

INTERLOCAL AGREEMENT

(Shawnee County Contract No. C 261 -2001)
(City of Topeka Contract No. 31439)

AN INTERLOCAL AGREEMENT RELATING TO FINANCING COUNTYWIDE INFRASTRUCTURE DEVELOPMENT AND ECONOMIC DEVELOPMENT TO BE FUNDED BY A ONE-QUARTER OF ONE CENT COUNTYWIDE RETAILERS' SALES TAX

THIS AGREEMENT is entered into this 1st day of November, 2001, by and between THE BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF SHAWNEE, KANSAS, a governmental subdivision of the State of Kansas, hereinafter referred to as the "County," and THE CITY OF TOPEKA, KANSAS, a duly organized municipal corporation hereinafter referred to as the "City."

WHEREAS, on the November 7, 2000 election, the voters of Shawnee County approved an extension of a countywide retailers' sales tax in the amount of a one-quarter of one cent to be levied in Shawnee County, Kansas and to take effect on January 1, 2003 and expire four (4) years after its effective date to provide revenue to finance economic development and countywide infrastructure development; and

WHEREAS, economic development is defined as the implementation of the economic development priorities established on a yearly basis by the Joint Economic Development Organization (JEDO), guided by the Topeka/Shawnee County Economic Development Plan (an element of the Comprehensive Metropolitan Plan that exists at the time for the City of Topeka/Shawnee County, Kansas) to the extent such a plan has been adopted by both the City and County. For purposes of this agreement, economic development includes research, target marketing, existing business retention and

expansion, new business recruitment, infrastructure development, site acquisition, incentive funds, workforce training and expansion, and other such activities; and

WHEREAS, the County and City desire to enter into an interlocal agreement, pursuant to K.S.A. 12-2901 *et seq.*, relating to financing countywide infrastructure development and economic development to be funded by a one-quarter of one cent countywide retailers' sales tax; and

WHEREAS, the County and the City agree to a joint countywide economic development program as authorized by K.S.A. 12-2901 *et seq.*;

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS CONTAINED HEREIN, THE PARTIES AGREE AS FOLLOWS:

1. The County and City hereby establish the Joint Economic Development Organization, hereinafter referred to as "JEDO", a separate legal entity, and authorize said JEDO to provide the economic development program for the County and the City. JEDO shall be organized according to the following provisions:

- a) The JEDO shall be composed of a seven (7) member board containing the three (3) County Commissioners, the Mayor, Deputy Mayor, and two (2) City Council members; the Chair of said JEDO shall rotate between the County and the City on a yearly basis with each municipality having sole discretion to designate its Chairperson. The County shall have the Chair in even numbered years. The remaining six (6) City Council members shall be ex-officio (non-voting) members of the JEDO; and

- b) The JEDO shall establish its own operational policies and procedures. The JEDO may employ such staff as is necessary for the performance of the functions and purposes of this Agreement (*see* K.S.A. 12-2904a); and
- c) The JEDO shall be operative upon final approval of this Interlocal Agreement by the County and the City as well as the Attorney General's Office and shall be in existence for the life of the retailers' sales tax plus one (1) year. The JEDO shall have the authority to own and hold property. Any property held by the JEDO at its termination shall revert jointly to the County and City; and
- d) The JEDO shall be subject to the provisions of the Kansas Open Meetings Act, K.S.A. 75-6101, and the Kansas Open Records Act, K.S.A. 45-221; and
- e) There shall be an annual audit of the JEDO completed in accordance with generally accepted auditing standards. Such audit and report shall be provided to the City and County and filed with the City Clerk and County Clerk and at the Topeka-Shawnee County Public Library. Both the City Clerk and the County Clerk shall be authorized agents for the purpose of obtaining information about this one-quarter cent countywide retailers' sales tax from the Kansas Department of Revenue.

2. On or before November 1st of each year, the City Council, the Mayor, and the County Commission shall meet for purposes of considering the economic development priorities for the coming year. Thereafter, but not later than January 1st, the

JEDO shall establish the economic development priorities for the next year based on the input received from the joint meeting of the City Council, the Mayor, and the County Commission. If for any reason priorities are not established by the JEDO for the next year, the priorities as established for the previous year shall remain in effect.

3. The County agrees to dedicate revenue raised from the levying of one (1) mill of *ad valorem* taxes in fiscal year 2002 to economic development. The revenue from such dedication shall be accounted for by the County's finance department. Such funds shall be transferred for distribution to the JEDO during calendar year 2002.

4. Revenue raised as described in paragraph three above shall be considered a loan to the economic development program and shall be repaid with no interest to the County from the one-quarter of one cent countywide retailers' sales tax. Such loan shall be repaid in equal installments over the four (4) year collection period.

5. Beginning in fiscal year 2003 and continuing throughout the life of the retailers' sales tax, the County and City shall dedicate the first Four Million Eight Hundred Thousand Dollars (\$4,800,000) of funds collected by the retailers' sales tax to the JEDO. The money to be repaid to the County shall be repaid out of this collection.

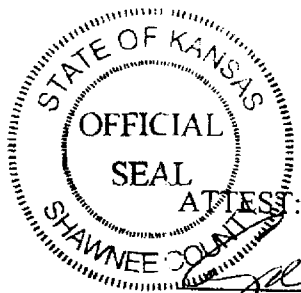
6. After the distribution of funds as described in paragraph five, any money collected in excess of Four Million Eight Hundred Thousand Dollars (\$4,800,000) shall be distributed annually to the County to be dedicated for bridges and infrastructure with fifty percent (50%) set aside for the Topeka Boulevard Bridge project and other City bridge improvement projects.

7. The JEDO shall utilize not less than ten percent (10%) of the funds dedicated to economic development to support economic development for racial minorities, with a goal of twenty percent (20%) of the funds to support economic development for women and racial minorities.

8. The JEDO shall have the authority to contract with an independent contractor to direct the economic development program. Any such contract shall be limited to one (1) year and subject to an annual review by the JEDO.

9. The Agreement may not be terminated by either party as it is expressly acknowledged that this Agreement is time limited, revenue specific and funded with dedicated retailers' sales tax receipts. Unless required by elector petition as provided by K.S.A. 12-187(b)(1), neither the County or City shall submit the question of repeal of the countywide retailers' sales tax approved on November 7, 2000 to the voters during the life of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed as of the date first above written.



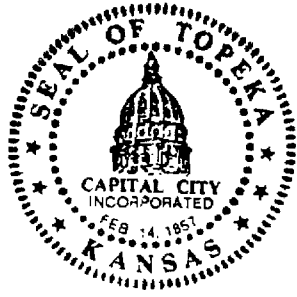
Cynthia A. Beck
Cynthia A. Beck, Shawnee County Clerk

BOARD OF COUNTY COMMISSIONERS
SHAWNEE COUNTY, KANSAS

Vic Miller

Vic Miller, Chairman

APPROVED AS TO FORM AND LEGALITY
BY THE SHAWNEE COUNTY COUNSELOR'S OFFICE
DATE 11-01-01 BY *[Signature]*



CITY OF TOPEKA, KANSAS

Harry Felker

Harry Felker, Mayor

ATTEST:

Honorable Hastings

DEPUTY City Clerk

APPROVED AS TO FORM AND LEGALITY
BY THE CITY ATTORNEY'S OFFICE
DATE 11-1-01 BY *JOL*