

(Published in *The Leavenworth Times* on September 11, 2020)

ORDINANCE NO. 8143

AN ORDINANCE OF THE CITY OF LEAVENWORTH, KANSAS CREATING A COMMUNITY IMPROVEMENT DISTRICT IN THE CITY; AUTHORIZING THE MAKING OF CERTAIN PROJECT IMPROVEMENTS RELATING THERETO; APPROVING THE ESTIMATED COSTS OF SUCH PROJECT IMPROVEMENTS; AND PROVIDING FOR THE METHOD OF FINANCING THE SAME.

WHEREAS, pursuant to K.S.A. 12-6a26 *et seq.*, as amended (the "Act"), cities and counties are authorized to create community improvement districts for economic development purposes and any other purpose for which public money may expended, and to levy a community improvement district sales tax and/or levy special assessments upon the property within such community improvement districts; and

WHEREAS, a petition (the "Petition") signed by Rea Holdings, LLC, and/or Ted A. Rea, Inc., d/b/a Luxury & Imports (together, the "Petitioners"), was filed with the City Clerk of the City of Leavenworth, Kansas (the "City") in accordance with the Act, which Petition proposed the creation of a community improvement district (the "District") under the Act and the imposition of a community improvement district (CID) sales tax therein (the "CID Sales Tax"), in order to assist in financing costs of the Project (defined below); and

WHEREAS, the Petition was signed by the required number of owners of record, whether resident or not, as required by the Act; and

WHEREAS, the City Commission of the City of Leavenworth, Kansas (the "City Commission") intends to create the District and to levy a community improvement sales tax therein in the amount of four-tenths of one percent (0.40%) (the "CID Sales Tax"); 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 at least once each week for two (2) consecutive weeks in the official City newspaper and by certified mail to all property owners within the proposed community improvement district, the second publication to be at least seven (7) days prior to the hearing and such certified mail sent at least ten (10) days prior to such hearing; and

WHEREAS, the City Commission adopted Resolution No. B-2258 on July 28, 2020, directing that a public hearing on the proposed District within the City be held on August 25, 2020, declaring its intent to impose the CID Sales Tax, and requiring that the Clerk for the City of Leavenworth, Kansas provide for notice of such public hearing as set forth in the Act; and

WHEREAS, notice of the public hearing containing the following information: (a) the time and place of the hearing, (b) the general nature of the Project, (c) the estimated cost of the Project, (d) the proposed method of financing the Project, (e) the proposed amount of the CID Sales Tax, (f) a map of the proposed District, and (g) a legal description of the proposed District, was mailed to all property owners within the proposed District on August 6, 2020, and published once each

week for two (2) consecutive weeks in *The Leavenworth Times*, the official City newspaper, on August 8, 2020 and August 15, 2020; and

WHEREAS, on August 25, 2020, the City Commission conducted a public hearing on the proposed District, the proposed Project, and estimated costs thereof and the method of financing the same, all in accordance with the Act; and

WHEREAS, the City Commission hereby finds and determines it to be advisable to create the District, authorize the Project, approve the estimated cost of the Project, and approve the method of financing the same, all in accordance with the provisions of the Act.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COMMISSION OF THE CITY OF LEAVENWORTH, KANSAS:

Section 1. Creation of District. The City Commission hereby finds and determines that it is advisable to create, in accordance with the provisions of the Act, the District within the City. Provided, that the City Commission's approval and creation of the District is conditioned and contingent upon the proposed developers of the Project, the above-named Petitioners, and the City of Leavenworth, Kansas, entering into and fully-executing a Development Agreement by no later than September 11, 2020, on terms which are mutually satisfactory to City and such developers. A map generally outlining the boundaries of the District is attached hereto as **Exhibit A** and incorporated herein by reference. The legal description of the District is set forth on **Exhibit B**, attached hereto and incorporated herein by reference.

Section 2. Authorization of Project. The general nature of the project to be funded by the proposed community improvement district (the "**Project**") is to redevelop and improve certain real property generally located at the northeast corner of 4th Street/U.S. Hwy. 7 and Eisenhower Road in the City of Leavenworth, Kansas. The Project may be described in a general manner as consisting of improvements to and expansion of an automobile dealership and service center, and all associated site work, infrastructure, utilities, storm water control, access, street improvements, landscaping, lighting, parking facilities, and any other items allowable under K.S.A. 12-6a26 *et seq.*, which Project is hereby authorized.

Section 3. Approval of Estimated Cost of the Project. Notwithstanding the contents of the above-described Petition, and as presented to the City Commission at the above-described public hearing, the estimated or probable cost of the Project is approximately \$1,610,000.00, plus interest accrued on borrowed money, which is hereby approved.

Section 4. Method of Financing. It is proposed that the Project be financed through a combination of private equity, private debt, and CID pay-as-you-go financing (as defined in the Act). This method of financing is hereby approved.

Section 5. Imposition of CID Sales Tax. In order to provide for the payment of the Project, the City Commission hereby levies the CID Sales Tax within the District in an amount of 0.40% for a period of 22 years, as authorized under the Act.

Section 6. Effective Date. This Ordinance shall take effect and be in full force from and after its passage by the City Commission and publication once in the official City newspaper. Provided, that this Ordinance shall not be published unless and until the above condition regarding the development agreement has been satisfied. If the above condition has not been satisfied by

September 11, 2020, this Ordinance shall not be effective, and shall be deemed revoked without further action on the part of the City Commission

**ADOPTED BY THE CITY COMMISSION OF THE CITY OF LEAVENWORTH, KANSAS
ON SEPTEMBER 8, 2020.**

/s/ Myron J. "Mike" Griswold
Myron J. "Mike" Griswold, Mayor

[SEAL]

ATTEST:

/s/ Carla K. Williamson
Carla K. Williamson CMC, City Clerk

EXHIBIT A
Map of District

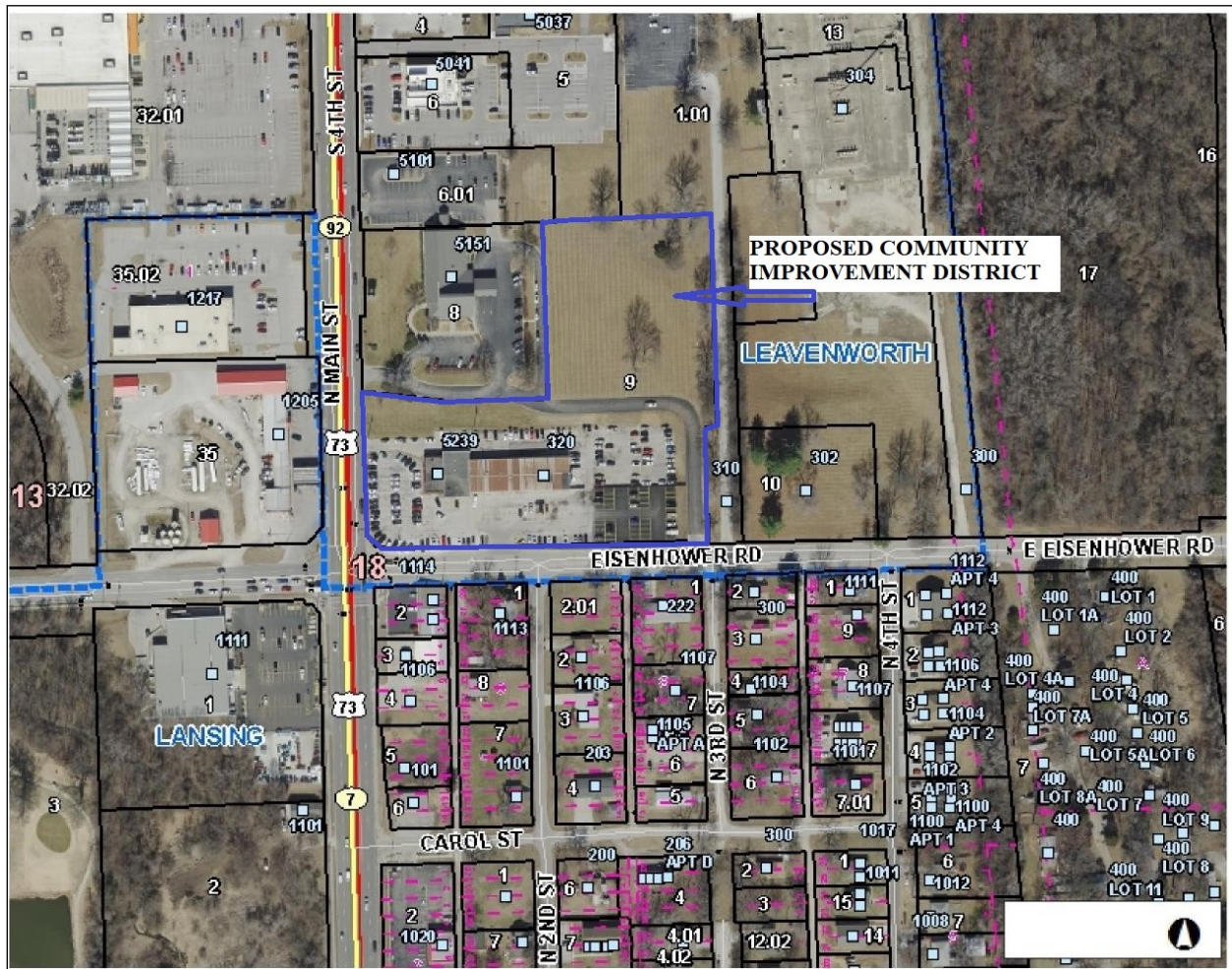


EXHIBIT B

Legal Description of District

NEW TRACT 1

A TRACT OF LAND IN THE NORTHWEST QUARTER OF SECTION 18, TOWNSHIP 9 SOUTH, RANGE 23 EAST OF THE 6TH P.M. IN THE CITY OF LEAVENWORTH, LEAVENWORTH COUNTY, KANSAS.

COMMENCING AT THE SOUTHWEST CORNER OF SAID NORTHWEST QUARTER; THENCE N88°29'59"E, ALONG THE SOUTH LINE OF SAID NORTHWEST QUARTER, A DISTANCE OF 33.00 FEET; THENCE N01°34'51"W, A DISTANCE OF 67.91 FEET TO A POINT OF INTERSECTION WITH THE NORTH RIGHT OF WAY LINE OF EISENHOWER ROAD AS IT NOW EXISTS AND SAID RIGHT OF WAY OF K-7, ALSO KNOWN TO BE THE POINT OF BEGINNING OF THE HEREIN DESCRIBED TRACT; THENCE N01°34'51"W, ALONG SAID EAST RIGHT OF WAY LINE, A DISTANCE OF 249.66 FEET; THENCE S83°32'31"E, A DISTANCE OF 151.68 FEET; THENCE N88°55'48"E, A DISTANCE OF 171.43 FEET; THENCE N01°28'13"W, A DISTANCE OF 306.48 FEET; THENCE N87°30'02"E, A DISTANCE OF 292.70 FEET; THENCE S01°16'11"E, A DISTANCE OF 368.27 FEET; THENCE S88°29'59"W, A DISTANCE OF 18.76 FEET; THENCE S01°36'40"E, A DISTANCE OF 201.99 FEET TO A POINT ON THE NORTH RIGHT OF WAY LINE OF SAID EISENHOWER ROAD; THENCE S88°29'59"W ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 38.61 FEET; THENCE N01°36'40"W, CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 5.00 FEET; THENCE S88°29'51"W, CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 526.88 FEET; THENCE N01°34'51"W, CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 5.81 FEET; THENCE S88°29'51"W, CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 12.84 FEET; THENCE N39°17'13"W, CONTINUING ALONG SAID NORTH RIGHT OF WAY LINE, A DISTANCE OF 25.96 FEET TO THE POINT OF BEGINNING.

CONTAINS 5.60 ACRES MORE OR LESS