

OSAWATOMIE CITY COUNCIL

AGENDA

April 13, 2017

6:30 p.m., Memorial Hall

1. Call to order
2. Roll Call
3. Pledge of Allegiance
4. Invocation
5. Consent Agenda
 - Consent Agenda items will be acted upon by one motion unless a Council member requests an item be removed for discussion and separate action.*
 - A. March 9 Agenda
 - B. Council Minutes for March 9 and March 23, 2017
 - C. Appropriations Ordinance 2017-03
6. Comments from the Public
 - Citizen participation will be limited to 5 minutes. Stand & be recognized by the Mayor.*
7. Presentations & Proclamations
 - A. Swearing in of Officer Mann and Reserve Officer McCrea
 - B. Proclamation – Arbor Day 2017
8. Public Hearings
9. Unfinished Business
 - A. Closeout of CDBG Projects
10. New Business
 - A. Ordinance – Code of Procedure
 - B. Public Defender Contract
 - C. Discussion of Economic Development Policy Drafts
 - D. Hawkins Grant Application Discussion
11. Council Report
12. Mayor's Report
13. City Manager & Staff Reports
14. Executive Session –
15. Other Discussion/Motions
16. Adjourn

NEXT REGULAR MEETING –April 27, 2017

Osawatomie, Kansas. **March 9, 2017.** The Council Meeting was held in Memorial Hall. Mayor Govea called the meeting to order at 6:30 p.m. Council members present were Dickinson, Hunter, Hampson, LaDuex, Macek and Wright. Absent were Maichel and Walmann. Also present was City Manager Don Cawby and City Attorney Dick Wetzler. Members of the public were: Garret Nordstrom, Brooks Damron, Ben Wendt and Charity Keitel with Miami County Replublic.

INVOCATION. Brooks Damron, Spring Grove Friends Church

CONSENT AGENDA. Approval of March 9th Agenda, February 9th and February 23rd Council Minutes, Pay Application No. 3 (Final) – CDBG Sports Complex – McConnell, Lien Release – CDBG Sports Complex – McConnell and KDHE Tri-Annual Water System Assessment. **Motion** made by Hunter, seconded by Hampson to Approve the Consent Agenda as presented. Yeas: All.

COMMENTS FROM THE PUBLIC.

Brooks Damron gave an update of the Spring Grove Friends Church and spoke of the Old Stone Church Service.

Ben Wendt, 605 Hickory Court, spoke to the council of his thoughts on the city purchasing the property south of his home.

PRESENTATIONS.

PROCLAMATION – MEALS ON WHEELS MONTH. Councilwoman LaDuex read the Meals on Wheels Proclamation. **Motion** made by Hunter, seconded by Dickinson to Approve the Proclamation – Meals on Wheels Month. Yeas: All.

PUBLIC HEARINGS.

CDBG CLOSEOUT HEARING – STREETS. Opened at 6:47 p.m. and closed at 6:48 p.m. No comments from the public.

CDBG CLOSEOUT HEARING – SIDEWALKS & SPORTS COMPLEX. Opened at 6:48 p.m. and closed at 6:50 p.m. No comments from the public.

UNFINISHED BUSINESS.

DEED OF DEDICATION. City Manager, Don Cawby, advised the council that as part of the agreement with Tri-Ko and the vacant property there would need to be a Deed of Dedication. **Motion** made by Hampson, seconded by Hunter the Approve the Deed of Dedication. Yeas: All.

NEW BUSINESS.

APPOINTMENT TO KMEA DIRECTOR POSITION. Each KMEA member city is required to have two directors to serve on its board plus one alternate director. Director #1 position is needed for re-appointment. **Motion** made by LaDuex, seconded by Hunter to Appoint City Manager Don Cawby to Director #1 for the KMEA Director Board. Yeas: All

GROCERY STORE STATUS AND STRATEGIES. City Manager, Don Cawby, reviewed a memo he prepared updating the Council on the current status of the grocery store after Ron's County Market closed abruptly on February 24. The Council was told that no bankruptcy had yet been filed, but the utility bill was paid in full. He also reported that electric usage at the store had been reduced during Ron's operation, about 20%, which was attributable to the new equipment. The Council also heard a review of sales tax collections during the store's operation and reported that taxable sales from the store from August through December showed around an 11% increase over the previous year.

The City Manager also outlined possible options and incentives for bringing an operable grocery store to the community. Some specific options reviewed were:

1. City purchase and hold equipment (with assistance of the bank) for new owner with the City providing a partial forgivable loan for 5 years.
2. Assist in downsizing of store and rent and/or sell space for secondary business.
3. City purchase current Dollar General Store (soon to be vacant) to provide forgivable loan for a smaller grocery store operator.
4. City build a new store and act as a landlord for a new owner.

However, the City Manager recommended that current efforts for the near future should focus on working with the bank and building owner to find a new owner for the existing store.

COUNCIL REPORTS.

Ted Hunter mentioned that the Soldiers Monument was looking shabby again and the fence needed to be fixed. He also wanted to make sure the soldiers monument won't be effected by the upcoming construction on Main Street.

Lawrence Dickinson mentioned that the new flag pole at the police department looks good.

Nick Hampson was happy to see the new flag pole and thought it looked very good.

MAYOR'S REPORT.

The Mayor mentioned that he attended the KC Homebuilders Show where he staffed the Miami County booth for Miami County Economic Development. He noted the incentives

provided by other cities and the information available about our county being attractive to show attendees.

CITY MANAGER'S REPORT.

CDBG PROJECTS. There will be an Open House on Wednesday, March 15 at Memorial Hall, from 5:00 to 6:30, to provide an opportunity for public feedback on the Main Street Phase 2 project.

KHRC SITE VISIT. There will be a site visit next week for the LIHTC application of senior housing on the "Ten Acres" site.

NEW STORES. Construction is on schedule for both the Dollar General and Casey's General Store buildings. City is in discussions with Casey's about replacing the approach on O'Neal from Main Street and how they might participate in the replacement. Both parties would like the work done before the store opens.

PRIDE COMMITTEE. Staff was notified by Sarah Dorsett and Tammy Booe that they would no longer be heading the PRIDE committee. Staff is seeking someone to take the lead on their planting and tree projects so we can keep our Tree City USA designation.

FIRE BOARD. County Commissioner Rob Roberts made a request of the County Commission to look at abolishing the Fire Board and replacing it with the County Commission. The proposal would create a system where money for rural fire is distributed to the city fire departments through a formula or agreement to provide fire coverage for their assigned fire districts. City staff is general supportive of the proposal.

PROPERTY & LIABILITY INSURANCE. Staff will be bidding out property & liability insurance again this year. This decision was prompted by the City's continuing low losses and a possibility of getting at least 3 bidders to create some competitive bids.

EXECUTIVE SESSION. None

OTHER DISCUSSION/MOTIONS.

Motion made by Hunter, seconded by LaDuex to adjourn. Yeas: All. Mayor declared the meeting adjourned at 8:26 p.m.

/s/ Ashley Kobe

Ashley Kobe, Deputy City Clerk

Osawatomie, Kansas. **March 23, 2017.** The Council Meeting was held in Memorial Hall. Council President Ted Hunter called the meeting to order at 6:30 p.m. Council members present were Dickinson, Hunter, LaDuex, Macek, Maichel, Walmann and Wright. Absent was Hampson. Also present was Mayor Mark Govea (6:59 p.m.), City Manager Don Cawby and City Attorney Dick Wetzler. Members of the public were: Building Official Ted Bartlett, Pat Huss, Pastor Debra Huss, Derek Gould, Doug Jenkins, Jim Cummins, Lelan Dains, Jennifer McDaniel and Charity Keitel with Miami County Republic.

INVOCATION. Debra Huss, Let There Be Light Fellowship

CONSENT AGENDA. Approval of March 23rd Agenda, Appropriation Ordinance 2017-02 and Special Event Application – Alumni Street Dance. **Motion** made by LaDuex, seconded by Walmann to Approve the Consent Agenda as presented with the exception of Item 5.C. Yeas: All. Councilman Macek asked if the clean up after the alumni dance would be the city’s responsibility or the alumni association. City Manager Cawby explained that it was the alumni association and have had no issues the last couple of years. **Motion** made by Macek, seconded by LaDuex to Approve the Special Event Application – Alumni Street Dance. Yeas: All.

COMMENTS FROM THE PUBLIC.

Pastor Debra Huss invited everyone to a conference on April 8th with emotional healing being the topic. She also gave the council updates on their events, such as they had 27 kids attend their skate party.

PRESENTATIONS.

DIRTY KANZA PROMOTIONS – FLINT HILLS TRAIL RIDE/RUN. Jim Cummins and Lelan Dains presented the Flint Hills Trail Ride/Run to the council with discussion of their ideas. No action taken.

PROCLAMATION – FAIR HOUSING MONTH. LaDuex did a formal reading of the proclamation. **Motion** made by Hunter, seconded by Maichel to Approve the Fair Housing Month Proclamation. Yeas: All.

PUBLIC HEARINGS. None.

UNFINISHED BUSINESS.

CONDEMNATION 917 PACIFIC – PROGRESS REVIEW. City Manager Cawby explained that in November 2016 the Council gave them an extension until March 1, 2017. Building Official Bartlett gave an update on the property, stating that after the extension was granted there was a lot of work being done and then it stopped. He did do a roof inspection on March 23rd (today). **Motion** made by Hunter, seconded by LaDuex to Allow an Extension until August 6, 2017 for Completion of 917 Pacific. Yeas: All.

CONDEMNATION 1635 MAIN – PROGRESS REVIEW. City Manager Cawby explained that in July 2016 the Council gave them an extension for 180 days, which was around February 1, 2017. Building Official Bartlett advised the Council that since the last time this address was discussed, there has been a new owner take possession of the property, Doug Jenkins. Bartlett mentioned that Jenkins is planning on finishing another property before he begins on this property. **Motion** made by LaDuex, seconded by Hunter to Allow an Extension on 1635 Main until December 1, 2017. Yeas: All.

****Bartlett gave the council an update on Dollar General and Casey's.****

ORDINANCE – KNOX BOXES. This ordinance was presented in 2015 and passed by Council, but did not get published afterwards. Therefore, we will need to pass the ordinance again. **Motion** made by Hunter, seconded by Maichel to Approve Ordinance 3746 for Knox Boxes. Yeas: All.

NEW BUSINESS.

LIBRARY BOARD APPOINTMENT – CONNIE HEBERT. **Motion** made by LaDuex, seconded by Walmann to Appoint Connie Hebert to the Library Board. Yeas: All

PUBLIC SAFETY COMMITTEE (2ND WARD POSITION) – EDDIE HEBERT. **Motion** mde by Hunter, seconded by Dickinson. Yeas: All.

PROPERTY & LIABILITY INSURANCE – 2017 RENEWAL. City Manager Cawby started off by explaining that MPR came in at \$125,000 and EMC Insurance (currently with) came in at \$158,000 with the insurance bid. Melanie Matt with MPR spoke to the Council about MPR and how their company works. **Motion** made by Maichel, seconded by Hunter to Approve MPR for the City's Property & Liability Insurance. Yeas: All. **Motion** made by Maichel, seconded by Dickinson to Approve Resolution 737 as Presented. Yeas: All.

COUNCIL REPORTS.

Ted Hunter wanted to applaud the City for how they handled the boil order that we had.

MAYOR'S REPORT.

The Miami County GOP Group asked him what was going on with Osawatomie, he felt good about his report.

CITY MANAGER'S REPORT.

Provided the Council with a copy of a thank you letter that Chief Ellis sent the City of Paola for informing us of equipment that we purchased.

There was the open house on March 15th for the public regarding the Phase II of the Main Street Project. He provided them with a handout of a summary of questions that were asked at

the meeting. Also, at a future meeting there will be discussion of the 3-way stop at 12th and Main Street.

Electric project update, we will be having a short power outage this Saturday at 3 a.m., while we switch over generators.

Met with City Managers on the Retail Report and Data Collection Activity that we have been doing.

Facebook group is planning on doing a lake clean-up day, we will help with dumpsters.

Rumor going around that we have raised the age of tobacco.

We will be getting an accounting intern for the office this summer.

President's budget came out; some programs were cut, including some that we have used.

Arbor Day is coming up, if anyone would like to volunteer for leading that.

EXECUTIVE SESSION. None

OTHER DISCUSSION/MOTIONS.

Motion made by Hunter, seconded by Maichel to adjourn. Yeas: All. Mayor declared the meeting adjourned at 8:23 p.m.

/s/ Ashley Kobe

Ashley Kobe, Deputy City Clerk

RECORD OF ORDINANCES
ORDINANCE NO. 2017-03

AN ORDINANCE MAKING APPROPRIATION FOR THE PAYMENT OF CERTAIN CLAIMS.

Be it ordained by the Governing Body of the City of Osawatomie, Kansas

Section 1. That in order to pay the claims hereinafter stated which have been properly audited and approved, there is hereby appropriated out of the respective funds in the city treasury the sum required for each claim.

Claimant	Nature of Claim or Service	Claim Number	Amount
KMEA	SPA ELECTRICITY	1857	2,930.59
KMEA	WAPA ELECTRICITY	1858	7,231.37
KMEA	GRDA ELECTRICITY	1859	80,032.98
CITY OF OSAWATOMIE	PETTY CASH REIMBURSEMENT	1860	11,984.27
KMEA	EMP ELECTRICITY	1861	32,856.92
KANSAS DEPT OF REVENUE	COMPENSTING USE TAX	1862	1,123.60
KANSAS DEPT OF REVENUE	SALES TAX	1863	535.63
KANSAS DEPT OF REVENUE	SALES TAX	1864	11,478.29
UNITED HEALTHCARE	HEALTH INSURANCE	1865	42,107.68
BECKMAN MOTORS, INC.	2017 CHEVY SILVERADO	49198	31,694.00
ROMANS OUTDOOR POWER	KUBOTA ZERO TURN MOWER	49199	12,775.00
MIDWEST COLLISION II	REPAIR 2012 IMPALA	49200	2,870.46
KANSAS CITY WILBERT	LATE FEE	49201	1,472.68
WAL-MART COMMUNITY BRC	BUNS, CHICKEN BREAST, ROTEL	49202	182.79
Void		49203	0.00
MIDWEST DISTRIBUTORS	MILLER	49204	134.75
CL FABRICATION, INC.	XR RIPPER	49205	1,490.00
AMERICAN SAFETY UTILITY COR	SCORING BLADE	49206	158.18
ANIXTER, INC.	CONNECTOR COMP TAP	49207	19.95
APPLIED MAINTENANCE SUPPLIES	PAINT, SPRAY TRIGGER HANDLE	49208	720.73
AT&T	RTU'S	49209	222.67
BAKER & TAYLOR	BOOKS	49210	318.76
BREWER'S AUTOMOTIVE REPAIR INC	REWired PRESSURE SENSOR	49211	325.00
C & G MERCHANTS SUPPLY	PAPER PRODUCTS	49212	80.19
CHAMPION BRANDS, LLC	CONTAINER REFUND	49213	496.59
CINTAS FIRE PROTECTION	FIRE EXTINGUISHER MAINTENANCE	49214	547.82
CITY ELECTRICAL SUPPLY COMPANY	MULTI TAP CONN, GROUND CLAMP	49215	858.52
CITY OF OSAWATOMIE	UTILITIES	49216	14,596.33
COLEMAN EQUIPMENT INC.	HANDLE, SPACER, WASHER, ROD	49217	433.98
DEFFENBAUGH INDUSTRIES	SLUDGE HAUL OFF	49218	527.62
DELTA DENTAL OF KANSAS, INC.	DENTAL INSURANCE	49219	3,211.90
DISH NETWORK	SERVICE	49220	109.02
DONNA & VIOLA'S SHIRTS & ETC.	SHIRTS	49221	217.02
DOUGLAS PUMP SERVICE, INC.	GLAND BOLTS	49222	232.29
ELLIOTT INSURANCE INC.	ADD SILVERADO & EXPIDITION	49223	215.00
EMG, INC.	ENERGY CONSULTING	49224	2,950.95
EVCO WHOLESALE FOOD CORP.	CUPS, LIDS, HOT DOGS, HAMBURGE	49225	292.30
EXTREME COLLISION & CUSTOM	STEP BARS	49226	744.48
FELD FIRE	STERN MOUNT	49227	75.00
GEARZONE PRODUCTS	DUTY HOLSTER	49228	125.60
GOOD GUYS PLUMBING, INC.	INSTALL TWO SUMP PUMPS	49229	504.50
HARDING LAW FIRM, LLC	ATTORNEY FEES	49230	50.00
HAWKINS, INC.	CARBON, AZONE	49231	5,928.33
HD SUPPLY WATERWORKS, LTD	ELECTROMAGNETIC FLOWMETER	49232	8,086.83
INDUSTRIAL SALES COMPANY, INC.	PIPE SOILTITE	49233	852.16
DEAN INSCORE	INSTALL 100 AMP SERIVCE PANEL	49234	765.00
JACKSON PURCHASE 2 WAY RADIO I	DISPATCH CONSOLE	49235	7,500.00
JIVE COMMUNICATIONS, INC.	SERVICE	49236	914.85
KANSAS DEPT OF AGRICULTURE	RESTAURANT LICENSE	49237	225.00
KANSAS DEPT OF COMMERCE	JTC OIL LEASE - MAR 2017	49238	1,000.00
KANSAS DEPT OF HEALTH & ENVIRO	PRINCIPAL, INTEREST & SERVICE	49239	20,000.00

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Claimant	Nature of Claim or Service	Claim Number	Amount
KANSAS ONE CALL SYSTEM, INC	LOCATES	49240	59.00
KC BOBCAT	BOLT, NUT	49241	77.92
KEY EQUIPMENT & SUPPLY CO.	ADJUST CONVEYOR BELT	49242	166.82
KINCAID READY MIX	CONCRETE	49243	415.50
KNAPHEIDE TRUCK EQUIP. CO	DIVIDER	49244	115.00
L & B ELECTRONICS	STORM SIREN REPAIR	49245	850.00
LANG CHEVROLET BUICK GMC, INC.	PANEL	49246	330.01
LEAGUE OF KS MUNICIPALITIES	CITY CLERK FUNDAMENTALS	49247	177.50
MARC	MEMBERSHIP DUES	49248	1,116.00
MARTIN, PRINGLE, OLIVER,	CITY PROSECUTOR	49249	6,302.08
MIAMI COUNTY SHERIFF'S DEPT	PRISONER CARE	49250	960.00
MIAMI LUMBER INC.	BRUSH, ENAMEL, GLUE, THINNER	49251	67.70
MIDWEST TURF, INC.	SOIL TEST REPORT	49252	135.00
NEKLS	THERMAL RECEIPT PRINTER ROLLS	49253	933.55
NICHOLSON, DASENBROCK &	ATTORNEY FEES	49254	1,492.50
NPG NEWSPAPERS, INC.	TREASURERS QUARTERLY REPORT	49255	318.80
O'REILLY AUTO PARTS	FLARES	49256	49.00
OLATHE WINSUPPLY CO.	WIRE	49257	805.07
OLATHE WINWATER WORKS	SADDLE, LID, RING	49258	4,158.90
PACE ANALYTICAL SERVICES, INC.	ANALYTICAL CHARGES	49259	38.00
PAOLA DO IT BEST HARDWARE	PAPER PRODUTS	49260	29.96
PAT'S SIGNS	FEE SIGN	49261	148.50
PRAXAIR DISTRIBUTION, INC.	ACETYLENE, CUT TIP	49262	356.05
QUILL CORPORATION	ENVELOPES, TAPE	49263	260.51
R & J TRUCKING	GRAVEL HAULING	49264	1,976.10
R & R PRODUCTS, INC	BEARING, SEAL, FILTER, SPARK P	49265	377.63
RAINBOW BOOK COMPANY	BOOKS	49266	996.85
REJIS COMMISSION	LEWEB SUBSCRIPTION	49267	34.07
RICOH AMERICAS CORP.	COPIER LEASE	49268	311.30
RICOH AMERICAS CORP.	COPIER LEASE	49269	280.78
RURAL WATER DIST. #1	SERVICE	49270	134.84
SITE ONE LANDSCAPE SUPPLY	LESCO FOAM MARKER	49271	403.11
SOURCE, INCORPORATED OF MO	DROP BOX CAMERA	49272	841.55
SPRAYER SPECIALTIES, INC.	STRAINER	49273	65.24
SUDDENLINK COMMUNICATIONS	INTERNET	49274	309.85
TFMCOM, INC	INSTALL SWITCH TIMER	49275	5,840.00
TOMO DRUG TESTING	DRUG TESTING	49276	149.00
TOTAL ELECTRIC CONTRACTORS, IN	TRAFFIC SIGNAL REPAIR	49277	1,489.93
TURFWERKS	PRS SEL CRT	49278	1,271.56
ULINE, INC.	BLUE SHELF BIN	49279	129.03
UNIVERSITY OF KANSAS	LODGING & MEALS	49280	135.00
USA BLUE BOOK	LIFTING PUSH BEAM TROLLEY	49281	1,292.95
USD 367 SPORT & FITNESS ZONE	MEMBERSHIP	49282	40.00
VAN KEPPEL COMPANY	FILLER CAP, FILLER NECK	49283	338.89
VAN WALL EQUIPMENT	FILTER, RELAY, KNIFE, SPRING	49284	538.31
VERIZON WIRELESS	INTERNET	49285	80.02
VISA	FLAGPOLE, LODGING, POSTAGE	49286	1,817.18
VISA	COSTUME GLOVES, HATS	49287	74.53
VISA	SUMP PUMPS, PRY BAR, BREATHALY	49288	744.54
VISA	MEALS, CLEANING SUPPLIES	49289	248.96
WADE QUARRIES	GRAVEL	49290	1,762.89
WEX BANK	FUEL	49291	3,360.16
WINKLER, DOMONEY & SCHULTZ	MUNICIPAL COURT JUDGE	49292	2,060.00
WYCOFF'S LOCKSMITHING	THUMB TURN LOCK	49293	80.30
ZEP SALES & SERVICE	WATER WAND	49294	128.75

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Claimant	Nature of Claim or Service	Claim Number	Amount
CRAWFORD SALES COMPANY	BUDWEISER	49295	284.15
MIDWEST DISTRIBUTORS	MILLER	49296	219.35
KANSAS DEPT OF HEALTH & ENVIRO	AIR QUALITY PERMIT	49297	50.00
L & K SERVICES, INC.	REFUSE	49298	33,345.80
AERIAL FX, INC.	FIREWORKS	49299	5,008.11
AMATEUR SPORTS PROMOTION	2017-18 SPORTS CALENDAR	49300	179.00
ANIXTER, INC.	WIRE	49301	4,612.20
BAKER & TAYLOR	BOOKS	49302	560.99
CENTURYLINK	LONG DISTANCE	49303	44.27
CENTURYLINK	SERVICES	49304	756.19
CENTURYLINK	RTU'S	49305	236.56
CITY OF OSAGE CITY	BBQ BOOKLET AD	49306	65.00
CROFT TRAILER SUPPLY, INC.	COUPLER, HEX NUT, BOLT, PIN	49307	117.82
CTK ENTERTAINMENT, LLC	PERFORMANCE DEPOSIT-JAMBOREE	49308	750.00
DEFFENBAUGH INDUSTRIES	SLUDGE HAUL OFF	49309	1,562.85
DONNA & VIOLA'S SHIRTS & ETC.	SHIRTS	49310	88.00
ELLIOTT INSURANCE INC.	ADD CHEVY SILVERADO	49311	59.00
EPOCH EYEWEAR	SUNGLASSES	49312	27.00
EVCO WHOLESALE FOOD CORP.	GATORADE, COFFEE, HOT DOGS	49313	352.85
EXTREME COLLISION & CUSTOM	STEP BARS	49314	1,269.90
FAMILY CENTER FARM & HOME	BATTERY, TESTER	49315	1,953.08
GALLAGHER BENEFIT SERVICES INC	ADMINISTRATION FEE	49316	457.00
GEARZONE PRODUCTS	DUTY HOLSTER	49317	125.60
W.W. GRAINGER INC	BLOWER MOTOR	49318	550.00
HALL'S BOBCAT SERVICE	GRAVEL	49319	36.00
HAWKINS, INC.	CARBON	49320	3,960.69
HD SUPPLY WATERWORKS, LTD	METER TILE, METER COVER	49321	559.86
HOME DEPOT CREDIT SERVICES	SITE BOX, LINER, SCREWDRIVER	49322	348.91
JOHN DEERE FINANCIAL	OIL FILTER, AIR FILTER, DRAWBA	49323	545.74
KANSAS CITY POWER & LIGHT CO.	SERVICE	49324	1,125.78
KANSAS DEPT OF HEALTH & ENVIRO	STORMWATER RUNOFF PERMIT	49325	60.00
KANSAS GAS SERVICE	SERVICE	49326	3,706.91
KC BOBCAT	PALLET FRAME & FORKS	49327	850.00
KC GOLF CART COMPANY LLC	DRIVE BELT, STARTER BELT, CARB	49328	831.00
KEY EQUIPMENT & SUPPLY CO.	TENSION SPRING	49329	25.40
KINCAID READY MIX	CONCRETE	49330	474.50
KRIZ-DAVIS COMPANY	ELECTRIC COVER	49331	3,194.76
LANG CHEVROLET BUICK GMC, INC.	CLIP	49332	8.50
TERRY LONG	SERVICE ON DOOR	49333	105.00
LYBARGER OIL, INC.	CLEAR DIESEL	49334	1,595.38
DAN MACEK	COBRA FIRING SYSTEM	49335	1,291.67
JENNIFER MCDANIEL	COMMUNICATION SERVICES	49336	1,200.00
MIAMI COUNTY TREASURER	TAGS	49337	104.50
MIAMI LUMBER INC.	SOFFIT, DECK SCREW	49338	506.77
MIDWEST SYSTEMS, INC.	LUGS FOR BREAKER	49339	106.84
NAPA AUTO PARTS	GAUGE REPLACEMENT	49340	663.98
NEKLS	SHARED AUTOMATION	49341	1,500.00
NIPS, LLC	ROLLS JOINT MASTIC	49342	60.00
OIL PATCH PUMP & SUPPLY, INC.	NIPPLE	49343	31.63
OLATHE WINWATER WORKS	LID	49344	105.00
PAGE ANALYTICAL SERVICES, INC.	ANALYTICAL CHARGES	49345	1,071.00
PAOLA DO IT BEST HARDWARE	HOSE	49346	12.35
PB ELECTRONICS, INC.	RADAR	49347	1,415.00
PEPSI	POP	49348	269.84
PITNEY BOWES INC.	POSTAGE METER LEASE	49349	199.00
POLICEONE.COM	TASER CERTIFICATION	49350	435.00
PRESTIGE FLAG	FLAGS	49351	628.87
PRO-VISION	MOUNTING CLIP	49352	765.00
PROFESSIONAL TURF PRODUCTS, LP	FRAME, SEAL KIT	49353	258.01

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QUILL CORPORATION	TONER	49354	287.98
R & J TRUCKING	GRAVEL HAULING	49355	663.30
R&L FIRE & SECURITY SPECIALIST	REPLACED TRANSMITTER AND CONTA	49356	723.82
REJIS COMMISSION	LEWEB SUBSCRIPTION	49357	34.07
RICOH AMERICAS CORP.	COPIES	49358	348.86
ROYAL PUBLISHING, INC.	AD	49359	135.00
SOLARWINDS	MAILBOX FILTERING	49360	95.70
SUDDENLINK COMMUNICATIONS	INTERNET	49361	332.04
SUNFLOWER PEST SOLUTIONS, INC.	ANIMAL REMOVAL	49362	1,000.00
SUPERIOR BOWEN ASPHALT CO. INC	ASPHALT	49363	368.88
SUPERIOR LAMP	FIXTURE, TWIST	49364	391.58
SUPERIOR VISION SERVICES, INC.	VISION INSURANCE	49365	632.78
DEBBIE TALLEY	MEMORIAL HALL JANITORIAL	49366	375.00
TFMCOM, INC	REPAIR RADIO	49367	410.59
UNITED STATES TREASURY	PENALTY	49368	419.94
VIKING INDUSTRIAL SUPPLY	PAPER PRODUCTS	49369	198.00
WAL-MART COMMUNITY BRC	HAM, SOAP, CHICKEN, DVD'S	49370	916.40
WALLIS LUBRICANT, L.L.C.	BAR SCREEN OIL	49371	330.45
WASTE MANAGEMENT	LANDFILL FEES	49372	25.30
WILSON SPORTING GOODS	12 BALL,	49373	1,119.40
Payroll 03/03/17			92,926.06
Fica 03/03/17			6,519.73
Payroll 03/17/17			86,930.43
Fica 03/17/17			6,065.16
Payroll 03/31/17			96,078.33
Fica 03/31/17			6,756.66
KPERS			21,987.07
			767,684.41
		GO	285,559.55
		WTR	59,815.47
		EL	216,364.52
		EM Ben	75,838.23
		Refuse	33,371.10
		IND	1,000.00
		St Imp	3,348.75
		Safety Eq	14,180.00
		Sewer	47,247.66
		Golf	24,483.46
		TRSM	1,801.29
		CIP-Gen	4,107.38
		CIP-ST	60.00
		EL Bond	50.00
		CAF	457.00
			767,684.41

CITY OF OSAWATOMIE



PROCLAMATION ISSUED BY THE MAYOR AND CITY COUNCIL

WHEREAS, in 1872, J. Sterling Morton proposed to the Nebraska Board of Agriculture that a special day be set aside for the planting of trees, and

WHEREAS, this holiday, called Arbor Day, was first observed with the planting of more than a million trees in Nebraska, and

WHEREAS, Arbor Day is now observed throughout the nation and the world, and

WHEREAS, trees can reduce the erosion of our precious topsoil by wind and water, cut heating and cooling costs, moderate the temperature, clean the air, produce life-giving oxygen, and provide habitat for wildlife, and

WHEREAS, trees are a renewable resource giving us paper, wood for our homes, fuel for our fires, and beautify our community, and

WHEREAS, trees in our city increase property values, enhance the economic vitality of business areas, and beautify our community, and

WHEREAS, trees, wherever they are planted, are a source of joy and spiritual renewal, and

NOW, THEREFORE, I, L. Mark Govea, Mayor of the City of Osawatomie, do hereby proclaim

April 28, 2017

 **Arbor Day**

in the City of Osawatomie, and I urge all citizens to celebrate Arbor Day and to support efforts to protect our trees and woodlands, and

FURTHER, I urge all citizens to plant trees to gladden the heart and promote the well-being of this and future generations.

Proclaimed this 13th day of April, 2017.

L. Mark Govea, Mayor
City of Osawatomie

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 13, 2017

AGENDA ITEM: CDBG Grants Closeout

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: At the first meeting in March, we conducted the final public hearing for our CDBG grants for Main Street Phase I and for the Sidewalks and Sports Complex special round. As reported previously both projects were completed, with the City only needing the basketball courts to be repainted to fix issues when the weather gets warmer.

COUNCIL ACTION NEEDED: Review the documents provided for the closeout of the grants.

STAFF RECOMMENDATION TO COUNCIL: Authorize the Mayor to complete the CDBG grants by signing the closeout documents.

GRANT CLOSE-OUT TRANSMITTAL FORM

Grantee's Name and Address: <u>Osawatomie, Kansas</u> <u>P.O. Box 37, 439 Main</u> <u>Osawatomie, Kansas 66064</u>	Grant Agreement No.: <u>15-PF-064</u> Commencement Date: <u>8/1/2015</u> Completion Date: <u>1/31/17</u>
---	--

Please complete this form and items 1 through 6 for all grant types (7 is for applicable grants containing construction), including the Performance Hearing Affidavit to conclude this grant project. If this is a business finance or infrastructure grant, complete 9 through 12 in addition.

1. Grantee's/Contractor's Release Form *
2. Final Independent Auditor's Report
3. Final Quarterly Progress Report (Section 2)
4. Certificate of Completion (2 originals) *
5. Property Management Report
6. Explanation of Refund Check (if applicable)
7. Notice of Completion/Final Inspection – Final Wage Compliance Report *
8. Performance Hearing Affidavit
9. Economic Development Report
10. Copy of Final Payroll and Employee Certification Report (Economic Development Grantee Handbook)
11. Legal Review and Closeout Report
12. Program Income Assignment Agreement (Either Economic Development or Housing)

No costs have been incurred after the Completion Date of the above contract. All necessary documents and procedures have been followed, thereby finalizing the above referenced contract.

<u>Donna Crawford</u>	
Preparer's Name	
<u>Grant Administrator</u>	<u>785-865-6665</u>
Title	Telephone Number
<u>4/4/17</u>	
Date	

*****Civil Rights – Demographics/Beneficiary Report – these pages have been removed*****

GRANTEE'S/CONTRACTOR'S RELEASE FORM

1 Pursuant to the terms on Grant Agreement Number 15-PF-064 and in consideration of
 2 the sum of Three-Hundred Fifty- Thousand Dollars (\$350,000.00) which has been
 3 or is to be paid under the said contract to the City of Osawatomie, Kansas,
 4 grantee upon payment of the said sum by the State of Kansas, Department of Commerce, hereinafter
 5 called the grantor, does remise, release, and discharge the grantor, its officers, agents and employees
 6 of and from all liabilities, obligations, claims, and demands whatsoever under or arising from the
 7 said contract.

8 IN WITNESS WHEREOF, this release has been executed this 4th day of
 9 April, 2017.

10 Signature of Authorized Elected Official: _____

11 Typed Name and Title: L. Mark Govea, Mayor

ATTEST AND SEAL

12 _____
 13 _____

FINAL INDEPENDENT AUDITOR'S REPORT

If the grantee expends **\$750,000** or more from all Federal sources in any fiscal year in which the grant is open, a 2 CFR Part 200 audit is required from the grantee. If you expend or expect to expend this amount in the current fiscal year, please indicate below. If required, a copy of the entire audit report must be submitted to Commerce in the required time period.

- A. 2 CFR Part 200 audit is not required.
- B. Audit is complete and one copy is enclosed.
- C. Audit is in progress or not yet begun.

Auditor's Name: Aldrich & Company CPA

Address: 315 . Main Street

Council Groves, Kansas 66846

Telephone: 620-767-6653

Contact person with firm: Cindy Jensen

Date audit to begin: 4-1-17

How the audit will be paid for: Local

Date audit to be completed: */30/17

CERTIFICATE OF COMPLETION

A. Name of Grant Recipient Osawatomie, Kansas	B. Grant Agreement Number 15-PF-023
---	---

C. Final Statement of Cost

Program Activity Categories	To Be Completed By The Recipient			To Be Completed By CDBG
	Paid Costs (a)	Local Unpaid Costs (b)	Total Costs (c)	Approved Total Costs
1. 1a Cole Sports Complex	\$215,900.00		\$215,900.00	
2. 1b Sidewalks	\$122,357.78		122,357.78	
3. 1e Eng Design	\$21,200.00		\$21,200.00	
4. 1f Construction inspection	\$15,900.00		\$15,900.00	
5. 3a Administration	\$20,000.00		\$20,000.00	
6. 3b Legals	\$512.78		\$512.78	
7.				
8.				
9. Total Program Costs	\$395,870.56		\$395,870.56	
10. Less Other Funds Applied	\$45,870.56		\$45,870.56	
11. CDBG Grant Amount Applied	\$350,000.00		\$350,000.00	

D. Computation of Grant Balance

	To Be Completed By The Recipient	To Be Completed By CDBG
12. Total Amount Applied (Line 11a)	\$350,000.00	
13. Estimated for Unsettled Third-Party Claims		
14. Subtotal (Line 11c)	\$350,000.00	
15. Grant Amount Per Agreement (from contract)	\$350,000.00	
16. Unutilized Grant to be Canceled (Line 15 less Line 14)	0	
17. Grant Funds Received	\$350,000.00	
18. Balance of Grant Payable (Refundable) (Line 14 less Line 17)*		

* If Line 17 exceeds Line 14, enter excess as a negative amount. This amount shall be repaid to the Department by check.

CERTIFICATE OF COMPLETION - PAGE 2

E. Unpaid Costs and Unsettled Third-Party Claims (Local Only)

List amounts and describe circumstances

Check if continued on additional sheet and attach

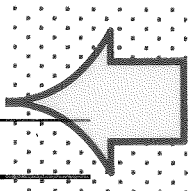
F. Remarks

Check if continued on additional sheet and attach

G. Certification of Recipient

It is hereby certified that all activities undertaken by the recipient with funds provided under the Grant Agreement identified as Item B above have, to the best of my knowledge, been carried out in accordance with the Grant Agreement; that proper provision had been made by the recipient for payment of all unpaid costs and unsettled third-party claims identified in Item E above; that the Department, the State of Kansas, and the United States of America are under no obligation to make any further payment to the recipient under the Grant Agreement in excess of the amount identified on Line 18 above; and that every statement and amount set forth in this instrument is, to the best of my knowledge, true and correct as of this date.

4-4-17		L.Mark Govea, Mayor
Date	Signature of Chief Elected Official	Typed Name and Title



H. Department Approval

This Certificate of Completion is hereby approved. Therefore, I authorize cancellation of the unutilized contract agreement and related funds reservation and obligations _____ (line 16 above).

Date	Signature for CDBG Program	Typed Name

**NOTICE OF COMPLETION/FINAL INSPECTION
AND
FINAL WAGE COMPLIANCE REPORT FORMAT**

To: CDBG Field Representative
Kansas Department of Commerce
CDBG Program
1000 S.W. Jackson St., Suite 100
Topeka, Ks 66612-1354

Date: 4/4/17

Grantee: Osawatomic, Kansas

Grant Number: 15-PF-064

1. Date of Construction Completion: 11/12/16

2. Date of Final Inspection: 11/12/16

FINAL WAGE COMPLIANCE REPORT FORMAT

While you or your representative were reviewing the contractor's weekly payrolls, were any laborers or mechanics paid less than the minimum wage rate plus fringe benefits as specified in the Secretary of Labor's Wage Decision that applied to this project?

NO YES

If yes, provide the following information:

a. Total amount of restitution paid (difference between what was first paid and what was required to be paid): \$ _____

b. Method of restitution:

paid by contractor(s)

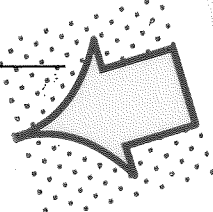
paid by city with funds withheld from payment to contractor(s).

Name of Contractor or Subcontractor	Name of Affected Employees	Amount of Restitution Paid to Employee	Nature of Violation Leading to Restitution

LM
Date

Signature of Chief Elected Official

L Mark Govea, Mayor
Typed Name and Title



REQUEST FOR PAYMENT OF CDBG FUNDS

CFDA 14.228

PART I: REQUEST FOR PAYMENT INFORMATION

GRANTEE - NAME Osawatomie, Kansas

GRANT NO. 15-PF-064

STREET ADDRESS P.O. Box 37, 439 Main

REQUEST NO. 4 Final

CITY, STATE, ZIP Osawatomie, Kansas 66064

ap@osawatomieks.org

Grantee's - E-mail address for notifying about ACH deposit

garrett@sunflower.com

Administrator - E-mail address for notifying about ACH deposit

PART II: STATUS OF CDBG FUNDS

AMOUNT

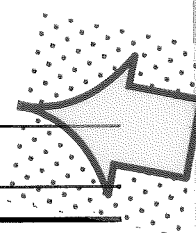
1	PAYMENT DUE & AMOUNT OF THIS REQUEST	<u>2,000.00</u>
2	CDBG GRANT AWARD	<u>350,000.00</u>
3	PROGRAM INCOME AND OTHER RECEIPTS	<u> </u>
4	TOTAL FUNDS (2 + 3)	<u>350,000.00</u>
5	CDBG FUNDS RECEIVED TO DATE	<u>348,000.00</u>
6	TOTAL (1 + 5)	<u>350,000.00</u>
7	REMAINING CDBG FUNDS (4 - 6)	<u> </u>

PART III: CERTIFICATION

I HEREBY CERTIFY THAT THE DATA REPORTED ABOVE IS CORRECT AND THAT THE AMOUNT REQUESTED IS NOT IN EXCESS OF CURRENT NEEDS

DATE 4/4/17 SIGNATURE _____ TITLE _____

DATE 4/4/17 SIGNATURE _____ TITLE _____



PART IV: APPROVAL (FOR KANSAS DEPT. OF COMMERCE USE ONLY)

CDBG APPROVAL:

- 1. CONTRACT TERMINATION DATE: _____
- 2. AUTHORIZED SIGNATURE: _____
- 3. MONITORING RESOLUTION: CURRENT / PAST DUE / NA
- 4. QUARTERLY PROGRESS REPORTS: CURRENT / PAST DUE

FIELD REPRESENTATIVE _____ DATE _____

ECONOMIC DEVELOPMENT SPECIALIST _____ DATE _____

ADMINISTRATIVE/ COMPLIANCE _____ DATE _____

FISCAL _____ DATE _____

Kansas Department of Commerce
Small Cities Community Development Block Grant

QUARTERLY PROGRESS REPORT - PAGE 1
KANSAS DEPARTMENT OF COMMERCE
SMALL CITIES COMMUNITY DEVELOPMENT BLOCK GRANT PROGRAM

Grantee: Osawatomie, KS Report #: 7 Final
 Grant #: 15-PF-064 Quarter Ending: 3/31/17
 Address: 439 Main Osawatomie, KS 66064 Contract Award End Date: 1/31/2017
 Company Name (ED Projects): _____ Date Prepared: 4/4/17
 Current Chief Elected Official: Mark Govea
 Name and telephone number of person who prepared this report: Donna Crawford 785-865-6665
Name Telephone Number

Financial Status:

Total Grant: \$350,000 Total Local Injection \$35,000
 Drawdowns received to date: \$350,000 Local spent to date \$45,870.56
 Drawdowns requested and not yet received: \$ Initial Monitoring Conducted
 Total Grant available \$ Final Monitoring Conducted

Contracts Awarded This Quarter With All Monies: *

Name & Address, DUNS#	Total Contract Amount	Local	CDBG	Activity		Contractor Data				
				No.	Title	Type of Procurement	Section 3	** MBE	** WBE	Davis- Bacon
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
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		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							
		<input type="checkbox"/>	<input type="checkbox"/>							

* Attach additional pages if needed.
 ** Categories are: 1-White, 2-Black/African American, 3-Asian, 4-American Indian/Alaskan Native, 5-Native Hawaiian/Other Pacific Islander, 6-American Indian/Alaskan Native & White, 7-Asian & White, 8-Black/African American & White, 9-American Indian/Alaskan Native & Black/African American, 10-Other Multi Racial, 11-Hispanic, 12-Non-Hispanic

Describe project accomplishments this quarter:
 attended monitorings, publicized performance hearing, held public hearing

Planned activities next quarter:
 submit close-out documents

Technical assistance needs:
 n/a

QUARTERLY PROGRESS REPORT - PAGE 2

You must complete this page if you have a:

1. Community Improvement, Urgent Need or KAN STEP grant and this is your **first** or **final** report
2. Economic Development grant
3. Attach housing log for housing projects

Complete for all circumstances listed above:

		Number of Beneficiaries	Number of LMI Beneficiaries
1.	Target	4160	2875
2.	Total to Date	4160	2875

*		White	BAA	BAA/W	AI/AN	NH/PI	A	A/W	AI/AN/BAA	AI/AN/W	Other
1.	Total Beneficiaries	3838	128	34	42		13	4		44	57
2.	Hispanic Beneficiaries	65									47

*BAA-Black African American; BAA/W-Black African American & White; AI/AN-American Indian or Alaskan Native; NH/PI-Native Hawaiian or Pacific Islander; A-Asian; A/W-Asian & White; AI/AN/BAA-American Indian or Alaskan Native & Black African American; AI/AN/W-American Indian or Alaskan Native & White

- | | |
|--|-------------|
| 3. Total Number of Households Benefiting to Date | <u>1800</u> |
| 4. Total Number of Female Heads of Households Benefiting | <u>267</u> |
| 5. Total Number of Disabled Persons Benefiting | <u>601</u> |

NOTE: Beneficiaries are to be reported cumulatively as they occur

Economic Development Grants only:

Proposed (FTE - Jobs Count)

	QTR 1	QTR 2	QTR 3	QTR 4	QTR 5	QTR 6	QTR 7	QTR 8
1. Total Jobs Retained _____								
2. Total LMI Jobs Retained _____								
3. Total Jobs Created _____								
4. Total LMI Jobs Created _____								
5. Total Jobs to be generated _____								

Accomplishments

	a. Planned this Quarter	b. Completed this Quarter	c. Completed to Date
6. Number of Jobs Retained			
7. Number of LMI Jobs Retained			
8. Number of Jobs Created			
9. Number of LMI Jobs Created			

10. Explain any variances from planned number of jobs:

AFFIDAVIT OF PUBLICATION

NPG Newspapers, Inc., P.O. Box 29, St. Joseph, MO 64502

Reference: 103172
Ad ID: 6455913

P.O. :

DESC. :Grant #15-PF064.City Park-Sidewalk Imprv

TAMMY SEAMANDS
CITY OF OSAWATOMIE
439 MAIN STREET PO BOX 37
OSAWATOMIE, KS 66064-0037

Miami County Republic

(Published in the Miami County
Republic Wed., 3/01/17)

State of Kansas, Miami County, ss:

PERFORMANCE PUBLIC
HEARING NOTICE

I, Sandra Ridings being duly sworn according
to law, state that I am the Legal Advertising
Coordinator of the Miami County Republic, a
weekly newspaper printed in the State of
Kansas, and published in and of general circula-
tion in Miami County, Kansas, with a general
paid circulation on a weekly basis in Miami
County, Kansas; and that said newspaper is not
a trade, religious, or fraternal publication.
Said newspaper is published at least weekly fifty
times a year and has been so published continu-
ously and uninterruptedly in said County and
State for a period of more than five years prior to
the first publication of the said notice; and has
been admitted to the post office of Paola, in said
county as second class matter.

The city of Osawatomie, KS will hold
a public hearing on Thursday, March
9, 2017, at 6:45pm, at Memorial Hall
located at 411 11th St, for the purpose
of evaluating the performance of
Grant No. 15-PF-064, which was for a
City Park & Sidewalk Improvements
Project located at Cole Sports Complex
(900 12th St) & Sidewalk Improvements
on Main St from 1st to 5th all within the
city limits of Osawatomie, KS.

That this notice, a true copy of which is hereto
attached, was published in the regular and entire
issue of said weekly newspaper as follows, to-
wit:

The scope of work included Cole
Sports Complex improvements, includ-
ing new fencing (10' fence around ten-
nis and basketball courts), tennis and
basketball court improvements (extend-
ed tennis court 10' on East Side, tennis
court and basketball court resurfacing,
two basketball goals, two tennis court
nets and posts, curb & gutter around
East, West, and North Sides of tennis
and basketball courts, and 40' x 30' pre-
fabricated fabric canopy structure for
playground with four footings), bleacher
construction (eight 5 row 15' long
bleachers for baseball fields) and new
lighting (ten single and two double light
fixture head groups with wood poles for
tennis and basketball courts). The proj-
ect also included 2,000 LF of Sidewalk
Improvements from 1st to 5th on Main
St. with 24 ADA access ramps.

Run Dates: 03/01/17 to 03/01/17
Appearances: 1
AD SPACE: 103
TOTAL COST: \$99.76

All proposed activities were accom-
plished. This grant was funded, all or in
part, from the Kansas Department of
Commerce, Small Cities Community
Development Block Grant (CDBG)
funds. All aspects of the grant will be
discussed, and oral and written com-
ments will be recorded and become
part of Osawatomie's CDBG Citizen
Participation Plan.

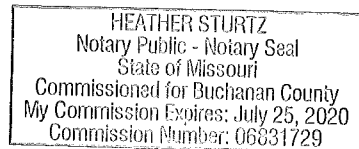
(Signed) [Signature]

Reasonable accommodations will be
made available to persons with disabili-
ties. Requests should be submitted to
the city clerk (913-755-2146) by
March 8, 2017.

Subscribed and sworn before me this
1st day of March 20 17

[Signature] Notary Public

My Commission Expires: 7/25/20



CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 13, 2017

AGENDA ITEM: Code of Procedure

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: The third edition of the League of Municipalities “Code of Procedure for Kansas Cities” has been published. The last edition was published in 2009. In order to use the updated edition, we must adopt an ordinance to incorporate this version into the City’s code.

As part of this adoption, we have changed a few of the exceptions in order to match our current procedures at City Council meetings.

A copy of the document and the proposed ordinance, with suggested changes follow this memo.

COUNCIL ACTION NEEDED: Review the proposed code.

STAFF RECOMMENDATION TO COUNCIL: Approve the ordinance as presented which adopts the code with amendments and omissions for the City of Osawatomie.

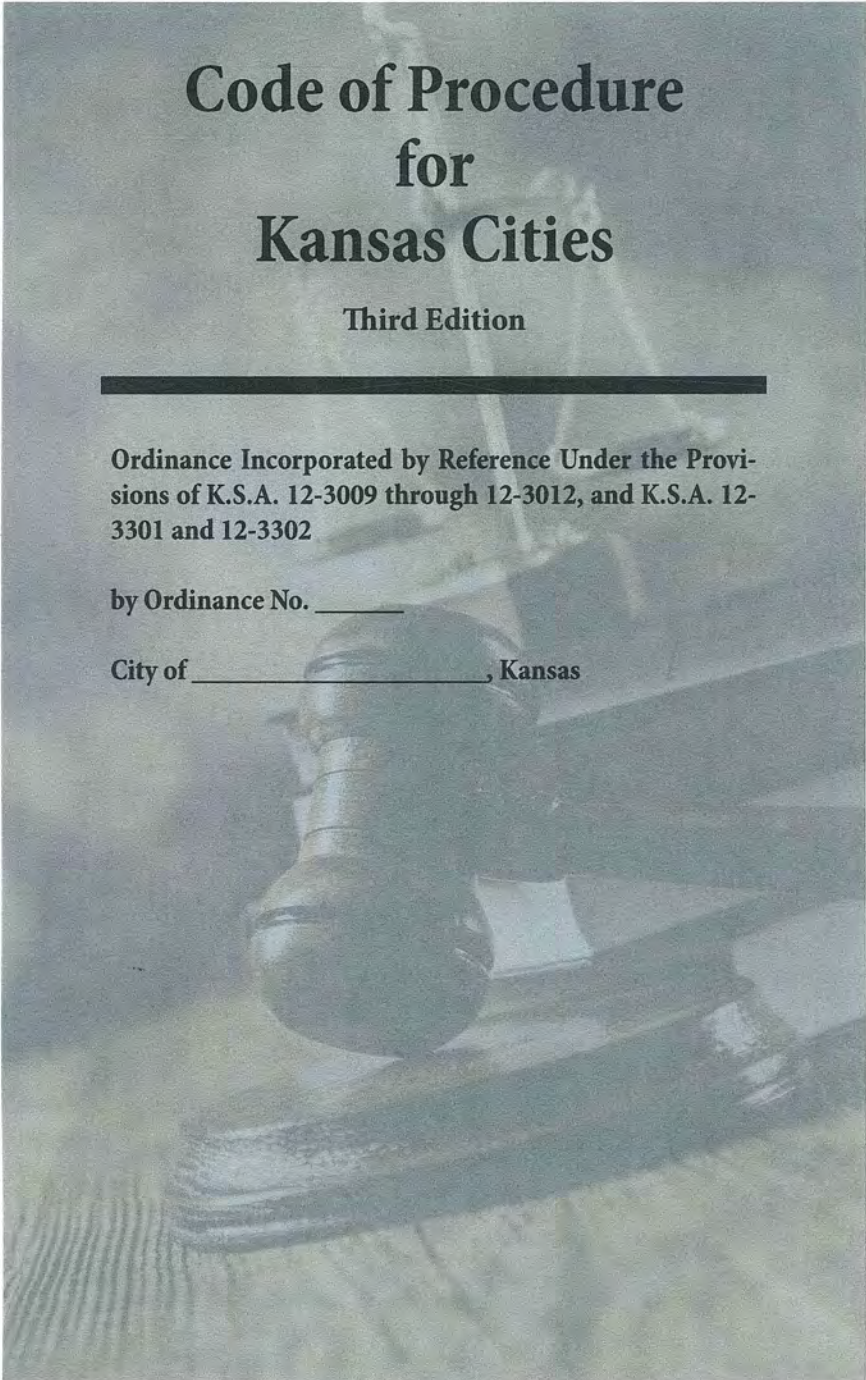
Code of Procedure for Kansas Cities

Third Edition



Prepared by





Code of Procedure for Kansas Cities

Third Edition

Ordinance Incorporated by Reference Under the Provisions of K.S.A. 12-3009 through 12-3012, and K.S.A. 12-3301 and 12-3302

by Ordinance No. _____

City of _____, Kansas

CODE OF PROCEDURE
FOR KANSAS CITIES
Third Edition (2017)

Definitions

Section 1. Governing Body. The term governing body shall include the mayor and council, mayor and commissioners, and board of commissioners.

Section 2. Quorum. A quorum shall consist of a majority of the members-elect of the city council or city commission. In a council city, the quorum shall not include the mayor.

Meetings

Section 3. Regular Meetings. Regular meetings of the city will be held at a time, place, and date certain as set by ordinance and in accordance with applicable state law.

Section 4. Special Meetings. Special meetings will be held only for a special purpose and will be called in accordance with city ordinance or applicable state law.

Section 5. Work Sessions. No agenda is required for a work session and no binding action may be taken during the work session.

Section 6. Quorum Required. A quorum is required at all meetings during which binding action will be taken by the city.

Section 7. Public Comment. If public comment is allowed during the meeting, the citizen desiring to comment on matters of a general nature, not specific to an agenda item, shall sign up in advance of the meeting and shall provide his or her name and address for the purpose of putting both in the minutes of the meeting. Any public comment taken on specific agenda items shall require the citizen to state his or her name and address for the minutes. The mayor or meeting chair may limit the time of each citizen based upon the number of people wishing to speak and the amount of time available for the public comment portion of the meeting.

Agenda

Section 8. Agenda. Prior to each regular and special meeting, the city will distribute an agenda to each governing body member and it will be made available to the public at that time.

Section 9. Setting Agenda. The governing body of the city shall designate an individual to be in charge of setting the agenda.

Section 10. Agenda Items. Any governing body member or staff member of the city may request to have an item placed on the agenda. Members of the public may not place an item on the agenda, but may have a governing body member sponsor such an item.

Section 11. Additions to Agenda. Items may be added to or removed from the agenda at a regular meeting by motion approved by a majority of those governing body members present and voting. No items may be added to the agenda of a special meeting.

Section 12. Order of Business. At the hour appointed for the meeting, the mayor shall call the meeting to order. In council cities, the president of the council shall chair the meeting in the absence of the mayor. Upon having a quorum present, the governing body shall proceed to business, which shall be conducted in the order set by the governing body.

Section 13. Consent Agenda. By majority vote of the governing body, any item may be removed from the consent agenda and considered separately.

Section 14. Order of Business, Suspended or Amended. By a majority vote of the governing body, the order of business may be amended to add or delete sections as appropriate, or may be suspended in its entirety to consider other matters. Executive sessions may be held at any time in the order of business.

Motions

Section 15. Motions; Second. All motions require a second before such motion may be considered.

Section 16. Debate. All motions are debatable unless otherwise noted in the section governing that motion.

Section 17. Substantive Motion. Only one main substantive motion may be pending on the floor at any one time. It must be withdrawn or advanced to a vote before another substantive motion is introduced.

Section 18. Substitute Motion. Substitute motions are prohibited. Substantive motions must be withdrawn or advanced before another substantive motion is introduced.

Section 19. Motion to Amend. A motion to amend is in order when the proposal is to change, add, or delete words from the main substantive motion. If the motion is to amend a document before voting on its adoption, it is advisable to reduce the change to writing, but it is not required if all members of the governing body understand the amendment. A vote on an amendment is not a final vote on the underlying substantive motion. To pass the underlying substantive motion requires a vote.

Section 20. Motion to Pass an Ordinance. All ordinances of the city shall be considered at a public meeting of the governing body. After consideration and amendment (if any) of the ordinance, the question shall be: "Shall the ordinance pass?" No ordinance shall contain more than one subject, which shall be clearly expressed in its title, and no section or sections of an ordinance shall be amended unless the amending ordinance contains the entire section or sections as amended and the section or sections amended shall be repealed. [See Sections 33-38 for ordinance voting requirements.]

Section 21. Motion to Refer. If the governing body deems it appropriate, it may refer an ordinance, resolution, contract, or other matter back to staff, committee, board, or other appropriate location for further review and consideration. Such motion may or may not contain a time certain for the item to be returned to the governing body.

Section 22. Motion to Reconsider; Prohibited. Motions to reconsider are prohibited. Any governing body member may make a new substantive motion on a matter previously considered by the city.

Section 23. Motion to Call the Previous Question. This motion is not debatable and, if passed by a majority of the governing body, calls for an immediate vote on the substantive motion. This motion requires a vote.

Section 24. Motion to go into Executive Session. The motion to go into executive session shall be made as follows: "I move that the governing body recess into executive session pursuant to the _____ exception in order to discuss _____ (general description), the open meeting to resume in the city council (commission) chamber at _____ (time)." The motion may also state who is to be present in the executive session, although this is not required. This motion must be made, seconded, and carried. Such motion shall be recorded in the minutes of the meeting. The meeting may not reconvene until the time stated in the motion.

Section 25. Motion to Adjourn to a Later Date and Time. If the governing body is unable to complete its agenda during the time allotted for the meeting, the meeting may be adjourned to a time and date certain to continue the regular or special meeting. The motion shall state the time, place, and date for the meeting to reconvene. If the motion is adopted, the meeting is adjourned to the specified time, place, and date.

Section 26. Motion to Adjourn. At the conclusion of the agenda, a motion to adjourn is in order and requires a majority vote.

Voting

Section 27. Form of Vote. All votes shall be by voice vote or, in the alternative; the mayor may request that a vote be by "show of hands." No vote shall be by secret ballot.

Section 28. Division. The mayor or any member may request a formal division of vote. At the discretion of the mayor, division may be by either a poll of each member or a show of hands.

Section 29. Duty to Vote. Members of the governing body have a duty to vote unless such member choosing to abstain has a conflict of interest or other conflict that appears to make voting on an issue improper. Any member who abstains must state, for the purpose of its inclusion in the minutes, the reason for the abstention.

Section 30. Recording. Upon final passage of a matter, the vote shall be recorded in the minutes.

Section 31. Votes; Non-Ordinance Matters. Unless otherwise specifically required by law, the adoption or rejection of resolutions and other motions shall be by a majority of those present. An abstention shall be counted with the prevailing side.

Section 32. Votes; Mayor in Council City; Non-Ordinance Matters. The mayor may cast a tie breaking vote when the council is equally divided on a vote in a non-ordinance matter.

Section 33. Same; Ordinary Ordinance; Council City. The adoption of an ordinary ordinance requires ___ affirmative votes of the council. [e.g., This is a majority vote of the members-elect of the council, which is three votes on a five member council with a mayor.]

Section 34. Same; Ordinary Ordinance; Council City; Mayor's Vote. The mayor may cast the deciding vote in favor of an ordinance at any time that the number of favorable votes is one less than required.

Section 35. Same; Ordinary Ordinance; Council City; Mayor's Veto. The mayor in council cities may veto any ordinance passed by the council on or before the next regularly scheduled meeting with the exception of ordinances on which the mayor casts the deciding vote and appropriation ordinances. Ordinances not signed or vetoed by the mayor take effect without the mayor's signature. Any ordinance vetoed by the mayor may be passed over the veto by a vote of ___ councilmembers. The

president of the council, acting in the absence of the mayor, shall have no power to sign or veto ordinances. [e.g., This is a three-fourths vote of the number of councilmembers elect, which is four votes on a five member council with a mayor.]

Section 36. Same; Ordinary Ordinance; Commission City. The adoption of an ordinary ordinance requires ___ affirmative votes of the commission. [e.g., This is a majority vote of the members-elect of the commission.]

Section 37. Same; Charter Ordinance; Council City. The adoption of a charter ordinance requires ___ affirmative votes of the governing body. The mayor is considered a member of the governing body. [e.g., This is a two-thirds vote of the members-elect of the governing body, which is four votes on a five member council with a mayor.]

Section 38. Same; Charter Ordinance; Commission City. The adoption of a charter ordinance requires ___ affirmative votes of the commission. The mayor is considered a member of the governing body. [e.g., This is a two-thirds vote of the members-elect of the governing body.]

Section 39. Same; Council City; Confirmation of Mayoral Appointment to Non-Elected Position. The mayor may cast the deciding vote when the council is equally divided on a vote for the mayoral appointment to a non-elected position.

Section 40. Same; Council Cities; Confirmation of Mayoral Appointment to Elected Position. The mayor may cast the deciding vote when the council is equally divided on a vote to confirm a mayoral appointment to an elected position. In a city of the second class, the mayor participates and votes with the council in such appointment.

Section 41. Same; Commission City. The mayor has a vote on all matters. The mayor does not have a "second vote" to break a tie. Appointments in commission cities are by motion, second, and a vote.

Application & Amendment

Section 42. Rules. For those matters not covered by these rules, the procedure shall be as decided by a majority vote of the governing body. These rules may be amended after adoption by a subsequent ordinance amending specific rules as identified in the ordinance. Such ordinance amends the adopting ordinance. The rules may not be suspended by the governing body during any meeting.



THE
LEAGUE
OF KANSAS MUNICIPALITIES

300 SW 8th Avenue, Suite 100
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A publication of the
League of Kansas Municipalities

ORDINANCE NO. 3747

AN ORDINANCE ESTABLISHING A CODE OF PROCEDURE FOR THE CONDUCT OF COUNCIL MEETINGS OF THE CITY OF OSAWATOMIE; INCORPORATING BY REFERENCE THE “CODE OF PROCEDURE FOR KANSAS CITIES,” THIRD EDITION (2017) WITH CERTAIN OMISSIONS, CHANGES AND ADDITIONS, BY AMENDING SECTIONS 210 AND 211 OF ARTICLE 2 OF CHAPTER 1 OF THE MUNICIPAL CODE OF THE CITY OF OSAWATOMIE, KANSAS AND REPEALING EXISTING SECTIONS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF OSAWATOMIE, KANSAS:

SECTION ONE: Sections 210 and 211 of Article 2 of Chapter 1 of the Code of the City of Osawatomie is hereby amended to read as follows:

1-210. Incorporating Code of Procedure for Kansas Cities.

(a) There is hereby incorporated by reference for the purpose of establishing a code of procedure for the conduct of city council meetings of the City of Osawatomie, Kansas, that certain model code known as the “Code of Procedure for Kansas Cities,” Third Edition (2017), prepared and published in book form by the League of Kansas Municipalities, Topeka, Kansas save and except for such articles, sections, parts or portions as are hereafter omitted, deleted, modified or changed.

(b) At least two copies of the “Code of Procedure for Kansas Cities” shall be marked or stamped OFFICIAL COPY AS INCORPORATED BY ORDINANCE NO. 3747, with all sections or portions thereof intended to be omitted or changed clearly marked to show any such omission or change and to which shall be attached a copy of this ordinance. All official copies shall be filed with the City Clerk to be open to inspection by the public during all reasonable business hours. Official copies of the “Code of Procedure for Kansas Cities” shall be furnished to all persons or departments charged with the enforcement of the code or to whom the Code is applicable and to such others as may be deemed necessary. All such copies shall be furnished at the cost of the City.

1-211. Same; Omissions; Amendments.

(a) Sections 36, 38, 40 and 41 of the “Code of Procedure for Kansas Cities” relating to voting are hereby declared to be non-applicable and are omitted and deleted.

(b) 7, 13, 14, 33, 35 and 37 of the “Code of Procedure for Kansas Cities” are hereby amended to read as follows:

Section 7. Public Comment. If public comment is allowed during the meeting, the citizen desiring to comment on matters of a general nature, not specific to an agenda item, shall provide his or her name and address for the purpose of putting both in the minutes of the

meeting. Any public comment taken on specific agenda items shall require the citizen to state his or her name and address for the minutes. The mayor may limit the time of each citizen based upon the number of people wishing to speak and the amount of time available for the public comment portion of the meeting.

Section 13. Consent Agenda. Any member of the Council may request any item to be removed from the consent agenda and considered separately.

Section 14. Order of Business, Suspended or Amended. Without objection from a member of the governing body, the order of business may be amended by the presiding official to add or delete sections of the agenda as appropriate, or may be suspended in its entirety to consider other matters. If an objection is made, such amendments may be made by a majority vote of the governing body. Executive sessions may be held at any time in the order of business.

Section 33. Same; Ordinary Ordinance; Council City. The adoption of an ordinary ordinance requires five (5) affirmative votes of the council. An abstention shall be counted toward the prevailing side.

Section 35. Same; Ordinary Ordinance; Council City; Mayor's Veto. The mayor in council cities may veto any ordinance passed by the council on or before the next regularly scheduled meeting with the exception of ordinances on which the mayor casts the deciding vote and appropriation ordinances. Ordinances not signed or vetoed by the mayor take effect without the mayor's signature. Any ordinance vetoed by the mayor may be passed over the veto by a vote of six (6) councilmembers. The president of the council, acting in the absence of the mayor, shall have no power to sign or veto ordinances. [This is a three-fourths vote of the number of councilmembers elect.]

Section 37. Same; Charter Ordinance; Council City. The adoption of a charter ordinance requires six (6) affirmative votes of the governing body. The mayor is considered a member of the governing body. [This is a two-thirds vote of the members-elect of the governing body.]

SECTION TWO. Sections 210 and 211, of Articles 2 and Chapter 1 of the Code of the City of Osawatomie as adopted prior to the passage of this Ordinance is hereby repealed.

SECTION THREE. EFFECTIVE DATE. This ordinance shall be in full force and effect from and after its adoption and publication in the official city newspaper.

ADOPTED AND APPROVED by the Governing Body this 13th day of April, 2017.

(SEAL)

L. Mark Govea, Mayor

ATTEST:

Tammy Seamands, City Clerk

DRAFT



CITY OF OSAWATOMIE

FORM OF SUMMARY FOR PUBLICATION OF ORDINANCE

Ordinance No. 3747: AN ORDINANCE ESTABLISHING A CODE OF PROCEDURE FOR THE CONDUCT OF COUNCIL MEETINGS OF THE CITY OF OSAWATOMIE; INCORPORATING BY REFERENCE THE “CODE OF PROCEDURE FOR KANSAS CITIES,” THIRD EDITION (2017) WITH CERTAIN OMISSIONS, CHANGES AND ADDITIONS, BY AMENDING SECTIONS 210 AND 211 OF ARTICLE 2 OF CHAPTER 1 OF THE MUNICIPAL CODE OF THE CITY OF OSAWATOMIE, KANSAS AND REPEALING EXISTING SECTIONS.

Pursuant to the general laws of the State, a general summary of the subject matter contained in this ordinance shall be published in the official City newspaper in substantially the following form:

(Published in the Miami County Republic, April 19, 2017) 1t

Summary of Ordinance No. 3747

On April 13, 2017, the City of Osawatomie, Kansas adopted Ordinance No.3747, an ordinance which adopts by reference the Third Edition of the “Code of Procedure for Kansas Cities,” and makes changes to six section and deletes four non-applicable sections. Changes to the City Code are made in Article 2 of Chapter 1 of the Code and by amending Sections 210 and 211. A complete copy of this ordinance is available at www.osawatomieks.org or at City Hall, 439 Main St., Osawatomie, Kansas. This summary is certified by Richard Wetzler, City Attorney.

This Summary is hereby certified to be legally accurate and sufficient pursuant to the laws of the State of Kansas.

DATED: April 13, 2017

 /s/
Richard S. Wetzler, City Attorney

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 13, 2017

AGENDA ITEM: Draft Economic Development and Housing Incentive Policy

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: The city currently has a number of economic development tools available to developers within the city. This policy would consolidate the procedures for economic development into a single policy reference guide for city staff and Osawatomie residents. This policy also creates a housing development incentive program for new housing developments within the city and outlines the procedure for the establishment of a Rural Housing Incentive District. The objective of this policy is to layout procedures for ensuring public financing requests for private development are capable of achieving a positive return on investment. There are ten economic development tools available to the City and its residents in this policy draft:

1. Cash Incentives and Grant Programs
2. Infrastructure Development
3. Transportation Development Districts
4. Community Improvement Districts
5. Industrial Revenue Bonds
6. Tax Abatement
7. Tax Increment Finance Districts
8. Housing Development Incentive Program
9. Neighborhood Revitalization
10. Rural Housing Incentive Districts

Cash Incentives and Grant Program

This policy states that the city is unwilling to provide direct cash incentives for businesses to locate in Osawatomie, but will consider support to state and federal grant programs for which assistance is available. The City may also consider the use of a “Conditional Economic Development Reimbursement Agreement”. The agreement between the City and prospective business permits the city to return a

portion of the businesses property taxes in if the business agrees to a set of conditions set forth in the contract.

Infrastructure Development

The City is authorized to assess costs of public infrastructure to specifically identified properties that benefit directly from the improved area infrastructure. Expenses to prepare plans, right of way acquisition, supervision and inspection, and construction costs may be assessed.

Transportation Development Districts (TDD)

A TDD can generate revenue to pay for the costs of transportation infrastructure improvements in and around new development in Osawatomie. This policy sets forth the process and criteria for the application and establishment of TDDs. Interested parties shall submit an application for financial assistance to the city finance committee to review with 100% of the property owners within the proposed district. TDD's may be financed through special assessments or an additional sales tax imposed on the district or a pledge of revenue received from TDD. TDDs are used to attract and promote retail sites within the city and must target construction beyond what the city would normally do.

Community Improvement Districts (CID)

A CID generates funding to acquire, improve, or construct, buildings, sidewalks, parking, streets, landscape, decoration, mass transit or lake improvements within an identified improvement district. The funding of a CID comes from special assessments imposed on property in the CID or a pledge of revenue from a CID Sales Tax on the selling of tangible property. The goal of CIDs to produce or promote a district through the public financing in the form of special assessments or additional district sales tax on the selling of property or retail within the district.

Industrial Revenue Bonds (IRB)

The goal of Industrial Revenue Bonds is to stimulate the general economic welfare of the community. IRBs are bonds issued by the City to finance private development that creates or preserves jobs, stimulates local economy, or adds diversification to the community economy without unfairly competing with existing businesses. The bond is issued by the city and the revenue generated from the bonds are redistributed to a private development general for the purchase of land, land improvements and buildings.

Tax Abatement Policy

This policy outlines criteria for which business may be eligible for tax abatement for up to ten years depending on the amount and quality of capital investment and new employment that is created by the business receiving the abatement. New and existing businesses are eligible for tax abatement.

Tax Increment Finance Districts (TIF) and Sales Tax and Revenue Bond Projects (STAR)

A TIF allows the city to redistribute tax income to fund infrastructure, land acquisition and other public investment in private redevelopment projects. A TIF allows the city to divert future property tax revenue in a defined district to fund improvements in the district. TIFs are used to stimulate redevelopment in substandard areas and eliminate blight within the city.

A STAR Project issues STAR Bonds to finance redevelopment project costs if the Secretary of Commerce finds the project will create a major tourism area. The issuance of STAR Bonds generally requires a regional or statewide importance to be approved by the Secretary of Commerce

Housing Development Incentive Program

The Housing Development Incentive Program is a program designed to stimulate new housing development in Osawatomie by offering development rebates to private developers. The program offers a rebate to development fees from building permits, utility taps, and minimum utility charges. The rebate amount is dependent on the assessed value of the home at the time a certificate of occupancy is issued and will be delivered to the developer of the residence within 60 days after the certificate of occupancy has been issued. Homes must be valued at \$75,000 or above to be eligible for the rebate program.

Neighborhood Revitalization

The City currently participates in the Neighborhood Revitalization program through the adoption of Resolution 613 passed on January 1, 2009 and runs through December 31, 2019. This program offers a graduated tax rebate on the assessed value of qualifying improvements to eligible property within city limits.

Rural Housing Incentive Districts (RHID)

The City is authorized to create RHIDs to stimulate housing development in Osawatomie. RHIDs provide a 100% tax increment incentive on property tax created by residential development for up to 15 years. The city can redirect the property tax revenue to pay for the improvements to the district like site preparation, utilities, sidewalks and streets.

COMMISSION ACTION NEEDED: Review and discuss.

STAFF RECOMMENDATION TO COUNCIL: Provide staff with feedback and direction on adjustments to policy draft.

CITY OF OSAWATOMIE



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Subject Economic Development Tools and Policies		Draft No. 2017-01
Adopted	Revised	Rescinded
Authorization		Date

Section 1. OBJECTIVES.

(A) Purpose. The proper use of a public financial assistance policy can promote, stimulate and develop the general and economic welfare of and quality of life in the City of Osawatomie, Kansas (the “City” or “Osawatomie”). This Policy establishes the procedures of the City, for considering Applications for Cash Incentives and Grant Programs, Infrastructure Development, Transportation Development Districts (TDD), Community Improvement Districts (CID), Industrial Revenue Bonds (IRB), Tax Abatement Policies, Tax Increment Finance Districts (TIF), Housing Development Incentive Program, Neighborhood Revitalization Program, and Rural Housing Incentive Districts (RHID).

It is the overall objective of these policies and procedures to support and approve public financing requests for those private investment opportunities that achieve the highest public benefit to Osawatomie at the lowest public cost. The Osawatomie City Council (the “Council”) may evaluate all requests for the City to provide financial resources for the purposes allowed by law when, in the opinion of the Council, the Project being financed in whole or in part with those resources is reasonably expected to promote, stimulate and develop the welfare of the City through the promotion and advancement of physical health and welfare, industrial, commercial, agricultural, natural resources and recreational development in the City; to encourage and assist in the location of new business and industry in the City and the expansion, relocation or retention of existing business, industry and health development, and the necessary infrastructure related to those investments.

The Council retains the discretion to evaluate Projects on a case by case basis and to be flexible in the amount and form of the public resources provided to the extent allowed under the applicable statutes.

(B) Employment Objectives. Osawatomie/Council reserves the right to make distinctions in the amount of financial assistance to provide each entity based on certain aspects of that business entity, specifically, the number of jobs and wages of those jobs and new construction and investment in the community. Osawatomie will generally favor new job growth. New jobs will be defined as the number of net new jobs created in the city. Also priority will be given to jobs that provide a new business sector in the community to provide a more diverse employment base.

Osawatomie will not actively recruit a business to move from another Kansas community to Osawatomie. However, we will respond to a business that reaches out the community in its efforts to relocate or expand. The amount of financial aid available may be limited if:

1. An existing, active retail operation that fulfils the community's needs would directly compete with the new business.
2. The new business will cannibalize jobs from other industries located within the City.
3. The new business does not provide requested information regarding the location and service market of the Applicant or ultimate benefiting business for the City's consideration.

Section 2. SCOPE.

The authority and decision to approve assistance is within the sole discretion of the Council. The Council is under no obligation to approve a request, nor does the City relinquish its authority to initiate Projects by whatever other financing means it deems necessary to promote the general health and welfare of the City. This policy is intended to provide a guide for the Council in considering applications and outline the policies and procedures to be followed by Applicants. The Council reserves the right to reject any request for public financial assistance at any time in the review process when it considers such action to be in the best interest of the City. Approval of the public financial participation based on the information presented does not constitute an implied or other approval of a site plan, special use permit, plat, rezoning or other land development requirement. All proposals for development are subject to land use approvals by the appropriate body.

Several economic development tools are available to Osawatomie. These include (authority cited in parentheses):

1. Cash Incentives and Grant Programs (KSA 12-101 and applicable grant program rules);
2. Infrastructure Development (KSA 12-6a01 et. seq.);
3. Transportation Development Districts (KSA 12-17,140 et seq.);
4. Community Improvement Districts (KSA 12-6a26-12-6a36)
5. Industrial Revenue Bonds (KSA 12-1740 et seq.);
6. Tax Abatement (KSA 79-213 et. seq.)
7. Tax Increment Finance Districts (KSA 12-1770 et. seq.)
8. Housing Development Incentive Program (Article 12, Section 5 of Kansas Constitution)
9. Neighborhood Revitalization (KSA 12-17,114 et. seq.);
10. Rural Housing Incentive Districts (KSA 15-5241 et. seq.)

Additional details and guidance on the use of these tools is provided below. City staff will assist anyone interested in economic development in Osawatomie to understand the process and this policy.

Section 3. BASIC ECONOMIC DEVELOPMENT REQUIREMENTS

The basic requirements any economic development assistance request must meet include:

1. A demonstrated positive return on investment from the use of economic development assistance. Analyzing the return on investment will include (among other things) projections on job creation and wages paid, increases to the tax base, population growth, and improved quality of life to the citizens of Osawatomie.
2. The assistance shall not be deemed a “speculative use” of public funds. “Speculative use” shall be defined as any analysis requiring adjustments to estimates used to calculate a return on investment to encourage a positive recommendation by the City Manager to the City Council.
3. Any requests for assistance (from the city only) on projects within the corporate city limits of Osawatomie shall require approval by the City Council. Requests for assistance from the city and county, within the city limits of Osawatomie (or any requests for assistance in the Osawatomie Growth Area) shall require approval by both governing bodies (projects in the growth area shall also conform to all requirements of the inter-local agreement between Osawatomie and Miami County establishing the growth area). Additionally, when requests are made to both governing bodies, all application materials provided to Osawatomie and analyses performed by the city for consideration of an economic development request shall also be provided to Miami County.
4. Any request for the use of a specific tool listed above shall also conform to that tool’s specific policy requirements listed below. Furthermore, the city may require the applicant to reimburse the city for any expenses incurred as a result of the application. The amount reimbursed shall be for actual expenses incurred by the city. These expense reimbursements are considered in addition to any fees that may be required by the following economic development programs.

Section 4. DEFINITIONS.

For the purpose of this Policy, the words or phrases as used in this Policy shall have meaning or be construed as follows, unless otherwise defined by State Statute.

(A) **Abatement.** Annual amount of ad valorem property taxes waived.

(B) **Applicant.** The individual(s) or business(es) and its officers, employees, and agents requesting approval of the Application for public financial participation.

(C) **Bonds.** The TDD/CID Bonds shall be special obligation bonds. If the City Council deems an extraordinary case exists, general obligation bonds may be issued. The debt service on special obligation bonds will be paid from the special assessments or sales tax described above or from any other funds pledged to the payment of the bonds, or a combination of any of the foregoing, and the City will not be obligated to pay principal and interest on the bonds if there is a shortfall in special assessment or sales tax collections. Special bonds issued to finance a Project must mature in no

more than 22 years. Special obligation bonds will not count against statutory limitations on bonded indebtedness. Bonds issued pursuant to the Act do not need to be sold at public sale. The interest on all bonds issued pursuant to the Act is exempt from all State taxes except inheritance taxes.

(D) **CID Project.** Any Project or undertaking whether within or without the CID, to;

1. acquire, improve, construct, demolish, remove, renovate, reconstruct, rehabilitate, maintain, restore, replace, renew, repair, install, relocate, furnish, equip or extend:
 - a. buildings, structures and facilities;
 - b. sidewalks, streets, roads, interchanges, highway access roads, intersections, alleys, parking lots, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, pedestrian amenities, abandoned cemeteries, drainage systems, water systems, storm systems, sewer systems, lift stations, underground gas, heading and electrical services and connections located within or without the public right-of-way, water mains and extensions, and other site improvements;
 - c. parking garages;
 - d. streetscape, lighting, street light fixtures, street light connections, street light facilities, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls and barriers;
 - e. parks, lawns, trees and other landscape;
 - f. communication and information booths, bus stops and other shelters, stations, terminals, hangars, rest rooms and kiosks;
 - g. paintings, murals, display cases, sculptures, fountains and other cultural amenities;
 - h. airports, railroads, light rail and other mass transit facilities;
 - i. lakes, dams, docks, wharfs, lake or river ports, channels and levies, waterways and drainage conduits.
2. Within the CID, to operate or to contract for the provision of music, news, child care, or parking lots or garages, and buses, minibuses or other modes of transportation.
3. Within the CID, to provide or contract for the provision of security personnel, equipment or facilities for the protection of property and persons.
4. Within the CID, to provide or contract for cleaning, maintenance and other services to public or private property.
5. Within the CID, to produce and promote any tourism, recreational or cultural activity or special event, including, but not limited to, advertising, decoration of any public place in the CID, promotion of such activity and special events and furnishing music in any public place.

6. Within the CID, to support business activity and economic development, including but not limited to, the promotion of business activity, development and retention and the recruitment of developers and business.
7. Within the CID, to provide or support training programs for employees of businesses.
8. Within the CID, to contract for or conduct economic impact, planning, marketing or other studies.

(E) **Development Agreement.** A written agreement between the City and an Applicant for the completion of a development or redevelopment project. Such agreement shall address issues involved in the Project, including but not limited to the following: Schedule of construction; acquisition of land; eligible expenses; scope of development (including development criteria); indemnity of the City and insurance requirements; reimbursement of City costs; financing (private and/or public); transfer restrictions prior to completion; maintenance and restrictive covenants; City inspection and information access rights; reporting requirements; and remedies upon default.

(F) **Enterprise Fund.** A fund established by a governmental entity to account for operations of an enterprise activity. Enterprise funds generally are segregated as to purpose and use from other funds and accounts of the governmental entity with the intent that revenues generated by the enterprise activity and deposited to the enterprise fund will be devoted principally to funding all operations of the enterprise activity, including payment of debt service on securities issued to finance such activity. In some cases, however, the governmental entity may be permitted to use moneys in an enterprise fund for other purposes and to use other funds to pay costs otherwise payable from the enterprise fund.

(G) **Finance Committee.** The committee shall consist of five members, 2 of which shall be appointed by the Mayor with the consent of the Governing Body. Standing members shall include the City Manager, the City's financial advisor, and the City's bond counsel. The two appointed members shall be a representative from a city financial institution where the city currently maintains deposits, and one representative of the Governing Body.

(H) **New Jobs.** The number of net jobs created within the City of Osawatomie.

(I) **Payment in Lieu of Tax (PILOT).** An annual payment by the Applicant to the taxing jurisdictions, which is paid in the place of property tax.

(J) **STAR Project:** A Sales Tax and Revenue Bond (STAR) Project is a project whereby STAR Bonds are issued to finance Redevelopment Project Costs if the Secretary of Commerce makes a finding that the Project will create a major tourism area, is the restoration of an historic theater, has been designated as a "special bond project," or is a major motorsports complex. The incentive was established by K.S.A 12-17,166. Additional restrictions are placed on Redevelopment Project Costs financed with proceeds of STAR Bonds, specifically excluding elimination of financing of personal property, and are required to have prior approval of the Secretary. For cities located within metropolitan statistical areas, a "special bond project" is defined as a redevelopment project with: (1) at least \$50 million capital investment and (2) \$50 million in projected gross annual sales revenues. For cities that are not within a metropolitan statistical area, the Secretary of Commerce must make a finding that the special bond project would be of regional or statewide importance. A special bond project may not include a gambling casino. STAR Bonds are tax increment revenue ("TIF") bonds that have access to an additional source of revenue state sales and use tax

revenues. All of the requirements of the TIF Act must also be complied with for a STAR Bond project, including the creation of a District and approval of a Plan. The feasibility study required for a STAR Bond project must determine the effect on any other STAR Bond projects in Kansas. In addition, a marketing study must be undertaken to determine the impact of the STAR Bond project on similar businesses within the redevelopment project area. In order to use the state sales tax generated by the special bond project as a revenue stream to repay the STAR Bonds, the issuing city must commit to also pledge 100% of the city and county sales taxes that the city receives within the redevelopment project area to pay the STAR Bonds.

(K) **State Director of Taxation and Disbursement of CID Sales Tax Funds.** The State Director of Taxation shall cause a CID sales tax to be collected upon receipt of a certified copy of the resolution authorizing the levy of the sales tax. Sales taxes collected are remitted by the Secretary of Revenue to the State Treasurer for deposit in the State Treasury. The State Treasurer credits 2% of all taxes collected to the CID sales tax administration fund (but not to exceed \$60,000 in any fiscal year) for administration and enforcement costs. The remainder of the sales tax collected is deposited in the CID sales tax fund. All funds in the CID sales tax fund are remitted at least quarterly to the County for disbursement to compensate for Project costs.

(L) **TDD Project.** Any Project or undertaking whether within or without the TDD, to improve, construct, reconstruct, maintain, restore, replace, renew, repair, install, furnish, equip or extend any bridge, street, road, highway access road, interchange, intersection signing, signalization, parking lot, bus stop, station, garage, terminal, hangar, shelter, rest area, dock, wharf, lake or river port, airport, railroad, light rail or other mass transit facility or any other transportation related project or infrastructure including, but not limited to, utility relocation; sanitary and storm sewers and lift stations; drainage conduits, channels and levees; street light fixtures, connection and facilities; underground gas, water, heating and electrical services and connections located within or without the public right-of-way; sidewalks and pedestrian underpasses or overpasses; and water main and extensions.

(M) **TIF Project:** A TIF Project is authorized pursuant to K.S.A. 12-1770 et seq. (the "Act") and authorizes cities to create redevelopment districts, acquire certain property and to issue special obligation bonds and/or full faith and credit tax increment bonds for the financing of redevelopment projects. Any city proposing to undertake one or more redevelopment projects (the "Project") must create a redevelopment district (the "District") by the adoption of an ordinance, which District may contain multiple redevelopment project areas. The District must be located in an eligible area, which is a blighted area, a conservation area, enterprise zones established prior to July 1, 1992 located within cities, a historic theater, a major tourism area or a major commercial entertainment and tourism area or bioscience development area as determined by the secretary of commerce. The District may also include property outside of the city with the consent of the county commission. The city is required to conduct a public hearing on the creation of the District. At the conclusion of such public hearing, the governing body of the city may create the District, by ordinance adopted by a majority vote. No privately owned property shall be acquired and redeveloped under the provisions of the Act if the board of county commissioners or the board of education levying taxes on property proposed to be included in the District determines that the proposed District will have an adverse effect on such county or school district. The city must also prepare a redevelopment project plan (the "Plan") in consultation with the planning commission of the city. The Plan must contain, among other items, a summary of the comprehensive feasibility study showing the benefits derived from the Project will exceed the costs and that the income therefrom will be sufficient to pay for the Project, a description of the buildings

and facilities proposed to be constructed or improved and a relocation assistance plan for property owners within the District.

Section 5. ECONOMIC DEVELOPMENT TOOLS

Cash Incentive and Grant Programs

Osawatomie will not provide unrestricted cash incentives for any business to locate within the city. Furthermore, the city will not provide cash incentives to perform feasibility studies for proposed projects. These are deemed improper uses of tax dollars by the City Council and any request for such cash assistance will be rejected.

However, the city will consider making application, or endorsing an application to any federal or state grant program for which a request for assistance is eligible. The applicant must submit all information under the relevant grant program and meet all of the requirements of the respective grant program in the event the application for grant assistance is successful. The business must provide information that is accurate and truthful and shall be fully responsible and liable in all regards to the grant program that is providing the business with assistance.

Additionally, the city may consider the use of a “Conditional Economic Development Reimbursement Agreement.” A reimbursement agreement allows the city to pledge a prospective business’ city property tax payments to be returned to the taxpayer in return for certain conditions being met by the business. The business, upon providing evidence verified by the City Clerk’s office that the conditions set forth in the contract have been met (i.e. number of jobs pledged are in fact created and at wages provided for in the contract) and upon providing a copy of their paid property tax receipt from the County Treasurer’s office, will receive a reimbursement from the city for the city’s portion of their property taxes. The degree of eligibility for a reimbursement agreement will vary based on the pledges made by the business and their ability to fulfill the city’s economic development goals.

Infrastructure Development

Osawatomie may facilitate when appropriate, the development of public infrastructures both within the corporate limits of the city and in the city’s growth area. Whenever the total costs of the public infrastructure can be tied to a fixed and known group of benefiting properties, special assessments may be levied and placed on the tax rolls for those properties.

Infrastructure shall mean for the purposes of this policy: streets, sidewalks, sewers and sewer systems, electrical and water production and distribution systems and storm drainage and control systems.

Expenses that may be assessed to benefiting properties under this policy include: cost to prepare preliminary and final engineering plans/specifications, easement and right of way acquisition, supervision/inspection of the project, actual construction costs, and any administrative or finance costs the city shall incur as a result of the project, as permitted by law. Construction costs for improvements designed and constructed under this policy shall also include an administrative fee paid to the city in an amount equal to 5% of the special assessment bond principal issued.

An irrevocable letter of credit will be required from any developer requesting special assessment financing. The letter of credit (LOC) will be in a form approved by the city, and name the City of

Osawatomie as beneficiary. The LOC will serve to protect the general taxpayers of Osawatomie from subsidizing the special assessment debt. The LOC shall be filed prior to any debt being issued by the city for any of the expenses mentioned in the prior paragraph and be in an amount equal to 40% of these same costs. Provided there are no delinquent taxes owed by the developer, the LOC will be released when the developer has completed construction on all properties assessed and sold 60% of the benefiting properties.

The City Council may waive certain portions of this policy for special assessments issued to finance improvements to existing infrastructures within the corporate city limits of Osawatomie at the request of the benefiting property owners or at the recommendation of the City Manager.

Transportation Development Districts (TDD) Policy

(A) **Application.** Interested parties shall submit a TDD request via the Application for public financial participation provided by the City. City staff shall review all TDD Applications for compliance with City policy and Kansas (the "State") law and make a recommendation for preliminary approval and a decision to forward an Application to the City Council for consideration and action. If the Finance Team believes the Application meets the criteria set forth in this Policy and should be recommended for approval, the Finance Team will work with the petitioner(s) to prepare a petition and develop a Finance Plan to present to the Council when it considers the petition to establish the District.

(B) **Petition.** TDD proceedings shall be initiated by petition, on a form prescribed by the City and containing the information required in K.S.A. 12-17,140 *et seq.*, as amended after receiving preliminary approval from the Finance Team. A TDD petition must be submitted with signatures of 100% of the property owners of all of the land area within the proposed District.

(C) **Boundaries.** The District boundaries and the method of financing the Project shall not require that all property that is benefited by the Project, whether or not the benefited property is within the District, be included in the District or be subject to an assessment or the TDD sales tax.

(D) **Term.** The Council shall review the financial feasibility of each District proposed for consideration and shall use this information in determining the appropriate term of the District. Any TDD sales tax shall expire no later than the date the bonds issued to finance such project or refunding bonds issued for the Project mature. TDD Bonds issued to finance the Project shall mature no more than twenty-two (22) years from the date of issue, unless otherwise provided by law.

(E) **Criteria for Use of Transportation Development District.** The decision to establish a transportation development district is within the sole discretion of the Council. In determining whether or not to approve a petition to establish a District, the Council will evaluate whether or not the creation of a TDD is in the City's best interest, by considering one or more of the following criteria:

1. Promote and support efforts to redevelop retail sites to provide for reinvestment in the city;
2. Stimulate quality, retail development to enhance the City's economic base;
3. Attract and promote mixed-use, urban development;

4. Allow for the construction of transportation related infrastructure beyond what the City requires or would otherwise build;
5. The Project will be located in an area that has been targeted by the Council for economic development or redevelopment; or has specific site constraints making development more difficult or costly;
6. Recommendation of the Finance Team;
7. Whatever other factors the Council deems relevant to its decision.

(F) **Conformance to Local Requirements, Including:**

1. Compliance with uses anticipated in the Comprehensive Plan;
2. High degree of architectural design and site layout;
3. Enhanced use of landscaping, water quality best management practices and other sustainable features;
4. Design of infrastructure to meet public and/or private standards.

(G) **Additional Considerations**

1. Cost of the proposed improvements identified in the Project;
2. Sources of funding, including the amount of equity funding in comparison to public funding;
3. Payment risk mitigation mechanisms offered by the Applicant;
4. Experience and stability of the Developer;
5. Whether or not tenants are in place, and the nature and quality of the tenants;
6. Economic competition the Project has and is expected to have in the future; and
7. Impact to current businesses within the City.

Community Improvement District (CID) Policy

(A) **Application.** Interested parties shall submit a CID request via the Application for public financial participation provided by the City. City staff shall review all CID Applications for compliance with City policy and Kansas (the “State”) law and make a recommendation for preliminary approval and a decision to forward a petition to the Council for consideration and action. A proposed petition shall accompany each Application for a CID. If the Finance Team believes the Application and proposed petition meets the criteria set forth in this Policy and should be recommended for approval, the Finance Team will work with the petitioner(s) to develop a Finance Plan to present to the Council when it considers the petition to establish the CID.

(B) **Petition.** A valid CID petition must be submitted with signatures of either of the following:

1. 100% of the property owners of all of the land area within the proposed Special Assessment CID who seek financing solely by assessment. If all landowners petition for a CID, then the City may proceed with its creation by a majority vote of the Council and assessments without notice or public hearing; or
2. Property owners representing more than 55% of the land area of the proposed Sales Tax CID and also signed by property owners collectively owning more than 55% of the assessed value of the land within the proposed CID. If this petition method is utilized, then the City will be required to adopt a resolution giving public notice of a hearing on the advisability of the creation and financing of a CID. The Council may adopt a resolution by a majority vote to authorize the Project and create the CID.

(C) **Boundaries.** The CID boundaries and the method of financing for the project shall not require that all property that is benefited by the Project, whether or not the benefited property is within the CID, be included in the CID or be subject to an assessment or the CID sales tax.

(D) **Term.** The Council shall review the financial feasibility of each CID proposed for consideration and shall use this information in determining the appropriate term of financing for Projects within the CID. Any CID sales tax shall expire no later than the date the bonds issued to finance such Project, or refunding bonds issued for the Project, mature. In the event pay-as-you-go financing is utilized, CID sales tax shall expire twenty-two (22) years from the date the State Director of Taxation begins collecting such tax or when the bonds or pay-as-you-go costs have been paid. CID Bonds shall mature no more than twenty-two (22) years from the date of issue.

(E) **Public Hearing.** No Council public hearing consideration will occur unless all information is provided at least fifteen (15) business days prior to any such scheduled meeting. All fees and requirements of a funding agreement must also be met before Council consideration.

(F) **Criteria for Use of Community Improvement District.** The decision to establish a CID is within the sole discretion of the Council. In determining whether or not to approve a petition to establish a CID, the Council will evaluate whether or not the creation of a CID is in the City's best interest, by considering one or more of the following criteria:

1. Promotes and supports efforts to develop or redevelop commercial sites to provide for reinvestment in the city;
2. Stimulates quality, retail development to enhance the City's economic base;
3. Allows for the construction of infrastructure, including the construction of infrastructure beyond what the City would require or otherwise build;
4. The Projects will be located in an area that has been targeted by the Council for economic development or redevelopment; or has specific site constraints making development more difficult or costly;
5. The impact on other infrastructure systems, to include the cost of core system extensions to areas not adjacent to existing systems;

6. The financial risk to the City and any other government units of the financing proposal, to include exposure of the general property tax levy, enterprise funds positions and credit rating;
7. Recommendation of the Finance Team;
8. Other factors the Council deems relevant to its decision.

(G) **Conformance to Local Requirements, Including:**

1. Compliance with uses anticipated in the Comprehensive Plan;
2. High degree of architectural design and site layout;
3. Enhanced use of landscaping, water quality best management practices and other sustainable features;
4. Design of infrastructure to meet public and/or private standards.

(H) **Additional Considerations:**

1. Cost of the proposed improvements identified in the CID;
2. Sources of funding, including the amount of equity funding in comparison to public funding;
3. Payment risk mitigation mechanisms offered by the Applicant;
4. Experience and stability of the proposed developer;
5. Whether or not tenants are in place, and the nature and quality of the tenants;
6. Economic competition the Projects within the CID has and is expected to have in the future; and
7. Impact to current businesses within the City.

TDD & CID Financing Methods

(A) **TDD Sources of Funds.** TDD Projects may be financed by any or all of the following sources:

1. Special assessments imposed in the District pursuant to the TDD Act which have been paid in full prior to the date set by the Council as provided in the General Improvement and Assessment Law, K.S.A. 12-6a01, and amendments thereto;
2. Special assessments imposed in the District pursuant to the TDD Act, to be paid in installments;
3. A pledge of all of the revenue received from a TDD sales tax on the selling of tangible personal property at retail, or rendering or furnishing services taxable pursuant to the

provisions of the Kansas retailer's sales tax act, within a District, in any increment of .10% or .25% not to exceed 1% as authorized by K.S.A. 12-17,145, and amendments thereto ("TDD sales tax"); and

4. Any other funds annually appropriated by the Council.

(B) **CID Source of Funds.** Eligible CID Projects may be financed by any single, a combination, or all of the following sources:

1. CID Special Assessments imposed on property in the CID pursuant to the CID Act which have been paid in full prior to the date set by the Council as provided in the General Improvement and Assessment Law, K.S.A. 12-6a01, *et seq.* Two exceptions to the General Improvement and Assessment Law are provided:
 - a. No assessments can be levied against the City-at-large; and
 - b. If a Project is also financed by a pledge of sales tax revenues or annually appropriated funds of the City, the amount of each annual special assessment may be reduced or eliminated to the extent that sufficient taxes and/or funds have been received to pay the debt service on any bonds issued pursuant to the Act.
2. A pledge of all of the revenue received from a 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 retailer's sales tax act, within a CID, in any increment of .10% or .25%, not to exceed 2% (the "CID Sales Tax"), as authorized by the Act; or
3. Any other funds annually appropriated by the Council.

(C) **Finance Plan.** If the Finance Team reviews the Application and the petition and finds it in the City's best interest to recommend the creation of the TDD or CID to the Council, the Finance Team will work with the Applicant to create a Finance Plan which shall be presented to the Council for consideration along with the petition. The Finance Plan shall address the recommended method of financing and specific terms associated therewith.

(D) **Bonds.**

1. The City may issue TDD or CID Bonds to finance a Project. Guidelines for the issuance of TDD/CID Bonds include:
 - a. If bonds are issued, the sales tax imposed to pay the bonds shall expire no later than the date the bonds mature, unless being used to fund on-going operations;
 - b. If pay-as-you-go financing is utilized, the sales tax imposed shall expire 22 years from the date the State Director of Taxation begins collecting the tax or when all Project costs have been paid; and
2. Bonds issued under this Policy must include security for the bonds of a sufficient amount to minimize any risk of default and be allowed by State and Federal Tax laws.

3. Bonds must initially be offered in denominations of \$100,000 or greater. These minimum denominations may be reduced (upon consultation with the City's bond counsel and financial advisor) when one or more of the following are met:
 - a. The Projects being bond financed are substantially leased;
 - b. The estimated revenue stream yields significant debt service coverage on the bonds;
 - c. Construction of the Projects being bond financed is 100% complete;
 - d. The repayment term is less than or equal to 60% of the maximum permitted repayment term; and/or
 - e. Waiver of the minimum denomination provision by the Council.
4. If a negotiated sale of the bonds is necessary, the City will normally select the underwriter(s) needed to structure, price, and sell the bonds through a competitive process. Exceptions to this process may be approved by the City Administrator upon consultation with the City's bond counsel and financial advisor. City staff and the City's financial advisor will be directly involved in all negotiated sale pricing.
5. At its sole discretion, the City may require that an independent feasibility study of future TDD/CID revenues be performed, with any such cost born by the Applicant if not otherwise reimbursed from Bond Proceeds.

(E) **Annual Appropriation.** The Council may choose, but is not obligated, to annually appropriate funds to secure TDD/CID revenue bonds. In the event this security option is put forth, the financing plan shall specifically address the risk mitigation steps to ensure an extremely low probability of the City having to use its general revenues for debt service. Furthermore, provisions should be made to reimburse the City for any payments made by the City for any TDD / CID revenue bonds unless the Council specifically exempts any replenishment or reimbursement provision.

(F) **Reimbursement TDD/CID.** Petitioner(s) may be reimbursed for Projects within the TDD/CID on a "pay-as-you-go" basis until the Council determines issuance of bonds is viable and in the City's best interest.

(G) **Funds.** Funds and accounts shall be established in conformance with applicable regulations.

(H) **Development Agreement.**

1. Prior to beginning development of the Project (including the issuance of bonds), the Applicant shall execute a Development Agreement as approved by the Council.

Industrial Revenue Bonds (IRB)

(A) Purposes of Industrial Revenue Bonds The primary aim of Industrial Revenue Bond financing is to promote, stimulate, and develop the general economic welfare of the community. Consideration will be given to all applications where it appears that the applicant will create new

jobs or preserve existing jobs in the community, stimulate the local economy, or add to the diversification of the area's economy, without unfairly competing with existing businesses.

In accordance with KSA 12-1740 et seq., (the "IRB Act"), the principal and interest on the industrial revenue bonds shall be payable solely and only from the revenues permitted by the Act for such payments, and the revenue bonds shall not in any respect be a general obligation of the City, nor shall they be payable in any manner by taxation.

(B) Authority to Issue Industrial Revenue Bonds

Council Decision Process. The authority and decision to approve the issuance of Industrial Revenue Bonds is within the sole discretion of the City Council. The Council's decision for approval or disapproval will be based on an analysis made by the City staff, Bond Counsel, the City's bond counsel and the City's financial advisor, and a review of all the pertinent data relating to the request for bond issuance. If the Council adopts a resolution of intent for the bonds, it shall state in the resolution the conditions the issue is subject to, and for how long it is valid. A resolution of intent may be renewed, subject to the review of the project status, until the bonds are issued. A resolution of intent may be rescinded by action of the Council if the applicant fails to pursue the matter, provide the required information, or for any misrepresentation on the application or other documents. The Council is under no obligation to approve an application, nor does the Council relinquish its authority to initiate projects by whatever other financing means it deems necessary to promote the general health and welfare of the City.

Authority to Accept or Reject. This policy is intended to provide a guide for the City Council in considering applications to issue industrial revenue bonds and outline the policies and procedures to be followed by applicants. The City Council reserves the right to reject any request or application at any time in the review process when it considers such action to be in the best interest of the City. Approval of the application based on the information presented does not constitute an implied or other approval of a site plan, special use permit, plat, rezoning or other land development requirement. All proposals for development are subject to land use approvals by the appropriate body.

State Statute Compliance. The policy for considering applications for Industrial Revenue Bonds used for economic development is in accordance with the "IRB Act".

(C) Review of an Application for Industrial Revenue Bond Issuance Upon the receipt of an application for Industrial Revenue Bonds, the City Manager, City Attorney, the City's bond counsel and the City's financial advisor shall review the application with all the supporting documents. The review will utilize the criteria as set forth in this policy as standards on which to base the analysis. Based on the review, the City Manager will forward the application and all comments from these reviews to the Finance Committee. The application will be reviewed by the Finance Committee and the Committee will both provide its recommendations, along with staff recommendations and those of bond counsel and the City's financial advisor, to the Governing Body based upon its analysis of the proposed project. The City Council may designate a different committee to review the issuance if the Finance Committee is not in existence, or if designation to the Finance Committee would create conflicts which would not allow a quorum to be convened to consider the matter.

(D) Property Tax Exemption

Cost-Benefit Analysis. If an ad valorem tax abatement is requested by the applicant in connection with the IRBs the applicant will provide data as requested by the City necessary to perform a cost-benefit analysis as required by state law. This analysis will include the economic impact upon the impacted taxing districts taking into account the public costs (tax abatement and other) and the public benefits (property tax base, sales tax base and other spin-off benefits). Generally, such a cost-benefit analysis will examine a ten-year timeframe, however such timeframe may be shorter or longer depending upon the term requested and the term of any other economic incentives contemplated for the applicant. The cost-benefit analysis will be reviewed by the Economic & Community Development Committee, City staff, the City's bond counsel and the City's financial advisor as part of its review of the entire project.

Notice to Taxing Jurisdictions/Public Hearing. Prior to the granting of any tax abatement, the City Clerk shall notify in writing the impacted taxing districts about the public hearing and the proposed abatement at least seven days prior to the public hearing but as early as possible, and provide the taxing jurisdictions with a copy of the cost-benefit analysis and background materials. The impacted taxing districts will be encouraged to provide input to the City regarding the impact of the proposed abatement on the property tax base as well as other issues.

Resolution and Performance Provisions. After the public hearing, the City may adopt a resolution specifying the annual abatement and the length of the abatement. The resolution shall outline any annual job creation and investment targets which the Applicant must meet for all or a portion of the abatement to continue. The resolution shall also outline the method for decreasing the abatement if the annual job creation targets are not met. The resolution may make reference to terms of a PILOT Agreement, defined herein.

Property Tax Abatement. It is the policy of the City to grant property tax abatements for projects financed by IRBs if the applicant meets or exceeds the criteria established in this policy and receives approval of the governing body.

Payment in Lieu of Taxes (PILOT) Agreement. In order to grant an abatement, a PILOT Agreement between the City and the Applicant will be required. The PILOT Agreement is the mechanism whereby the City establishes the level of abatement (by setting the payment in lieu of taxes) and any performance standards (e.g. levels of payroll, investment and numbers of employees). The PILOT Agreement will establish a PILOT payment required of the business on an annual basis. The PILOT payment usually is a certain percentage of the taxes the Applicant would have paid without the Abatement. The PILOT Agreement may include a claw-back provision as addressed below.

Claw-back Provisions. A claw-back provision allows the City Council to modify or eliminate the tax exemption if they find that the business is not in compliance with the provisions of the PILOT. The tax exemption may be modified or eliminated as the Council deems appropriate, and the County Appraiser and Board of Tax Appeals shall be notified of such action. Provisions requiring specified performance as a condition for granting and maintaining the Abatement may be considered as part of the agreement; and the time within which construction on the abated property must begin and be completed.

Submission of Application to the Kansas Board of Tax Appeals. After the applicant has completed and submitted all necessary documentation to the City Clerk and IRBs for the project are

issued, the Clerk will forward all necessary documentation to the County Appraiser's Office, which will then be filed with the Kansas Court of Tax Appeals. Any tax abatement to be granted in connection with issuing IRBs is subject to the final determination and approval of the Kansas Court of Tax Appeals.

Annual Certification. After the first year of the abatement and by February 1 each year thereafter, the City will review the abatement to certify that use of the property is still in accordance with Kansas law and that all other provisions of the abatement and PILOT agreement are being met. The applicant will be required to complete and submit all necessary documentation to the City Clerk for annual submission to the County Appraiser's Office and the Kansas Court of Tax Appeals. It is the applicant's obligation to see that the appropriate annual information is filed for the abatement to continue.

Annual Report to the Board. Prior to December 31 of each calendar year, the City Clerk staff shall prepare an annual report for the City Council to review. Such report will include the status of all outstanding tax abatements and achievement of job creation targets.

Documents. All documents related to tax abatements, including the annual certifications, will be kept on file with the County Clerk.

(E) Requirements for Requesting Industrial Revenue Bonds

Application Required. No request for IRBs will be considered unless the applicant has completed and signed the application form, copies of which are available in the City Manager's office. Each application shall be filed with the City Manager's office. A non-refundable fee of \$1,000 shall accompany the application.

Bond Counsel. Applicants will be asked to utilize the City's designated bond counsel in connection with issuing IRBs. Use of other bond counsel must be approved by the City Council. In the event that other bond counsel is selected, the City may require its designated bond counsel to be involved in the transaction in a review capacity, depending upon the amount of the transaction and the project involved. All bond counsel fees, other legal fees and other fees associated with the transaction shall be paid by the applicant.

Escrow Fund. Upon filing an application, the applicant shall establish an escrow fund in the amount of five thousand dollars (\$5,000) to be deposited with the City in order to insure the prompt and timely payment of charges incurred by the City related to the IRB application. These accounts will be replenished by the applicant as needed. The City shall use the fund to pay for City Bond Counsel, financial advisors and other professional consultants' fees and other hourly fees incurred by the City's professional consultants for work on the IRBs and application.

(F) Criteria for the Issuance of Industrial Revenue Bonds

The criteria for judging the feasibility of each application for Industrial Revenue Bonds may be divided into four (4) classifications.

1. The financial responsibility of the respective tenant.
2. The marketing of the bonds.
3. The type of tenant.

4. The nature of the improvements to be financed.

The four (4) classifications are more particularly defined as:

1. FINANCIAL RESPONSIBILITY:

The prospective tenant shall be required to show substantial financial responsibility.

Financial Information Required. The applicant will be asked to furnish, as part of the application, an accounting audit of its past three (3) fiscal years' operations, prepared by a Certified Public Accountant. Other items required for the evaluation shall be the number of years the applicant has been in business; financial statements and records; the amount of proposed equity the applicant will have in the project; the pledge of any other established businesses which might insure the financial success of the applicant; financial information relevant to the net worth of personal guarantors; pro forma and other relevant financial information requested by the City Manager, City Attorney, the City's bond counsel, or the City's financial advisor

Financial Soundness Required. Applicants must demonstrate financial soundness and in no event will issues be approved in which the applicant does not have a substantial equity interest in the proposed project. Industrial Revenue Bonds will not be used for risk capital. To insure soundness of the project and to guarantee lease payments, the applicant may be required to furnish to the City commercial insurance or other credit enhancements approved by the City guaranteeing lease payments. In those instances where the applicant is a subsidiary of another corporation, the parent corporation may also be required to guarantee the lease payments. In those instances where the applicant is privately held, the City will require the owners to personally guarantee the lease payments or provide other credit enhancement approved by the City.

2. MARKETING THE BONDS:

Where IRBs are proposed to be marketed through negotiation with a bond underwriter, such underwriter shall be required to submit to the City an analysis of the current market conditions which indicate that the bonds are marketable. The analysis must state that the marketability is based upon the financial soundness of the firm and its ability to meet the debt and obligations incurred by the proposed bond issue, as well as whether or not a market exists for the bonds. If the bonds are to be placed without the services of a reputable underwriter, the applicant must submit substantial evidence that the bonds will be placed as well as a description of the method of payment. It will be the applicant's responsibility to identify and engage a Bond Underwriter, subject to approval by the City. The City reserves the right to require that IRBs be sold via a private placement to accredited investors.

3. TYPE OF TENANT:

The nature of the tenant's business shall be such that its establishment or expansion will give measurable growth or diversification to the community's economic base. The issuance of IRBs shall be most highly considered for manufacturing, processing, technology and service industries.

4. NATURE OF IMPROVEMENTS TO BE FINANCED:

IRBs shall generally be issued to finance the purchase of land, land improvements, and buildings. No IRBs will be issued where the nature of the project is primarily to refinance existing debt, except when a substantial expansion is planned in the refinancing of the debt. Refinancing of existing IRB

debt for a project is permitted to restructure debt or achieve costs savings, but no such refinancing shall result in granting of additional tax abatements or other incentives. The inclusion of machinery and equipment costs will be approved when such assets have a life span equal to the term of the lease. Legal fees, trustee fees, service fees, and other administrative costs as well as capitalized interest and the cost of obtaining financing, such as underwriting fees, may be included as part of the bond issue if those fees are not excessive and their inclusion is based on sound financial management.

(G) Service Fee to the City:

The applicant agrees to pay the City on the date specified in the bond documents an annual service fee of 1/20 of 1% of the principal amount of the bonds outstanding on the day prior to the anniversary date of the issue or \$250, whichever is greater; provided, however, that except as otherwise provided in this section, the annual fee shall not exceed \$2,000 in one year.

The annual fee will be based on the principal amount on the date of issue for the first year and on the day prior to the anniversary date of issue for all subsequent years. The service fee will be in addition to any payment by the applicant as an application fee or to reimburse the City for its out-of-pocket expenses associated with processing the application and issuing the bonds. Provided, however, should the City be able to demonstrate that the yearly service fee in any one year was insufficient to cover the City's actual administrative and supervisory costs and expenses, then, in that event, said service fee shall be increased to cover actual costs.

(H) Fee of Attorneys and Consultants

All appropriate and necessary documents relating to the issuance of the bonds will be prepared by the bond counsel. The applicant will pay all fees and expenses of bond counsel. All of the appropriate and necessary documents shall be subject to the review and approval of the City Attorney, with his fees to be paid by the applicant, along with fees of the City's financial advisor and the City's bond counsel, if the City's Bond Counsel is not serving as Bond Counsel on the IRBs. The City Attorney's fee will be based upon an hourly rate agreed upon by the City Manager and the City Attorney, plus out-of-pocket expenses.

(I) Transferability:

No abatement granted by the City as part of the IRB shall be transferred as a result of a change in ownership of the exempted property. Any new owner shall file a new application for abatement. Further, the City shall be notified by the business of any substantive change in the use of the tax exempt property.

(J) Payments in Lieu of Sales Taxes:

Labor and materials used in construction as well as equipment purchased with IRB proceeds are typically exempted from State and local sales tax. Payments-in-lieu of sales tax may be required and negotiated between the City and the applicant.

(K) City Not Bound By Policy:

This policy is intended to be a set of general guidelines only. Any provision herein may be waived or other requirements added to at the discretion of the City Council.

Tax Abatement Policy

(A) **Eligibility.** Only those firms which qualify under Kansas law will be eligible for an abatement. Abatements for a business that would compete directly with existing businesses will not be encouraged unless the competing business has received or been offered similar incentives, or unless there is an overriding benefit to the City as a whole.

(B) **Review Criteria.** The following criteria and factors shall be used in evaluating Applications for tax abatements:

1. Net benefit to the taxing districts as shown in the Cost-Benefit Analysis;
2. Quality job creation and wages;
3. Capital investment;
4. Diversification of the local economy;
5. The extent to which the Project would meet an identified need in the City.

(C) **Transfers.** No abatement granted by the City shall be transferred as a result of change in ownership of the exempted property. Any new owner shall file a new Application for abatement. Further, the City shall be notified by the business of any substantive change in the use of the tax exempt property.

(D) **Special Assessments.** Special assessments are not eligible for exemption under this policy.

(E) **Cost-Benefit Analysis.** The Finance Review Team will complete a cost-benefit analysis. This analysis will provide the economic impact upon the impacted taxing districts taking into account the public costs (tax abatement and other) and the public benefits (property tax base, sales tax base and other spin-off benefits). Generally, such a cost-benefit analysis will examine a ten-year timeframe, however such timeframe may be shorter or longer depending upon the term requested and the term of any other economic incentives contemplated for the Applicant.

(F) **Notice to Taxing Jurisdictions/Public Hearing.** Prior to the granting of any tax abatement, the County Clerk shall notify in writing the impacted taxing districts about the public hearing and the proposed abatement at least seven days prior to the public hearing but as early as possible, and provide the taxing jurisdictions with a copy of the cost-benefit analysis and background materials.

The impacted taxing districts will be encouraged to provide input to the City regarding the impact of the proposed abatement on the property tax base as well as other issues.

(G) **Resolution and Performance Provisions.** After the public hearing, the Council may adopt a resolution specifying the annual abatement and the length of the abatement. The resolution will require two readings.

The resolution shall outline annual job creation and investment targets which the Applicant must meet for all or a portion of the abatement to continue. The resolution shall also outline the method for decreasing the abatement if the annual job creation targets are not met.

(H) **Payment in Lieu of Taxes (PILOT) Agreement.** In order to grant an Abatement, a PILOT Agreement between the City and the Applicant will be required. The PILOT Agreement is the mechanism whereby the City establishes the level of Abatement (by setting the payment in lieu of taxes) and any performance standards (e.g. levels of payroll, investment and numbers of employees). The PILOT Agreement will establish a PILOT payment required of the business on an annual basis. The PILOT payment usually is a certain percentage of the taxes the Applicant would have paid without the Abatement. The PILOT Agreement may include a clawback provision as addressed below.

(I) **Clawback Provisions.** A clawback provision allows the Council to modify or eliminate the tax exemption if they find that the business is not in compliance with the provisions of the PILOT. The tax exemption may be modified or eliminated as the Council deems appropriate, and the County Appraiser and Board of Tax Appeals shall be notified of such action. Provisions requiring specified performance as a condition for granting and maintaining the Abatement may be considered as part of the agreement; and the time within which construction on the abated property must begin and be completed.

(J) **Submission of Application to the Kansas Board of Tax Appeals.** After the Applicant has completed and submitted all necessary documentation to the County Clerk, the County Clerk will forward all necessary documentation to the County Appraiser's Office, which will be filed with the Kansas Board of Tax Appeals. The Board's decision to grant an Abatement is subject to the final determination of the Kansas Board of Tax Appeals.

(K) **Annual Certification.** After the first year of the abatement and by February 1 each year thereafter, the Finance Team will review the abatement to certify that use of the property is still in accordance with Kansas law and that all other provisions of the abatement are being met. The Applicant will be required to complete and submit all necessary documentation to the County Clerk for annual submission to the County Appraiser's Office and the Kansas Board of Tax Appeals. It is the Applicant's obligation to see that the appropriate annual information is filed for the abatement to continue.

(L) **Annual Report to the Board.** Prior to December 31 of each calendar year, the County staff shall prepare an annual report for the Board to review. Such report will include the status of all outstanding tax abatements and achievement of job creation targets.

(M) **Documents.** All documents related to tax abatements, including the annual certifications, will be kept on file with the County Clerk.

(N) **Duration and Amount of Abatement.** Application of the criteria set forth below will be considered in determining whether abatement should be awarded, and, if so, the length and amount of abatement granted. The following charts shall serve as a guide for the number of years for abatement and the amount of the abatement:

Amount of Capital Improvements for New Businesses	Years Eligible for Abatement
\$1,000,000 - \$1,999,999	5
\$2,000,000 - \$2,999,999	6
\$3,000,000 - \$3,999,999	7
\$4,000,000 - \$4,999,999	8
\$5,000,000 plus	10

Amount of Capital Improvements for Existing Businesses	Years Eligible for Abatement
\$250,000 - \$999,999	5
\$1,000,000 - \$1,999,999	7
\$2,000,000 - \$2,999,999	8
\$3,000,000 plus	10

% of Abatement for New Business	Number of Net New Employees to the City	% of County Average Salary
25%	10 - 20	101% - 150%
50%	21 - 50	101% - 150%
	10 - 20	151% - 200%
75%	51 or more	101% - 150%
	21 or more	151% - 200%
	10 - 20	201% or more
100%	21 or more	201% or more

% of Abatement for Existing Business	Number of Net New Employees to the City	% of State Average Salary
25%	5 - 10	101% - 150%
50%	10 - 20	101% - 150%
	5 - 10	151% - 200%
75%	21 plus	101% - 150%
	11 - 21	151% - 200%
	5 - 10	201% or more
100%	11 or more	201% or more

Miami County Incentive Fund (MCIF)

While the City of Osawatomie, Kansas neither controls nor contributes to it, Miami County, Kansas maintains a source of flexible funds to be used in the pursuit of economic development Projects which may, or may not, be available to provide assistance for projects in the City. This flexible fund has the benefit of being available to address minor shortfalls in economic development Projects without the cumbersome statutory initiation and authorization costs. In addition, the fund might be used to assist Miami County with the necessary professional analysis for those economic development efforts initiated by the County but do not yet have a private investor or developer. Examples of these types of costs could be market studies, preliminary engineering costs estimates, environmental analysis, real estate purchase options and similar expenses. All requests or Applications for assistance shall be considered and acted upon in accordance with the policy created by Miami County, Kansas. These procedures are established under the authority of the Miami County Board of County Commissioners and any applications for assistance from the Miami County Incentive Fund shall be submitted to Miami County, Kansas.

TAX INCREMENT FINANCING POLICY (TIF) / SALES TAX & REVENUE BOND PROJECTS (STAR)

Section 1. Introduction

Tax increment financing is a tool that enables governments to fund infrastructure, land acquisition, and other public investments in private redevelopment projects. The use of tax increment financing does not authorize any action not otherwise permitted; it merely allows the sponsoring government to divert taxes levied by it and other governments to pay for those actions. It presumes that if it were not for the public investments being made, the redevelopments and resulting tax increments being diverted to the projects would not otherwise occur.

Kansas state statutes permit only cities to create redevelopment districts and to divert taxes levied by the overlapping taxing districts to the city's Project. Cities must conduct public hearings and adopt ordinances with descriptions of proposed redevelopment districts. After a city passes such an ordinance, the county has 30 days to deny the creation of the redevelopment district. Upon finding that creation of a redevelopment district could cause adverse effects to the county, the board of county commissioners may deny the proposal, and in such case the City may not proceed with tax increments as a funding tool for the Project. Miami County, Kansas maintains a policy which outlines the criteria to be used by Board of County Commissioners in the determination of adverse impacts of redevelopment districts on which the County's decision to approve prospective TIF Districts shall be made. The policy of the County will govern consideration by the County of all TIF districts proposed by every city located in Miami County.

For purposes of this Article 6 Tax increment Financing Policy (TIF) section, all references to TIF shall also include STAR projects. All of the requirements of the TIF Act must also be complied with for a STAR Bond project, including creation of a District and approval of a Plan. A STAR Project is a project whereby STAR Bonds are issued to finance Redevelopment Project Costs if the Secretary of Commerce makes a finding that the Project will create a major tourism area, is the restoration of a historic theater, has been designated as a "special bond project," or is a major motorsports complex.

Section 2. Purpose of Policy

This Tax Increment Policy has been approved by the City for the following purposes:

1. To guide staff in forming recommendations regarding the approval of TIF districts;
2. To provide a framework within which staff and the City can evaluate proposed uses of tax increment financing; and
3. To inform the public of the City's position on the use of tax increment financing and the process through which decisions regarding the use of the tool are made.

Section 3. Policy Statement

It is the policy of the City to support efforts to eliminate blight and promote redevelopment of substandard areas by allowing the diversion of tax revenues to TIF districts when such actions are shown to create no adverse effect.

Section 4. Adverse Effect to City or County

Adverse effect to the City may be cause for disapproval of a TIF district and shall be evaluated by the following criteria:

1. Considering the service demands placed on the City, the potential redirection of tax revenue would hinder effective future delivery of City public services.
2. Proposed Project is economically feasible without City funding support.
3. Proposed private equity funding is insufficient.
4. Costs to City government are greater than benefits to City government.
5. Sufficient data or notification was not provided for City staff to adequately review the proposal for a TIF district.
6. Disapproval by the Board of County Commissioners of Miami County, Kansas

Section 5. Minimum Data Requirements

The proposal for a TIF district shall describe how it would fulfill the basic statutory requirements, follow statutory procedures, and cite specifically applicable statutory references for the creation of TIF districts. K.S.A. §12-1771 *et. seq.* defines the conditions under which a TIF district may be created. Current statutory conditions require the property to be included in the TIF district be blighted; be in need of conservation to avoid becoming blighted; or be a major tourism area, a major commercial entertainment and tourism area, an inter-modal transportation area, a bioscience development area, or an enterprise zone as pursuant to K.S.A. §12-17,107 through 12-17,113 prior to its repeal. Definitions of each of these conditions are specified in state law. To enable analysis and consideration, the following data elements must be received by the City at the earliest possible time, and in no event later than the date of the consideration by the Board of County Commissioners and City's adoption of an ordinance creating a TIF district:

1. Brief description of the Applicant (business – nature of business; non-business – nature of entity or group)
2. Provide status and phasing for obtaining site control for the entire Project area (status such as fee simple, purchase agreement, purchase option, option expiration, etc.).
3. Names and addresses of the owners, and/or officers and directors of the entity requesting the TIF assistance (Applicant).
4. Legal description, address, parcel ID's, the existing assessed valuation of the real estate in the proposed district listing land and building values separately; map or boundary description and legal description of TIF area(s), and a map depicting the existing parcels of real estate.
5. A list of names and addresses of the owners of record of real estate within the district.
6. The existing zoning or rezoning classifications and district boundaries, and the existing and proposed land uses within the area. Description of plans for improving or expanding municipal services within the TIF district including, but not limited to, buildings and facilities, sanitary and storm sewers and lift stations, drainage conduits, channels and levees, refuse collection, road and street maintenance, street lighting and fixtures, underground gas, water, heating, and electrical services and connections in the right-of-way, sidewalks and pedestrian underpasses and overpasses, drives and driveway approaches within the right-of-way, water mains and extensions, plazas and arcades, parking facilities, landscaping and plantings, fountains, shelters, benches, sculptures, lighting, decorations, and similar amenities.
7. A description of the need for any relocation of residential, commercial, or industrial facilities.
8. A detailed description of the proposed Projects for which the TIF district is to be created, including a description of public and/or private improvements, building(s) including square footage, materials, proposed use, etc. and a site plan.
9. A Project pro forma showing detailed sources and uses of Project funding and identifying the shortfall between anticipated private funding and Project costs. Include the status of all sources of financing including private equity. The identified gap between sources and uses without public participation should match the requested participation.
10. A preliminary tax increment funding analysis showing how the public funding will be provided for the proposed Project reflecting requested amounts. Evidence that the anticipated private funding can be acquired, such as a letter of intent from a financial institution.
11. A market feasibility assessment showing whether the marketplace needs and will support the planned Project with a preference for an independent study conducted by a consultant retained by the City and independent of the developer.

Section 6. Economic Analysis and Risk Assessment Process

(A) Proposed uses of tax increment financing will be subject to rigorous economic analysis and risk assessment. The Finance Team will be responsible for overseeing the analysis and assessment process.

(B) The analysis and assessment of all proposed uses of tax increment financing will address the following questions as part of the standard format for reports to the Board:

1. What is the public purpose of the financial assistance to the Project?
2. Why is there a financial need for public investment and/or subsidy?
3. What is the total cost of the Project?
4. What are the proposed levels of public participation and of private equity participation by the developer?

(C) The results of the economic analysis and risk assessment will be presented to the Council at the time of the request for approval of the proposed use of tax increment financing. The report will identify any elements of the proposed Project that are not in conformance with this Tax Increment Policy.

Section 7. Evaluation Criteria.

The following items will be taken into consideration in the evaluation of any development proposal requesting tax increment assistance.

(A) **Need For Public Assistance.** In all cases, it is required that the need for tax increment financing to pay for public improvements be demonstrated and documented by the city to the satisfaction of the Finance Team. To the extent it is not part of the Minimum Data Requirements listed above all such documentation, including development budgets, cash flow projections, market studies and other financial and market information, must be submitted upon request. **Amount of Tax Increment Financing versus Private Investment.** All TIF district proposals should seek to maximize the amount of private investment per dollar of tax increment financing. Tax increment financing as percentages of total development costs and private equity funding will be determined for each Project (or discrete portion of a Project receiving a subsidy) and compared to other development projects or subprojects of similar scope and magnitude whenever possible.

(B) **Term of Tax Increment Financing.** The term of the tax increment financing shall be kept to a minimum. The proposed term of any tax increment financing shall be fully documented and explained to the Council.

(C) **Development Benefits and Costs.** The direct and indirect benefits of the development proposal shall be determined and quantified to the degree possible. Benefits shall include, but are not limited to, employment benefits (number of jobs retained or created, percentage of jobs held by City residents, wage and salary information, etc.), tax base benefits (estimated market value of new development, new property taxes generated, etc.), housing benefits (number of new rental or ownership units, number of affordable units, etc.), and other benefits relating to transportation, parking, blight remediation, environmental cleanup and historic preservation. Based on the market study, projections should be provided reflecting the potential impact the Applicant's project would

have on existing firms offering competing products. Costs of the development proposal to the City shall also be identified to the degree possible. Such costs shall include, but are not limited to, additional required infrastructure, required local contributions by the County, and the impact on the County's budget if tax increment financing is used. The timeframe used for these cost estimates should equal the timeframe of the Project finance plan.

Section 8. Application.

Interested parties shall submit a TIF request via the Application for public financial participation provided by the City. City staff shall review all TIF Applications for compliance with City policy and Kansas (the "State") law and make a recommendation for preliminary approval and a decision to forward a petition to the Council for consideration and action. If the Finance Team believes the Application and proposed petition meets the criteria set forth in this Policy and should be recommended for approval, the Finance Team will work with the petitioner(s) to develop a Finance Plan to present to the Council when it considers the petition to establish the TIF.

(A) **Term.** The Council shall review the financial feasibility of each TIF proposed for consideration and shall use this information in determining the appropriate term of financing for Projects within the TIF. TIF Bonds shall mature no more than twenty (20) years from date of issue.

(B) **Public Hearing.** No Council public hearing consideration will occur unless all information is provided at least fifteen (15) business days prior to any such scheduled meeting. All fees and requirements of a funding agreement must also be met before Council consideration.

Criteria for Use of TIF District. The decision to establish a TIF is within the sole discretion of the Council. In determining whether or not to approve a request or petition to establish a TIF, the Council will evaluate whether or not the creation of a TIF is in the City's best interest, by considering one or more of the following criteria:

1. Promotes and supports efforts to develop or redevelop commercial sites to provide for reinvestment in the city;
2. Stimulates quality, retail development to enhance the City's economic base;
3. Allows for the construction of infrastructure, including the construction of infrastructure beyond what the City would require or otherwise build;
4. The Projects will be located in an area that has been targeted by the Council for economic development or redevelopment; or has specific site constraints making development more difficult or costly;
5. The impact on other infrastructure systems, to include the cost of core system extensions to areas not adjacent to existing systems;
6. The financial risk to the City and any other government units of the financing proposal, to include exposure of the general property tax levy, enterprise funds positions and credit rating;
7. Recommendation of the Finance Team;
8. Other factors the Council deems relevant to its decision.

(C) Conformance to Local Requirements, Including:

1. Compliance with uses anticipated in the Comprehensive Plan;
2. High degree of architectural design and site layout;
3. Enhanced use of landscaping, water quality best management practices and other sustainable features;
4. Design of infrastructure to meet public and/or private standards.

(D) Additional Considerations:

1. Cost of the proposed improvements identified in the TIF;
2. Sources of funding, including the amount of equity funding in comparison to public funding;
3. Payment risk mitigation mechanisms offered by the Applicant;
4. Experience and stability of the proposed developer;
5. Whether or not tenants are in place, and the nature and quality of the tenants;
6. Economic competition the Projects within the TIF has and is expected to have in the future; and
7. Impact to current businesses within the City.

Section 9. TIF Financing Methods

(A) TIF Sources of Funds. TIF Projects may be financed by any or all of the following sources: In any Plan the primary revenue source for repayment of debt is the tax increment generated from the redevelopment of the Project within the District. The Act provides that such increment is that portion of ad valorem taxes collected on real property (land and improvements thereon) within the District that is in excess of the amount produced from such property attributable to the assessed valuation of such property prior to the date the District was established. Ad valorem taxes collected on assessed valuation in existence on the date of establishment of the District will continue to be distributed to all taxing districts in the same manner as all other property taxes. For Districts created after July 1, 1997, the state school finance levy will be excluded from the tax increment. The increased increment in city sales tax, transient guest tax and city franchise fees within the District may also be captured. For major tourism areas and major commercial entertainment and tourism areas, state sales tax revenue are available in certain circumstances. The additional tax increment shall be captured, placed in a special fund and applied only for the purposes of paying the costs of the Project, including repayment of any authorized indebtedness associated with the Project. When such bonds and the interest thereon shall have been paid, the increment shall be apportioned to all taxing jurisdictions as before the creation of the District; provided however, if the Project has not been completed, the increment shall continue to be captured for the special fund until the Project is completed, not to exceed 20 years after date of approval of the Plan.

(B) **Finance Plan.** If the Finance Team reviews the Application and the petition and finds it in the City's best interest to recommend creation of the TIF to the Council, the Finance Team will work with the Applicant to create a Finance Plan which shall be presented to the Council for consideration along with the petition. The Finance Plan shall address the recommended method of financing and specific terms associated therewith.

(C) **Bonds.**

1. The City may issue TIF Bonds to finance a Project.
2. Bonds issued under this Policy must include security for the bonds of a sufficient amount to minimize any risk of default and be allowed by State and Federal Tax laws.
3. Bonds must initially be offered in denominations of \$100,000 or greater. These minimum denominations may be reduced (upon consultation with the City's bond counsel and financial advisor) when one or more of the following are met:
 - a. The Projects being bond financed are substantially leased;
 - b. The estimated revenue stream yields significant debt service coverage on the bonds;
 - c. Construction of the Projects being bond financed is 100% complete;
 - d. The repayment term is less than or equal to 60% of the maximum permitted repayment term; and/or
4. Waiver of the minimum denomination provision by the Council.
5. If a negotiated sale of the bonds is necessary, the City will normally select the underwriter(s) needed to structure, price, and sell the bonds through a competitive process. Exceptions to this process may be approved by the City Administrator upon consultation with the City's bond counsel and financial advisor. City staff and the City's financial advisor will be directly involved in all negotiated sale pricing.
6. At its sole discretion, the City may require that an independent feasibility study of future TIF revenues be performed, with any such cost born by the Applicant if not otherwise reimbursed from Bond Proceeds.

(D) **Annual Appropriation.** The Council may choose, but is not obligated, to annually appropriate funds to secure TIF revenue bonds. In the event this security option is put forth, the financing plan shall specifically address the risk mitigation steps to ensure an extremely low probability of the City having to use its general revenues for debt service. Furthermore, provisions should be made to reimburse the City for any payments made by the City for any TIF revenue bonds unless the Council specifically exempts any replenishment or reimbursement provision.

(E) **Reimbursement TIF.** The Developer may be reimbursed for Projects within the TIF on a "pay-as-you-go" basis until the Council determines issuance of bonds is viable and in the City's best interest.

(F) **Funds.** Funds and accounts shall be established in conformance with applicable regulations.

(G) **Development Agreement.** Prior to beginning development of the Project (including the issuance of bonds), the Applicant shall execute a Development Agreement as approved by the Council.

HOUSING DEVELOPMENT INCENTIVES

Section 1. Introduction

The City of Osawatomie offers housing development incentives to encourage new housing development within city limits and to provide the community with a long-term increase and stabilization of the property tax base and increase the supply of quality newer housing in Osawatomie. The purpose of the housing incentive policy is to provide help to fill in the gaps of the private markets ability to address housing needs in Osawatomie.

Housing Development Incentive Program

(A) **Eligibility.** Eligible properties must already be zoned for residential development and must be constructed for a single family residence. Builders who apply for housing incentives are still eligible to be given land owned by the city and the Neighborhood Revitalization Program. A rebate check for the difference in fees will be mailed to the developer once a certificate of occupancy has been issued to the builder by the City Building Official.

To be eligible for the Housing Development Incentive Program, the building permit must have been issued at least 60 days prior to the adoption of this policy. Homes must be valued above \$75,000 to be eligible for the Housing Development Incentive Program. The property owner must complete and submit an application to City Hall within 60 days after the building permit is issued. City staff will review the application and send the owner a notice of eligibility. The owner must then submit a "Request for Rebate" within 60 days of the issuance of the Certificate of Occupancy.

(B) **Construction Incentives.** Under the Housing Development Incentive Program, fees associated with new single family construction will be reduced based on the value of the home at the time the Certificate of Occupancy is issued. All rebate applications are approved through the discretion of the City Manager. Rebate reductions in fees are as follows:

Value

\$75,000-\$149,999

- 50% rebate in building permit fees, up to \$1,500 maximum
- 100% rebate for all water, sewer and electric hookup and tap fees
- 1 year rebate on all utility monthly meter fees

\$150,000 plus

- 100% rebate in building permit fees, up to \$1,500 maximum
- 100% rebate for all water, sewer and electric hookup and tap fees
- 2 year rebate on all utility monthly meter fees

Neighborhood Revitalization Program

The City of Osawatomie participates in the Neighborhood Revitalization Program (KSA 12-17,114 et seq.) The inter-local agreement between the City of Osawatomie, Board of Miami County Commissioners of Miami County, Kansas and Unified School District 367 Board of Education was adopted by Resolution 613 on January 1, 2009 and expires December 31, 2019.

Rural Housing Incentive Districts

(A) **Authority.** The city is authorized to designate a rural housing incentive district in the interests of stimulating housing development. Rural housing districts provide 100% of the tax increment increase in property tax created by residential development for up to 15 years. Permitted uses of incentive include site preparation, public and private utilities, sidewalks and streets,

(B) **Needs Analysis.** In order to designate a Rural Housing District, the city must complete a Housing Needs Analysis. The specific housing needs outline within the Housing Needs Analysis must be approved by the City Council and forwarded to the Kansas Department of Commerce for review and approval. In addition to the Housing Needs Analysis, the City Council must adopt a resolution containing a legal description of the proposed district, a map depicting the existing parcels of real estate in the proposed district, and a statement of the following findings determinations:

1. There is a shortage of quality housing of various price ranges in the city or county despite the best efforts of public and private housing developers
2. The shortage of quality housing can be expected to persist and that additional financial incentives are necessary in order to encourage the private sector to construct or renovate housing in such city or county
3. The shortage of quality housing is a substantial deterrent to the future economic growth and development of such city or county
4. The future economic well-being of the city or county depends on the governing body providing additional incentives for the construction or renovation of quality housing in such city or county.

(C) **Approval.** Upon publication of the resolution, the governing body shall send a certified copy of the resolution to the secretary, requesting that the secretary review the resolution and advise the governing body whether the secretary agrees with the findings contained therein.

(D) **Plan.** Upon receipt of the approval of the secretary, the city may proceed with the establishment of the district. The city must adopt a plan for development of housing and public facilities in the proposed district. The plan shall include the following:

1. The legal description and map required by subsection (a) of K.S.A. 12-5244.
2. The existing assessed valuation of the real estate in the proposed district, listing the land and improvement values separately.
3. A list of the names and addresses of the owners of record of all real estate parcels within the proposed district.
4. A description of the housing and public facilities project or projects that are proposed to be constructed or improved in the proposed district, and the location thereof.
5. A listing of the names, addresses and specific interests in real estate in the proposed district of the developers responsible for development of the housing and public facilities in the proposed district.
6. The contractual assurances, if any, the governing body has received from such developer or developers, guaranteeing the financial feasibility of specific housing tax incentive projects in the proposed district.
7. A comprehensive analysis of the feasibility of providing housing tax incentives in the district as provided in this act, which shows the public benefits derived from such district will exceed the costs and that the income therefrom, together with other sources of funding, will be sufficient to pay for the public improvements that may be undertaken in such district. If other sources of public or private funds are to be used to finance the improvements, they shall be identified in the analysis.

(E) **Public Hearing.** Prior to the adoption of the plan and designation of the district, the governing body shall adopt a resolution stating that the governing body is considering such action. The resolution shall provide notice that a public hearing will [be] held to consider the adoption of the plan and the designation of the district.

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 13, 2017

AGENDA ITEM: Hawkins Foundation Grant Discussion

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: It was announced publicly last week that the Hawkins Foundation has funds available for grants this year. I was visited last week by Gordon Schrader, who served on the Foundation Board, and we discussed some of the types of items Web may have liked to see funded. Gordon specifically mentioned replacing Christmas lights, upgrading PRIDE Plaza, improvements to Memorial Hall, replacing the fence at the Soldier's Monument, and upgrading the tourism related signs in the community, such as the posts for the driving tour signs, or replacing the lake and golf course directions signs on 8th Street.

COUNCIL ACTION NEEDED: Review the issue and discuss potential applications.

STAFF RECOMMENDATION TO COUNCIL: Provide direction to staff.

CITY OF OSAWATOMIE - BUDGET REPORT

DATE: February 2017	BUDGETED	REIMBS	EXPENDITURES	UNEN BALANCE
GENERAL				
Administration	586,669.00		70,711.24	515,957.76
Codes Enforcement	149,576.00	300.00	51,873.69	98,002.31
Police	874,015.00	5,789.30	118,586.91	761,217.39
John Brown Cabin	37,207.00		5,118.43	32,088.57
Public Works	245,077.00		20,743.01	224,333.99
Properties & Maintenance	321,550.00		30,462.10	291,087.90
Fire	76,948.00	2,226.30	10,073.54	69,100.76
Municipal Court	170,809.00		15,334.44	155,474.56
Levees & Storm Water	21,294.00		1,089.55	20,204.45
Library	155,164.00	296.65	21,307.23	134,153.42
TOTAL	2,638,309.00	8,612.25	345,300.14	2,301,621.11
WATER				
Administration	367,144.00		4,433.15	362,710.85
Water Treatment	356,826.00		34,229.27	322,596.73
Water Distribution	330,053.00		83,040.74	247,012.26
TOTAL	1,054,023.00	-	121,703.16	932,319.84
ELECTRIC				
Administration	1,503,680.00		109,549.53	1,394,130.47
Electric Production	2,147,673.00		247,973.85	1,899,699.15
Elect Transmission	572,399.00		70,753.02	501,645.98
TOTAL	4,223,752.00	-	428,276.40	3,795,475.60
EMPLOYMENT BENEFIT	825,609.00	24,874.29	238,595.61	611,887.68
REFUSE	431,500.00		32,553.92	398,946.08
LIBRARY	114,000.00		50.00	113,950.00
RECREATION	2,000.00		-	2,000.00
INDUSTRIAL	105,500.00		5,110.36	100,389.64
REVOLVING LOAN	-		-	-
SPECIAL PARKS & REC	50,000.00		-	50,000.00
ST IMPROVEMENT	157,980.00		15,251.05	142,728.95
BOND & INTEREST	939,069.00		203,829.33	735,239.67
PUBLIC SAFETY EQUIP.	64,800.00		8,200.00	56,600.00
FIRE INS PROCEEDS	-		-	-
SEWER	979,429.00		63,249.44	916,179.56
REC EMP BENEFITS	1,000.00		-	1,000.00
GOLF COURSE	313,946.00		30,412.66	283,533.34
SPECIAL REV (FIRE EQUIP)	9,897.00		-	9,897.00
SPECIAL REVENUE (911)	-		-	-
LLEBG GRANT	-		-	-
TOURISM	85,350.00		8,571.42	76,778.58
EVIDENCE LIABLITIY	-		-	-
CAPITAL - GENERAL	145,000.00		50,000.00	95,000.00
CAPITAL IMP. - STREET	1,200,000.00		-	1,200,000.00
CAPITAL IMP - SEWER	-	-	-	-
CAPITAL IMP - GRANTS	-		-	-
CAPITAL IMP - WATER	-		-	-
ELECTRIC REVENUE BOND	450,000.00		389,598.11	60,401.89
ELECTRIC UTILITY DEBT SER	432,500.00		104,300.00	328,200.00
CAFETERIA 125 #50	52,500.00		5,334.63	47,165.37
COURT ADSAP #51	-		-	-
COURT BONDS #52	-		6,842.00	(6,842.00)
FOREITURES #53	-		-	-
PAY PAL #55	-		-	-
GRAND TOTAL	14,276,164.00	33,486.54	2,057,178.23	12,252,472.31

CITY OF OSAWATOMIE - CASH FLOW REPORT

Date: February 2017	BEGINNING BALANCE	REVENUE	EXPENDITURES	CASH BALANCE	ENCUMBERANCES (ORD.)	CASH BALANCE 2/28/2017
GENERAL OPERATING	427,561.07	545,630.89	336,687.89	636,504.07		636,504.07
WATER	243,189.12	158,310.88	121,703.16	279,796.84		279,796.84
ELECTRIC	516,295.78	666,700.01	428,276.40	754,719.39		754,719.39
EMPLOYEE BENEFIT	83,706.81	304,345.53	213,721.32	174,331.02		174,331.02
REFUSE	7,759.60	67,074.54	32,553.92	42,280.22		42,280.22
LIBRARY	108,330.36	443.61	50.00	108,723.97		108,723.97
RECREATION	-	1.06	-	1.06		1.06
RURAL FIRE	-	-	-	-		-
INDUSTRIAL	70,912.74	3,138.81	5,110.36	68,941.19		68,941.19
REVOLVING LOAN	-	-	-	-		-
SPECIAL PARKS & REC	100,083.71	150.00	-	100,233.71		100,233.71
STREET IMPROVEMENTS	148,183.62	29,005.99	15,251.05	161,938.56		161,938.56
BOND & INTEREST	202,541.60	173,647.63	203,829.33	172,359.90		172,359.90
PUBLIC SAFETY EQUIP.	15,083.11	15,336.77	8,200.00	22,219.88		22,219.88
FIRE INS PROCEEDS	0.84	-	-	0.84		0.84
SEWER	153,252.78	153,639.05	63,249.44	243,642.39		243,642.39
RECREATION BENEFIT	-	0.13	-	0.13		0.13
GOLF COURSE	1,399.35	51,897.29	30,412.66	22,883.98		22,883.98
SPECIAL REVENUE (911)	9,897.41	-	-	9,897.41		9,897.41
LLEBG GRANT	-	-	-	-		-
TOURISM	36,461.62	6,298.45	8,571.42	34,188.65		34,188.65
EVIDENCE LIABILITY	12,899.79	-	-	12,899.79		12,899.79
CAPITAL - GENERAL	138,538.56	-	50,000.00	88,538.56		88,538.56
CAPITAL IMP. - STREETS	116,593.98	-	-	116,593.98		116,593.98
CAPITAL IMP - SEWER	4,000.00	-	-	4,000.00		4,000.00
CAPITAL IMP - GRANTS	74,142.13	270,306.00	-	344,448.13		344,448.13
CAPITAL IMP - WATER	-	-	-	-		-
ELECTRIC REVENUE BONDS	3,029,838.11	1,458.55	389,598.11	2,641,698.55		2,641,698.55
ELECTRIC BOND RESERVE	147,868.81	72,620.84	104,300.00	116,189.65		116,189.65
CAFETERIA 125 # 50	43,826.84	4,356.59	5,334.63	42,848.80		42,848.80
COURT ADSAP # 51	7,401.00	-	-	7,401.00		7,401.00
COURT BONDS # 52	13,269.54	5,394.39	6,842.00	11,821.93		11,821.93
FORFEITURES # 53	978.42	150.00	-	1,128.42		1,128.42
PAYPAL # 55	0.01	-	-	0.01		0.01
TOTALS	5,714,016.71	2,529,907.01	2,023,691.69	6,220,232.03	-	6,220,232.03

CASH TRANSACTIONS REPORT

YEAR: THROUGH FEBRUARY
City of Osawatomie

Page: 1
4/4/2017
3:15 pm

Account Number	Beginning Balance	Debit	Credit	Ending Balance
100.101 CASH & INVESTMENTS				
100.101 CASH & INVESTMENTS				
01-000-100.101 CASH & INVESTMENTS	427,561.07	620,819.64	411,876.64	636,504.07
02-000-100.101 CASH & INVESTMENTS	243,189.12	165,977.82	129,370.10	279,796.84
03-000-100.101 CASH & INVESTMENTS	516,295.78	689,993.19	451,569.58	754,719.39
04-000-100.101 CASH & INVESTMENTS	83,706.81	329,219.82	238,595.61	174,331.02
05-000-100.101 CASH & INVESTMENTS	7,759.60	67,074.54	32,553.92	42,280.22
06-000-100.101 CASH & INVESTMENTS	108,330.36	443.61	50.00	108,723.97
07-000-100.101 CASH & INVESTMENTS	0.00	1.06	0.00	1.06
08-000-100.101 CASH & INVESTMENTS	0.00	0.00	0.00	0.00
09-000-100.101 CASH & INVESTMENTS	70,912.74	3,138.81	5,110.36	68,941.19
10-000-100.101 CASH & INVESTMENTS	0.00	0.00	0.00	0.00
11-000-100.101 CASH & INVESTMENTS	100,083.71	150.00	0.00	100,233.71
12-000-100.101 CASH & INVESTMENTS	148,183.62	29,005.99	15,251.05	161,938.56
13-000-100.101 CASH & INVESTMENTS	202,541.60	173,647.63	203,829.33	172,359.90
14-000-100.101 CASH & INVESTMENTS	15,083.11	15,336.77	8,200.00	22,219.88
15-000-100.101 CASH & INVESTMENTS	0.84	0.00	0.00	0.84
16-000-100.101 CASH & INVESTMENTS	153,252.78	158,387.10	67,997.49	243,642.39
17-000-100.101 CASH & INVESTMENTS	0.00	0.13	0.00	0.13
18-000-100.101 CASH & INVESTMENTS	1,399.35	55,735.04	34,250.41	22,883.98
19-000-100.101 CASH & INVESTMENTS	0.00	0.00	0.00	0.00
20-000-100.101 CASH & INVESTMENTS	9,897.41	0.00	0.00	9,897.41
21-000-100.101 CASH & INVESTMENTS	0.00	0.00	0.00	0.00
22-000-100.101 CASH & INVESTMENTS	36,461.62	6,298.45	8,571.42	34,188.65
23-000-100.101 CASH & INVESTMENTS	12,899.79	0.00	0.00	12,899.79
24-000-100.101 CASH & INVESTMENTS	138,538.56	0.00	50,000.00	88,538.56
25-000-100.101 CASH & INVESTMENTS	116,593.98	0.00	0.00	116,593.98
26-000-100.101 CASH & INVESTMENTS	4,000.00	0.00	0.00	4,000.00
27-000-100.101 CASH & INVESTMENTS	74,142.13	270,306.00	0.00	344,448.13
28-000-100.101 CASH & INVESTMENTS	0.00	0.00	0.00	0.00
30-000-100.101 CASH & INVESTMENTS	0.00	1,604,010.45	1,604,010.45	0.00
33-000-100.101 CASH & INVESTMENTS	3,029,838.11	1,458.55	389,598.11	2,641,698.55
43-000-100.101 CASH & INVESTMENTS	147,868.81	72,620.84	104,300.00	116,189.65
50-000-100.101 CASH & INVESTMENTS	43,826.84	4,356.59	5,334.63	42,848.80
51-000-100.101 CASH & INVESTMENTS	7,401.00	0.00	0.00	7,401.00
52-000-100.101 CASH & INVESTMENTS	13,269.54	5,394.39	6,842.00	11,821.93
53-000-100.101 CASH & INVESTMENTS	978.42	150.00	0.00	1,128.42
54-000-100.101 CASH & INVESTMENTS	0.00	0.00	0.00	0.00
55-000-100.101 CASH & INVESTMENTS	0.01	0.00	0.00	0.01
Total for 100.101	5,714,016.71	4,273,526.42	3,767,311.10	6,220,232.03
Total for 100.101	5,714,016.71	4,273,526.42	3,767,311.10	6,220,232.03
Grand Totals:	5,714,016.71	4,273,526.42	3,767,311.10	6,220,232.03

Osawatomi Police Department
Activity Report

Mar-17

21	Warrant Arrests
20	Other Arrest and /or Charges filed
125	Traffic Stops
92	Suspicious Activ., Inv. Persons, Ped Checks, Prowlers
12	Traffic Accidents
56	Assist EMS
27	Fights , Disturbance, Assaults, Domestic, Harras, Violation of Protection Orders
2	Sex crimes
24	Damage to Prop., Thefts, Burglarys,
2	Drug Cases
41	Animal calls
3	Child in Need of Care, Runaways, Missing Children
23	Vehicle Lock outs
53	Escorts, Civil Stand-bys, 911 Misdiags, Motor Assist, X-Patrol, Alarm Calls, Welfare Checks
61	Citizen Inquires
113	Calls for service otherwise not classified
68	Assist Out Side Agency, Loud Music, , Traffic Haz, Driving Complaints, Drug Testing Finger Printing, Open Doors, Follow-ups, Found Property, Warrant Attempts, etc..
723	Calls handled by Officers
*1047	Totals occurrences for the month
46	Traffic Citations
9	Other Citations
55	Total Citations

* Total occurrences for the month include calls for service and dispatch activity, such as the issuance of burn permits, accepting fine payments, logging vehicle fuel, county fire calls, and other public assistance.

Clark County Kansas

913 Highland Street
Ashland, KS 67831
www.clarkcountyks.com

County Commissioners
Jim Daily
First District
Charles R. McKinney
Second District
Howard L. Wideman
Third District

County Clerk
Rebecca Mishler
PO Box 886
Ashland, KS 67831
(620) 635-2813
(620) 635-4009 (fax)

County Treasurer
Crystal Roberts
PO Box 185
Ashland, KS 67831
(620) 635-2745
(620) 635-2655 (Fax)

Register of Deeds
Brenda Ketron
PO Box 222
Ashland, KS 67831
(620) 635-2812
(620) 635-2393 (fax)

County Appraiser
Jeremy McCully
PO Box 727
Ashland, KS 67831
(620) 635-2142
(620) 635-2955 (fax)

County Sheriff
John Ketron
PO Box 566
Ashland, KS 67831
(620) 635-2802
(620) 635-2148 (Fax)

County Attorney
Allison Kuhns
PO Box 885
Ashland, KS 67831
(620) 635-2131
(620) 635-2788 (Fax)

March 15, 2017

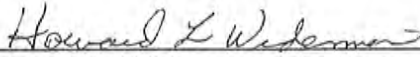
Honorable County Commissioners, Mayor & City Council:


We would like to start-off by saying "Thank You" to the firefighters in your county that responded to the fire in Clark County. Your firefighters are greatly appreciate. Please pass this along to them for us.

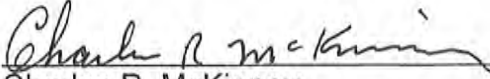
Words cannot express our gratitude for all the help your fire department was at the recent Starbuck/Clark County Wildfire. As small departments, our resources were stretched beyond our limits. Had it not been for the generosity of all these other fire departments, we would have lost even more.

We hope that we never have use these resources again. We have limited resources but we want you to know that if you ever need help, please let us know.

Sincerely,


Howard L. Wideman, Chairman


Jim Daily, Vice-Chairman


Charles R. McKinney



Paola Public Works Department
29370 Old KC Road, Paola, Kansas 66071
Office: 1-913-259-3620 Fax: 1-913-259-3625

03/27/17

To Don Cawby,

The City of Paola would like to thank you and your crews for the help you all gave us during the storm clean up the last few weeks, also for the use of the grapple bucket. We really appreciated the extra help.

A handwritten signature in cursive script, reading "Kirk Rees".

Kirk Rees, Public Works Director

CITY OF OSAWATOMIE



STAFF AGENDA MEMORANDUM

DATE OF MEETING: April 13, 2017

AGENDA ITEM: Public Defender Contract

PRESENTER: Don Cawby, City Manager

ISSUE SUMMARY: The City is proposing a contract with Nicholson, Dasenbrock & Hartley, LC (NDH) to provide public defender services for the City of Osawatomie.

Background. For several years we have discussed seeking a contract for public defender services. We have been working under an open system where individuals who are determined to be unable to afford their defense, when facing incarceration, are assigned an attorney to represent them. That attorney is paid \$50 per hour for their representation and they bill the court periodically through the year.

Each time the issue has been seriously discussed, the billings for attorney fees seemed to fall back in line. This time the issue was revived because of a couple of issues. First, was the requirement for one of our attorneys to provide more detailed billing information. That attorney objected and notified the court he would no longer take public defender cases. Second, after many conversations between City staff and the City prosecutor, we believe that having one primary attorney to deal with on these cases would help streamline the process for all parties, with the result of the City saving hours on the prosecution costs as well as the defense.

Bids Received. The City issued the RFP on January 18 and received two proposals. One proposal was from Nicholson, Dasenbrock & Hartley, LC (NDH) for \$1,700 per month and the other proposal was from Burton Harding for \$1,750 per month. Based on the proposals, the City believed the NDH proposal with Geri Hartley as the lead attorney, was a better option because of the firm's ability to cover cases in the absence of the primary attorney and because of the lower bid price.

However, the bids were over the expected bid of around \$1,250 per month. Our goal in this process was to get our costs down closer to \$100 per case. We came to that number with an informal canvassing of some similar sized cities. We also felt that the average time spent on a municipal public defense case

should be around 2.00-2.50 hours and that that cost per case should. Based on the billings from NDH over the past 2 years, that number has been closer to 2.7, which was the amount reflected in the bid.

Below is a table that has our assumptions, our estimate, and NDH’s bid.

		<u>Month</u>	<u>Year</u>	<u>Hours</u>
Case Est.		12.50	150	2.40
	Cost Per Case	Per Mo	Per Year	Per Hour
City Est.	100	1,250.00	15,000	41.67
Your Bid	136	1,700.00	20,400	50.00*

**based on 2.72 hours per case.*

Proposed Contract. After negotiating with Geri Hartley of NDH, we have been able to agree in principle to the attached contract. The contract is a one-year agreement, with the ability for annual renewals. Below is a table that summarizes our proposed contract.

		<u>Month</u>	<u>Year</u>	<u>Hours</u>
Case Est.		12.50	150	2.40
	Cost Per Case	Per Mo	Per Year	Per Hour
Year 1	112	1,400.00	16,800	45.83
Year 2	116	1,450.50	17,400	47.92
Year 3+	120	1,500.00	18,000	50.00

The proposed contract includes a provision for cases that go to an evidentiary trial. Those will be billed at \$50 per hour, up to a maximum of \$300. The same would be applicable for cases appealed from Municipal Court to a District Court. We believe we have only had one or two trials with a public defender in the past year, so this should not be a major expense.

A couple of provisions requested by NDH, and included in the contract were:

1. To have access to an online docketing system once we have one available.
2. Charge defendants a flat fee for reimbursements, with the recommendation of \$120 attorney fees or \$400 for trial cases.

COUNCIL ACTION NEEDED: Review bids and issues and consider award of the contract.

STAFF RECOMMENDATION TO COUNCIL: At this time, staff recommends entering into the proposed contract with NDH, which is effective April 1, 2017.

CITY OF OSAWATOMIE



CITY OF OSAWATOMIE REQUEST FOR PROPOSAL OF PUBLIC DEFENSE SERVICES

The City of Osawatome, Kansas requests proposals for contracting of public defense services for indigent criminal defendants for Osawatome Municipal Court.

INTRODUCTION

The City of Osawatome wishes to initiate a contract for public defense services for misdemeanors, traffic violations, and other violations of city code. To illustrate a potential workload, in 2014 and 2015 the total criminal cases assigned to counsel were 153 and 145, respectively. The term of the contract will be 24 months with the option to extend the contract under a mutual agreement for an additional 24 months.

TIME SCHEDULE

The city will use the following approximate timetable, which should result in a contract with a firm by March 1, 2017, or earlier.

Issue RFP: January 18, 2017

Deadline for Submittal of Proposals: 3:00 pm – February 1, 2017

Notify Firm Chosen: By February 9, 2017

Contract Approved by Council: February 23, 2017

Begin Contract: March 1, 2017, or as soon as possible after Council approval

INSTRUCTIONS TO PROPOSERS

Send all proposals to:

Tammy Seamands, City Clerk
City of Osawatome, Kansas
439 Main Street, PO Box 37
Osawatome, Kansas 66064

1. Three copies of each proposal must be in a sealed in a single envelope and clearly marked in the lower left- hand corner: "RFP-Public Defender."
2. All proposals must be received by 3:00 pm February 1, 2017. No faxed, e-mailed or telephone proposals will be accepted.
3. Proposals shall clearly set forth the flat, monthly fee for all public defense services as described in the scope of work. Any costs charged to the City must be identified.

4. Proposals should be prepared simply and economically, providing a straightforward, concise description of capabilities to satisfy the requirements of the request. Do not include special bindings, color displays, promotional material, etc. Emphasis should be on completeness and clarity of content.

Proposals should include at least three references that can verify the Public Defender's qualifications and ability to satisfy the requirements of the request. Submitted references and other professional sources solicited by the City will be used to verify the professional standards, conduct and courtroom performance of the Public Defender.

TERMS AND CONDITIONS

1. Proposals are selected based upon the information provided, information gathered from references and the fee presented.
2. The City reserves the right to reject any and all proposals, and to waive minor irregularities in any proposal and to negotiate further terms.
3. The City reserves the right to request clarification of information submitted, and request additional information from any proposer.
4. The City reserves the right to negotiate with any or all bidders subject to the proposals provided.
5. The City reserves the right to award the contract to the next most qualified contractor if the successful proposer does not execute a contract within 30 days after the award of the proposal.
6. Any proposal may be withdrawn up until the date and time set above for closing of the proposals.
7. The City shall not be responsible for any costs incurred by the firm in preparing, submitting or presenting its response to the RFP.

SCOPE OF SERVICES

1. The Public Defender shall provide the services of attorneys and staff members in compliance with all of the applicable laws and administrative regulations of the State of Kansas, the United States, Osawatomie Municipal Code, and the Kansas Rules of Professional Conduct.
2. The Public Defender shall represent indigent criminal defendants charged under ordinances of the City of Osawatomie and the State of Kansas who qualify for counsel.

3. The attorney shall provide legal representation for each of these defendants from the time of appointment through the case closure but shall not include appeals to any court other than the Osawatomie Municipal Court.
4. The Public Defender will communicate with the Municipal Court and the City of Osawatomie Prosecutor to set dockets and schedule activities that maximize the efficiency of the Municipal Court operations.
5. The Public Defender will provide criminal defense services:
 - a. At all arraignment calendars at the Osawatomie Municipal Court facility as necessary.
 - b. Shall attend all hearings and trials involving defendants on whose behalf the Public Defender has been appointed.
 - c. Shall provide in-person meetings with Osawatomie area residents on a routine basis, as outlined in the submitted request for proposal.
 - d. Assigned counselors will be available to talk with and meet in person with indigent defendants as necessary and reasonable to provide an effective defense.

LEGAL REQUIREMENTS

1. Every Public Defender Attorney shall satisfy the minimum requirements for practicing law in the State of Kansas as determined by the Kansas Supreme Court. The Public Defender will maintain for inspection on its premises records of compliance with this provision.
2. The Public Defender, at no expense to the City, shall comply with all applicable laws of the United States and the State of Kansas; the ordinances of the City of Osawatomie; rules, regulations, orders and directives of their administrative agencies and the officers thereof.

MINIMUM EXPERIENCE/QUALIFICATIONS

1. Each attorney who proposes to perform services pursuant to this RFP must be a member in good standing with the Kansas Bar Association.
2. There must be at least one supervising Public Defender actively performing services pursuant to this RFP. The supervising Public Defender must have a minimum of 3 years of criminal law experience. At all times, the designated supervisor will properly supervise attorneys having less than 3 years of experience to ensure that defendants charged in Osawatomie Municipal Court receive competent legal representation.

3. The Public Defender and any attorneys working under the supervision of the Public Defender shall:
 - a. Be familiar with the statutes, court rules, constitutional provisions, and case law relevant to criminal law; and
 - b. Be familiar with the Kansas Rules of Professional Conduct; and
 - c. Be familiar with the consequences of a conviction or adjudication, including possible immigration consequences and the possibility of civil commitment proceedings based on a criminal conviction; and
 - d. Be familiar with mental health issues and be able to identify the need to obtain expert services; and
 - e. Must demonstrate a reputation and record, with verifiable credible references, for being responsive to the court, being prepared for dockets and being responsive to clients.

EXAMPLE OF WORK PERFORMED

1. A public defender will review all cases prior to scheduled court date and work with City Prosecutor for possible resolution.
2. Public Defender will arrive 15 minutes prior to the start of the scheduled calendar.
3. Public Defender must have enough attorneys to adequately staff the calendar and minimize continuances.
4. The Public Defender will track each case assigned by the Osawatomie Municipal Court. Each monthly invoice billed to the City of Osawatomie shall include a report with the total number of cases. Report must show a breakdown of open, closed and new cases within the specific month.

COMPENSATION

1. The proposal shall include a monthly fee to cover the scope of services. The fee must be a flat rate and may not include additional costs for travel expenses, operational overhead, or other additional fees.
2. The proposal will be for 24 months with the option to extend the contract under a mutual agreement for an additional 24 months. The proposal may include an additional proposal for the mutual option for a 24 month extension of the contract.

INDEMNIFICATION AND INSURANCE REQUIREMENTS

1. The following indemnification and insurance will be required to establish a contract:

The Public Defender shall hold harmless the City, its employees, officers, and agents and defend and indemnify it and them against all claims and causes of action in which misconduct or negligence is alleged against the Public Defender while performing services pursuant to this Agreement. As appointed counsel, the Public Defender agrees to provide Public Defender services not for a preset number of hours per week but as necessary to fulfill his or her professional responsibilities to the clients appointed during the term of this agreement. Public Defender agrees that the City is not creating an expectation of either current or future employment beyond the terms of this Agreement.

2. The Public Defender represents and agrees that he or she is individually covered by professional liability insurance which shall be continuously kept in force and effect throughout the terms of this Agreement. Such insurance shall have a minimum limit of liability of \$500,000 each claim, with no more than a \$5,000 deductible.
3. The Public Defender agrees to acquire and maintain general liability insurance with a minimum limit of liability of \$500,000 combined single limit each occurrence bodily injury and property damage.
4. The Public Defender agrees to maintain workers compensation insurance in accordance with Kansas statutes. This provision does not apply to a Public Defender that is self-employed.
5. Evidence of required insurance coverage shall be submitted to the City quarterly or as otherwise requested.

MODEL CONTRACT

1. The attached contract (Attachment 1) will be the basis for any agreement between the City and Contractor. The Contract should expect the contract to be amended to include agreed billing procedures, specific performance provisions outlined in the submitted proposals, and other necessary provisions.

INDEPENDENT CONTRACTOR AGREEMENT

THIS INDEPENDENT CONTRACTOR AGREEMENT is made as of the 13th day of April, 2017, by and between **CITY OF OSAWATOMIE, KANSAS**, a Kansas municipal corporation (the "City"), and Nicholson, Dasenbrock & Hartley, LC (the "Contractor"), Paola, Kansas 66071.

WHEREAS, the City of Osawatomie is in need of professional assistance to provide Public Defender services (hereinafter called "Professional Services"); and

WHEREAS, the Contractor represents sufficient experience and qualifications to perform and the City desires the Contractor to perform the Professional Services hereinafter described; and

NOW, THEREFORE, the City and the Contractor, in consideration of their mutual covenants herein agree as set forth below:

ARTICLE 1. SCOPE OF SERVICES

The Contractor shall provide for the City Professional Services listed in Article 5 of this Agreement. No change in scope shall be effective nor shall additional compensation be paid except on the basis of provisions of a written supplemental agreement duly executed by the parties.

ARTICLE 2. TERM AND TERMINATION

1. **General.** This agreement shall be for an initial period commencing April 1, 2017 and ending March 31, 2018 (the "Initial term). At the expiration of the initial term hereof, the agreement shall be considered renewed for regular periods of one year, provided neither party submits a written notice of termination to the other at least sixty days prior to the expiration. Upon termination of this Agreement, neither party shall have any further obligation to the other hereunder, except for agreements and covenants herein specifically provided to be performed or to remain in force after the termination hereof, and except for payment of any compensation owed to the Contractor for Services performed prior to termination. The Contractor shall deliver to the City, on or before the effective date of termination, all property of the City then in the Contractor's possession.
2. **Termination for Default.** If the Contractor refuses or fails to perform any provisions of this Agreement with due diligence, or commits any other substantial breach of this Agreement, the City may notify the Contractor in writing, and if such breach is not cured to the satisfaction of the City, this Agreement may be terminated.
3. **Termination for Convenience.** When the interests of the City so require, this Agreement may be terminated in whole or in part for the convenience of the City upon thirty (30) days written notice of termination. When the interests of the Contractor so require, this Agreement may be terminated in whole or in part for the convenience of the Contractor after thirty (30) days written notice of termination.

ARTICLE 3. COMPENSATION

1. The City shall pay to the Contractor for Professional Services performed at a monthly rate of Fourteen Hundred Dollars (\$1,400) for the Initial Term. Should the contract renew for a subsequent term, the payment to the Contractor will be increased to a monthly rate of Fourteen Hundred Fifty Dollars (\$1,450) for the first twelve (12) months renewal period. Should the contract renew for a second or more terms, the payment to the Contractor will be increased to a monthly rate of Fifteen Hundred Dollars (\$1,500) for the second or additional renewal.
2. The City shall pay to the Contractor for Professional Services an additional amount of Fifty Dollars (\$50) per hour, not to exceed an additional total of Three Hundred Dollars (\$300) for each case that reaches an evidentiary trial in Osawatomie Municipal Court and for any cases that are appealed from Osawatomie Municipal Court to the District Court.
3. On or before the 15th of each month, the Contractor shall submit to the City, an invoice for the previous month's services. Such invoice will be processed and paid according to the regular City payment schedule, but no later than thirty (30) days after the submission of the invoice.
4. Should the contract begin or be terminated prior to the last day of the month, the monthly fee for the partial month shall be prorated by the number of Osawatomie Municipal Court dates that occurred under the contract as a percentage of the total Municipal Court dates that occurred in that month.

ARTICLE 4. THE CITY'S RESPONSIBILITIES

The City shall do the following in a timely manner so as not to unduly delay the Professional Services provided by the Contractor:

1. Furnish, as applicable, police and testing reports, copies of citations, driving or conviction records and all information or documents possessed by the City Prosecutor that would be available to the defendant by formal request for production.
2. Make available contact information for the Municipal Court Clerk to handle all telephone calls and issues associated with the indigent defense office.
3. Make available access to any online or paperless docketing system should the City implement such a system.
4. The Municipal Court Judge will work with the Contractor in good faith, to establish and schedule court dockets to effectively utilize Contractor's Professional Services.

5. The City will urge the Municipal Court Judge to charge defendants a flat fee for reimbursement of attorney fees or trial fees. The rate requested by the Contractor would be \$120 for attorney fees or \$400 for trial fees.

ARTICLE 5. CONTRACTOR'S RESPONSIBILITIES

The Contractor shall agree to perform all other functions deemed necessary to the defense of cases in a timely, competent and professional manner, and in accordance with all applicable laws, regulations, and ordinances, and the terms and conditions of this Agreement, including, but not limited to:

1. The City Contractor agrees that unless a conflict of interest arises with a particular defendant, to accept all cases referred by the Municipal Court for indigent representation.
2. Prepare, try or otherwise handle all referred indigent cases in the Municipal Court as may be assigned by the Municipal Court Judge on any and all dockets established.
3. Submit diversion and deferred judgment agreements for clients in Municipal Court and appear at scheduled hearings.
4. Represent assigned clients in termination actions on diversion and deferred judgments in Municipal Court and to prepare for and handle hearings thereon.
5. Represent assigned clients in parole and probation revocation proceedings and show-cause hearings.
6. Review and prepare all cases for trial or other scheduled hearings in advance of these assigned court dates.
7. Prepare all memorandums, motions, briefs, letters or legal documents on behalf of the client as necessary.
8. To provide all assigned clients with a telephone number where the Contractor may be reached or messages left by clients regarding their cases.
9. Maintain a record of all cases assigned. Records should be maintained to provide a summary of statistical reports and the number of cases completed and in progress, and dispositions of completed cases. Contractor agrees to maintain and make available, subject to the attorney/client privilege, all documents and reports required by the City.
10. Provide a summary of time expended for review by the Municipal Court Judge for those cases that reach an evidentiary trial or appeal for billing purposes, in accordance with Article 3, Section 2 of this agreement.

11. Contractor agrees to provide indigent defense services pursuant to a schedule provided by the Municipal Court Judge. Such schedule shall not be modified with less than two (2) full calendar month notice to facilitate the Court's docket and witness notification. The schedule shall include:
 - a. A Public Defender Docket no more than twice a month, with the schedule and hours to be determined as determined and agreed upon by the City Judge, City Prosecutor and Contractor.
 - b. Any additional schedule will be set as determined and agreed upon by the City Judge, City Prosecutor and Contractor.

ARTICLE 6. INDEPENDENT CONTRACTOR STATUS

Nothing in this Agreement shall be construed to create a relationship of employer and employee, or principal and agent, or any other relationship other than that of the independent parties contracting with each other solely for the purpose of carrying out the provisions of this Agreement. Nothing in this Agreement shall create any right or remedy in any third party.

This Agreement is not intended to be and will not constitute or otherwise recognize a joint venture, partnership agreement or relationship or formal business organization or association of any kind between the parties; and the rights and obligations of the parties shall be only those expressly set forth in this Agreement. The parties agree that no persons supplied by the Contractor in performance of this Agreement are employees of the City, and further agree that no right available to a City employee shall be available to such persons.

ARTICLE 7. MISCELLANEOUS

1. **Controlling law.** This Agreement shall be governed by the laws of the State of Kansas.
2. **Services to Other Clients.** During the term hereof, the Contractor shall not be prohibited from rendering services to any other person or firm, provided such other services do not prohibit Contractor from performing the Services for the City in accordance with the provisions of this Agreement.
3. **Assignment.** The obligations of the Contractor under this Agreement shall not be assigned without the written approval of the City.
4. **Taxes.** Contractor represents and agrees that he or she is self-employed and individually has the responsibility to correctly report income and expenses on tax returns and that the Court has no obligation or right to withhold any FICA income or other taxes from the agreed monthly compensation.

5. **Insurance.** Contractor represents and agrees that he or she is individually covered by professional liability insurance, general liability insurance and workers compensation insurance which shall be continuously kept in force and effect throughout the terms of this Agreement. Evidence of the same shall be submitted to the City annually or as otherwise requested. The Contractor agrees to acquire and maintain the following insurance coverage amounts:
- a. Professional Liability insurance with a minimum limit of liability of \$500,000 for each claim, with no more than a \$5,000 deductible.
 - b. General Liability insurance with a minimum limit of liability of \$500,000 combined single limit for each occurrence of bodily injury and property damage.
 - c. Workers Compensation insurance in accordance with Kansas statutes.
6. **Indemnification.** Contractor shall hold harmless the City, its employees, officers, and agents and defend and indemnify it and them against all claims and causes of action in which misconduct or negligence is alleged against the Contractor while performing services pursuant to this Agreement. As appointed counsel, Contractor agrees to provide Professional Services not for a preset number of hours per week but as necessary to fulfill his or her professional responsibilities to the clients appointed during the term of this agreement. Contractor agrees that the City is not creating an expectation of either current or future employment beyond the terms of this Agreement.

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IN WITNESS WHEREOF, the parties, voluntarily and with full knowledge of the contents hereof, have executed this Agreement effective as of the date first above written.

CITY OF OSAWATOMIE:

L. Mark Govea, Mayor

ATTEST:

Tammy Seamands
City Clerk

CONTRACTOR:

Geri L. Hartley, Attorney
Nicholson, Dasenbrock & Hartley, LC