement and the Ordinances setting 20 years as the maximum term for deferral of the collection of Assessments, as extended an additional 5 years by the Second Amendment, are hereby amended to extend the maximum term for deferral indefinitely; provided, however, that the delayed portion of the Assessments shall remain due and payable upon the earlier sale or transfer of any particular parcel, lot, or piece of property to a third party, as provided in the Interlocal Agreement.
4. Article III, Paragraphs A. 4 and 11 are amended to reflect the indefinite deferral of the Assessments, as set forth in Section 3 of this Third Amendment.
5. The last sentence of Article IV, Paragraph C.1 (as amended by the First Amendment and the Second Amendment), is amended to reflect the indefinite maximum term for deferral, as set forth in Section 3 of this Third Amendment, such that the delayed portion of the Assessments shall not become due and owing until the earlier sale or transfer of any particular parcel, lot, or piece of property to a third party, as provided in the Interlocal Agreement.
6. Article VII, Paragraph A is amended so the expiration of the term of the Interlocal Agreement reflects the indefinite maximum term for deferral of Assessments, as set forth in Section 3 of this Third Amendment, such that the Interlocal Agreement terminates upon the earlier sale or transfer of the last parcel, lot, or piece of property to a third party and payment or waiver of all Assessments.
7. In recognition of the limited development potential on certain lots, the City agrees to release the County, EDC, and the real property described as Lots A and B of Block 1, and those portions identified as G, H, and I of Block 3 on Exhibit A of this Third Amendment which is incorporated herein by reference from any remaining outstanding Assessments under the Interlocal Agreement.
8. Nothing in this Third Amendment shall prevent the parties from further amending the Interlocal Agreement mutually acceptable terms and conditions.
9. The City agrees to adopt an ordinance amending the Ordinances to extend the maximum term for deferral of the Assessments indefinitely, and to waive in full the outstanding Assessments on lots set forth in Paragraph 7 of this Third Amendment, consistent with this Third Amendment.

10. The parties shall execute this Third Amendment and submit it to the Attorney General of the State of Kansas for his approval. Thereafter, the parties shall file one duplicate original of this Third Amendment with the Register of Deeds of Douglas County, Kansas, and thereafter, with the Secretary of State, all in accordance with K.S.A. 12-2904 and 12-2905, and amendments thereto.

IN WITNESS WHEREOF, the parties hereto have executed this Third Amendment effective as of the year and date first stated above.

ECONOMIC DEVELOPMENT CORPORATION  
OF LAWRENCE AND DOUGLAS COUNTY

By: \_\_\_\_\_  
Cindy Yulich, Chair

BOARD OF COUNTY COMMISSIONERS OF  
DOUGLAS COUNTY, KANSAS

By: \_\_\_\_\_  
Mike Gaughan, Chair

ATTEST:

\_\_\_\_\_  
Jameson D. Shew, County Clerk

CITY OF LAWRENCE, KANSAS

By: \_\_\_\_\_  
Mike Amyx, Mayor

ATTEST:

\_\_\_\_\_  
Sherri Riedemann, City Clerk

ATTORNEY GENERAL'S APPROVAL

The foregoing Third Amendment is approved on \_\_\_\_\_, 2016, by the Attorney General for the State of Kansas.

\_\_\_\_\_  
Derek Schmidt, Kansas Attorney General

# Outstanding Balance on Douglas County Property within bounds of East Hills Business Park Benefit District as of July 2016

