

**NEIGHBORHOOD REVITALIZATION ACT
COOPERATIVE AGREEMENT FOR
VERMONT PLACE**

THIS AGREEMENT ("Agreement") is entered into this ____ day of _____, 2017, by and between the City of Lawrence, Kansas ("City"), the Board of Commissioners of Douglas County, Kansas ("County"), and Unified School District No. 497, Douglas County, State of Kansas ("USD 497") (collectively, the "Parties"), all of which are municipalities within the meaning of K.S.A. 10-1101 and K.S.A. 12-17,114 *et seq.*

RECITALS

- A.** The Kansas Neighborhood Revitalization Act of 1994 ("NRA"), codified as amended at K.S.A. 12-17,114 *et seq.*, establishes a program whereby municipalities may provide certain incentives for property owners to improve aging and deteriorating property, to stimulate new construction, or to stimulate the rehabilitation, the conservation, or the redevelopment of an area, as a means to protect the public health, safety, and welfare of the residents of the municipality.
- B.** K.S.A. 12-17,119 provides that, when a Neighborhood Revitalization Area is established, all local taxing jurisdictions shall enter into agreements to address the rights and obligations of the Parties and to further the purposes of the NRA.
- C.** Here, there has been filed with the City, an application to revitalize, under the NRA, undeveloped real property located at 800 Vermont Street, Lawrence, Douglas County, Kansas.
- D.** The local taxing jurisdictions, referred to as Parties herein, desire to maximize the economic development opportunities available under the NRA and to comply with the NRA by entering into this Agreement.
- E.** Through this Agreement, the Parties desire to set out the terms and conditions of participation in the NRA.
- F.** Under the Agreement, the City and County will have primary responsibility for the procedural aspects of NRA implementation and administration, and this Agreement establishes the specific rights and obligations of the Parties, as described in more detail below.

NOW, THEREFORE, in light of the mutual promises and obligations contained herein, and in exchange for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the Parties agree as follows:

TERMS

1. **Purpose.** The purpose of this Agreement is to establish a program for neighborhood revitalization under the NRA and to allow the Parties to work together to facilitate the rehabilitation, conservation, and redevelopment of the designated Neighborhood Revitalization Area, in order to protect the public health, safety, and welfare of the residents of Lawrence.
 - (a) After conducting a public hearing and complying with the publication requirements of K.S.A. 12-17,117 as amended, on November 7, 2017 the Governing Body of the City approved Ordinance No 9303, adopting an NRA Plan in substantially the same form and content as contained in **Exhibit A**, which document is affixed hereto and is incorporated herein by reference ("the Plan").
 - (b) The other Parties to this Agreement have also reviewed and considered the Plan and, by adoption of this Agreement, agree to work cooperatively to implement the Plan.
 - (c) The Parties further agree that no separate legal entity shall be created under this Agreement, but rather that the City, in behalf of all Parties, shall administer the Plan, as adopted by the City, or as it may subsequently be amended, as provided herein.
 - (d) The Parties agree that the Plan shall not be amended by the City or by any of the Parties acting unilaterally and shall only be amended in a writing signed by all Parties hereto, which consent and cooperation shall not be unreasonably withheld.
2. **Duration.** This Agreement shall commence after it has been approved by and is fully executed by the Parties, the commencement date of which is set forth at the top of page one hereof, and shall expire upon the expiration of the NRA Tax Rebate Period or the termination of the Plan, whichever occurs earlier.
3. **Termination.** The Parties agree that termination of this Agreement by any Party prior to the period set forth in Paragraph 2, *supra*, would adversely impact the Plan and, consequently, this Agreement may only be terminated with ninety (90) days' written notice. Such written notice must be received prior to August 1 in the calendar year prior to the tax year the Party desires to terminate participation, unless such notice is waived, in writing, by all Parties. The Parties further agree that if this Agreement is terminated, or if the Plan is repealed or the rebate criteria changed, then any Parcel Unit (as defined in the Plan) that has become eligible for rebate shall remain eligible for the remaining Term of the Plan, provided that all eligibility requirements of the Plan are otherwise satisfied.

4. Financing.

- (a) Any improvement must meet the requirements established by the Plan.
- (b) The County shall calculate the annual NRA Tax Rebate as per the Plan and shall transfer any tax increment rebate amounts received for the Parties to the Neighborhood Revitalization Fund ("NRA Fund"), a separate fund created and maintained by the City under the authority of K.S.A. 12-17,118, and amendments thereto. The County annually will calculate and inform the City of the specific rebate amount due each Parcel Unit Owner.
- (c) Douglas County will retain an administrative fee of \$650.00 for each "Annual Application for Tax Rebate" submitted by a Parcel Unit Owner.
- (d) Within thirty (30) days of distribution of the tax increment from the County to the NRA Fund, the City will disburse the NRA Tax Rebate(s) in the appropriate percentage to each eligible property owner(s) in accordance with the Plan. All funds transferred to the NRA Fund by the County and not subject to rebate to Owner(s) shall be refunded by the City to the County Treasurer for distribution to all participating taxing jurisdictions in their proportionate share, based upon their tax rate for the applicable tax year.

5. Additional City Responsibilities.

- (a) The City's Economic Development Coordinator shall be responsible for receiving compliance information and documentation for annual rebates from the Owner(s) under the Plan, and will provide that information to the County Appraiser as specified in the Plan. The City's Economic Development Coordinator shall review each "Annual Application for NRA Tax Rebate" and shall, based on the eligibility criteria of the Plan, either approve or disapprove the application. The City's Economic Development Coordinator will forward notice of application approval or rejection to the County by December 1.
- (b) Upon payment of property taxes by the Parcel Unit Owner and provided the Parcel Unit Owner is in compliance with the Plan, the City shall issue the appropriate NRA Tax Rebate to the Parcel Unit Owner within 30 days after the next distribution date by Douglas County as specified in K.S.A. 12-1678a, and amendments thereto, and in accordance with the Plan.
- (c) NRA Tax Rebates shall not be distributed to an Owner until all property taxes for the Parcel Unit, as defined in the Plan, are paid in full. If a Parcel Unit Owner pays taxes or special assessments under protest, no rebate will

be distributed to that Parcel Unit Owner until the next regular distribution date after the protest has been finally resolved.

6. **Additional County Responsibilities.**

- (a) The County is responsible for calculating the Tax Increment, as outlined in the Plan, each year.
- (b) The County is responsible for calculating the individual Parcel Unit Owner's base valuation as outlined in the Plan, Part 10, section 5, and the Parcel Unit Owner's respective rebate amount as outlined in the Plan, Part 11.
- (c) The County Appraiser shall conduct an on-site appraisal as part of the normal valuations following completion of the Improvements and determine the increase in the taxable valuation due to the improvements, as provided in the Plan.
- (d) The County Appraiser will notify the City and the County Clerk of the valuation.
- (e) The County Treasurer will monitor real estate tax delinquencies for Parcel Units participating in the Program. The County Treasurer will notify the City if a Parcel Unit becomes ineligible for the program due to tax or special assessment delinquencies.

7. **Execution.** For purposes of executing this Agreement, this document, if signed and transmitted by facsimile machine or telecopier, is to be treated as an original document. This Agreement may be executed in one or more counterparts and by each party on a separate counterpart, each of which when so executed and delivered shall be an original, and all of which together shall constitute one instrument.

8. **Liberal Construction.** This Agreement shall be liberally construed to achieve the economic development objectives and purposes of both this Agreement and the Plan. Should any provision of this Agreement be determined to be void, invalid, unenforceable or illegal, such provision(s) shall be null and void, but the remaining provisions shall be unaffected thereby and shall continue to be valid and enforceable.

9. **Entire Agreement.** This Agreement constitutes the entire agreement between the Parties on this subject and may not be modified or amended except in writing executed by all Parties in the same manner as the original.

10. **Governing Law.** This Agreement, the Plan, and the rights of all Parties hereto shall be governed by and construed according to the laws of the State of Kansas.

[Signature Pages Follow]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be duly executed by their respective, appropriate representatives with authority to bind their respective entity.

CITY OF LAWRENCE, KANSAS

THOMAS M. MARKUS
City Manager

ATTEST:

Sherri Riedemann
City Clerk

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BOARD OF COMMISSIONERS
OF DOUGLAS COUNTY, KANSAS

[Seal]

By: _____

Attest:

_____, Clerk of the Board

Approved As To Form:

County Counselor

(Rest of Signature Page Left Intentionally Blank)

UNIFIED SCHOOL DISTRICT NO. 497,
DOUGLAS COUNTY, STATE OF KANSAS

[Seal]

By: _____

President, Board of Education

Attest:

Clerk of the Board

Approved As To Form:

Attorney for the Board

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Exhibit A

Neighborhood Revitalization Plan
As adopted by Governing Body of the City of Lawrence
On November 7, 2017
through Ordinance No. 9303

[See Attached]