

(Published in *The High Plains Daily Leader and Times* on November 10, 2016)

**ORDINANCE NO. 4473**

**AN ORDINANCE AUTHORIZING THE CREATION OF THE HOLIDAY INN EXPRESS COMMUNITY IMPROVEMENT DISTRICT IN THE CITY OF LIBERAL, KANSAS; AUTHORIZING THE REIMBURSEMENT OF CERTAIN ECONOMIC DEVELOPMENT PROJECT COSTS INCURRED WITHIN SAID DISTRICT; AUTHORIZING THE IMPOSITION OF A COMMUNITY IMPROVEMENT DISTRICT SALES TAX TO BE COLLECTED WITHIN SAID DISTRICT; AND AUTHORIZING THE EXECUTION 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 Liberal, Kansas (the “City”) is a city within the meaning of the Act; and

**WHEREAS**, on October 7, 2016, a petition (the “Petition”) was filed with the City 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 2.0% for a period not to exceed 22 years (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 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 of the City (the “Governing Body”) adopted Resolution No. 2250 on October 11, 2016 (the “Resolution”) directing that a public hearing on the proposed District be held on November 8, 2016, declaring an intent to levy the CID Sales Tax, and directing the City Clerk to provide for notice of such public hearing as set forth in the Act; and

**WHEREAS**, the Resolution containing the following information: (a) the time and place of the hearing; (b) the general nature of the proposed community improvement district project; (c) the estimated

costs of the proposed community improvement district project; (d) the proposed method of financing the costs of the community improvement district project; (e) the proposed amount of the community improvement district sales tax; and (f) the map or boundary description of the proposed District, was published once each week for two (2) consecutive weeks in the *The High Plains Daily Leader and Times*, the official City newspaper, on October 18, 2016 and October 25, 2016; and

**WHEREAS**, a copy of the Resolution was mailed (by certified mail) to all property owners within the proposed District on October 3, 2016, which was not less than ten (10) days prior to the date set for the public hearing, and

**WHEREAS**, on November 8, 2016, the Governing Body held a 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 Developer has presented to the Governing Body a proposed Development Agreement (the "Development Agreement") relating to the District that establishes the duties and responsibilities of the Developer and the City with respect to the District; and

**WHEREAS**, the Governing Body hereby finds and determines it to be advisable to create the Hotel/Conference Center Community Improvement District, establish the boundaries thereof, authorize the community improvement district project relating thereto, approve the estimated costs of such community improvement district project and approve the CID Sales Tax, all in accordance with the provisions of the Act; and

**WHEREAS**, Governing Body hereby further finds and determines it to be advisable to enter into the Development Agreement;

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

**Section 1. Creation of District; Boundaries.** Based on the Petition and the information provided at the Public Hearing, the Governing Body hereby creates the District within the City, which shall be designated as the Holiday Inn Express Community Improvement District. The District shall contain within its boundaries the real property legally described on *Exhibit A* hereto. 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 costs incurred in connection with the acquisition, construction, equipping and operating of a hotel to be located at 445 Pancake Boulevard in the City (the "Project"). The total estimated cost of the proposed Project is \$7,317,735, plus the City's administrative costs (collectively, the "Project Costs"), all of which may be reimbursed from proceeds of the CID Sales Tax.

**Section 3. Method of Financing; Levy of Sales Tax.** In order to provide funds to finance the 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 2.0% 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 Project Costs. The Project will be privately financed. The Project Costs will be financed on a pay-as-you-go-basis, i.e., the Project Costs will be paid for by the Developer without the issuance of notes or bonds of the City other than bonds issued pursuant to K.S.A. 12-1740 *et seq.* The District fund is hereby established for the District in accordance with the provisions of the Act.

The Developer will be reimbursed for the Project Costs as moneys are deposited in the District fund through funds derived by the City from the collection of the CID Sales Tax.

The collection of the Sales Tax shall commence on the earliest day permitted by the Act following completion of the Project, and shall expire 22 years from such commencement date. The Sales Tax shall be administered, collected and subject to the provisions of K.S.A. 12-187 *et seq.* The City Clerk, upon adoption of this Ordinance, shall provide a certified copy of the same to the State Director of Taxation pursuant to K.S.A. 12-189.

**Section 4. Approval of Development Agreement.** The Development Agreement is hereby approved. The Mayor and City Clerk are hereby authorized to execute the Development Agreement in the substantially the form presented to the Governing Body this date, with such changes as may be approved by the City Attorney.

**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.

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**PASSED** by the Governing Body of the City of Liberal, Kansas on November 8, 2016 and **SIGNED** by the Mayor.

(SEAL)

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Mayor

ATTEST:

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City Clerk

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**CERTIFICATE**

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on November 8, 2016; that the record of the final vote on its passage is found at City Hall; and that it was published in the *The High Plains Daily Leader and Times* on November \_\_, 2016.

DATED: \_\_\_\_\_, 2016.

\_\_\_\_\_  
City Clerk

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***EXHIBIT A***  
**Legal Description**

Lots 1 through 5, inclusive, Block 9 of Eastboro Addition to the City of Liberal, Seward County, Kansas

Such property to be replatted as:

Lot 1, Block 1 of the Hotel Addition to the City of Liberal, Seward County, Kansas.

**EXHIBIT B**  
**Map of District**

