

PUBLISHED IN THE WICHITA EAGLE ON SEPTEMBER 11, 2015

Ordinance No. 50-072

AN ORDINANCE OF THE CITY OF WICHITA ESTABLISHING THE KELLOGG AND RIDGE COMMUNITY IMPROVEMENT DISTRICT; AUTHORIZING THE MAKING OF CERTAIN PROJECT IMPROVEMENTS RELATING THERETO; APPROVING THE ESTIMATED COSTS OF SUCH PROJECT IMPROVEMENTS; LEVYING A 2.00% CID SALES TAX AND PROVIDING FOR THE METHOD OF FINANCING THE SAME.

WHEREAS, the provisions of K.S.A. 12-6a26, as amended, (the "CID Act") set forth the procedure for the establishment of a Community Improvement District ("CID"); and

WHEREAS, a petition (the "Petition") was filed with the City Clerk of the City proposing the creation of a community improvement district pursuant to the Act (the "Kellogg and Ridge CID"), the completion of a project relating thereto as more particularly described on **Exhibit A** attached hereto (the "CID Project"), and the imposition of a CID Sales Tax in order to pay the costs of the CID Project; and

WHEREAS, the Petition was signed by the owners of all of the land area within the proposed Kellogg and Ridge CID; and

WHEREAS, the CID Act provides that prior to creating any CID, the Governing Body shall, by resolution, direct and order a public hearing on the advisability of creation of such CID and the construction and expenditure of costs of community improvement district projects relating thereto, and give notice of the hearing by publication once each week for two consecutive weeks in the official City newspaper, the second publication to be at least seven days prior to the hearing, and by the mailing of notice to the owners of property within the proposed CID; and

WHEREAS, the Governing Body of the City adopted Resolution No. R-15-242 (the "Resolution") on August 11, 2015, directing that a public hearing on the proposed Kellogg and Ridge CID be held September 1, 2015, and requiring that the City Clerk provide for notice of such public hearing as set forth in the Act; and

WHEREAS; the Resolution was published once each week for two consecutive weeks in the newspaper and notice of the hearing was given to all property owners within the proposed CID as required by the CID Act; and

WHEREAS, the CID Act further authorizes the City, in order to pay the costs of such projects, to impose a community improvement district sales tax on the selling of tangible personal property at retail or rendering or furnishing of taxable services within a CID in any increment of .10% or .25% not to exceed 2.0% and to reimburse the costs of community improvement district projects from community improvement district sales tax; and

WHEREAS, on September 1, 2015, the Governing Body of the City conducted a public hearing on the proposed "Kellogg and Ridge CID", the proposed community improvement district projects related thereto, the method of financing the same and the imposition of a community improvement district sales tax; and

WHEREAS, the Governing Body of the City hereby finds and determines it to be advisable to create the Kellogg and Ridge CID and set forth the boundaries thereof, authorize CID Project relating thereto, approve the maximum costs of such community improvement district projects, approve the method of financing the same and impose the community improvement district sales tax, all in accordance with the provisions of the CID Act;

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

Section 1. Creation of the Kellogg and Ridge CID District. The Governing Body hereby finds and determines that the Petition is sufficient and that all notices required to be given under the CID Act were given in accordance with the CID Act. The Governing Body hereby finds and determines it is advisable to create the Kellogg and Ridge CID within the City and approve the boundaries thereof, and, as such, hereby creates Kellogg and Ridge CID and approves the boundaries thereof. A legal description of the property within the Kellogg and Ridge CID is set forth in **Exhibit B** attached hereto and incorporated by reference. A map generally outlining the boundaries of the Kellogg and Ridge CID is attached hereto as **Exhibit C** and incorporated herein by reference.

Section 2. Authorization of CID Project. The Governing Body hereby finds and determines that it is advisable to authorize the CID Project described on the attached **Exhibit A**, incorporated herein by reference, (the “CID Project”) within the Kellogg and Ridge CID and as such authorizes the CID Project. Land acquisition and capital costs incurred earlier than one year prior to City Council action initiating the establishment of the Kellogg and Ridge CID are not eligible expenses per the City of Wichita CID Policy and Development Agreement adopted in relation to the CID Project.

Section 3. Maximum Cost. The maximum cost of the CID Project to be funded by the Kellogg and Ridge CID, exclusive of administrative fees and costs to be paid to the State of Kansas and to the City plus the cost of interest on borrowed money, is \$8,847,000.

Section 4. Method of Financing. The CID Project will be financed on a pay-as-you-go basis from revenues received from the imposition of a community improvement district sales tax in the amount of two percent (2%) (the “CID Sales Tax”) on the selling of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas retailers’ sales tax act within the Kellogg and Ridge CID. There will be no special assessments levied pursuant to the CID Act within the boundaries of the Kellogg and Ridge CID. There will be no bonds issued pursuant to the CID Act.

Section 5. Imposition of the Community Improvement District Sales Tax. In order to provide for the payment of costs of the CID Project on a pay-as-you-go basis, the Governing Body hereby imposes the CID Sales Tax within the Kellogg and Ridge CID in an amount of two percent (2%) on the selling of tangible personal property at retail or rendering or furnishing services taxable pursuant to the Kansas retailers’ sales tax act within the Kellogg and Ridge CID, with such CID Sales Tax to commence on July 1, 2018. Such notice shall include submittal by the City of a certified copy of the ordinance to the KDOR following publication of the ordinance. Such CID Sales Tax shall remain in effect for the maximum period provided for in the CID Act, or such period as may be required for payment from CID Sales Tax revenues of the maximum amount of costs approved for CID Project in Section 3, above, whichever is the lesser period.

Section 6. Collection of the Sales Tax. The collection of the CID Sales Tax shall be made in the manner presented in the CID Act

Section 7. Segregation of the Sales Tax Revenues. All revenues derived from the collection of the CID Sales Tax shall be deposited into a special fund of the City to be designated as the Kellogg and Ridge CID Sales Tax Revenue Fund. Such revenues shall be used to pay the costs of the CID Project on a pay-as-you-go basis and related expenses, including administrative fees and reimbursement to be paid to the State of Kansas and to the City.

Section 8. Effective Date. This Ordinance shall take effect from and after its passage by the Governing Body, and its publication once in the official newspaper of the City.

ADOPTED at Wichita, Kansas, this 8th day of September, 2015.

ATTEST:

Karen Sublett, City Clerk

Jeff Longwell, Mayor

Approved as to Form:

Jennifer Magaña, City Attorney and Director of Law

EXHIBIT A

CID PROJECT

General Nature: That the general nature of the proposed community improvement district (“CID”) project, the Kellogg and Ridge CID (“**Project**”), is to finance the construction, maintenance, and procurement of certain improvements, costs, and services within the district, including, but not limited to: demolition of existing structures, infrastructure related items, streets, sidewalks, parking lots and facilities, buildings, facilities, water management and drainage related items, landscaping, lighting, art, water features and other cultural amenities, ongoing maintenance of the district, marketing, advertisement and economic development, cleaning and maintenance, special assessments for certain improvements, and the City’s and the developer’s financing costs (if any) as well as the City’s and the developer’s administrative and operating costs in establishing and maintaining the District and any other items permitted to be financed within the district under the Act, but limited by the City of Wichita CID Policy and Community Improvement District Development Agreement for Kellogg and Ridge.

EXHIBIT B

LEGAL DESCRIPTION

Lot 8 Block B Ridge Plaza 8 Addition to Wichita, Sedgwick County, Kansas

EXHIBIT C

