

1 **INTERLOCAL AGREEMENT**

2
3 (Shawnee County Contract No. C 129 -2016)
4 (City of Topeka Contract No. 44926)
5

6 **AN INTERLOCAL AGREEMENT RELATED TO FINANCING COUNTYWIDE**
7 **ECONOMIC DEVELOPMENT, INFRASTRUCTURE IMPROVEMENTS AND QUALITY**
8 **OF LIFE PROJECTS TO BE FUNDED BY A ONE-HALF OF ONE CENT**
9 **COUNTYWIDE RETAILERS' SALES TAX**
10

11 **THIS AGREEMENT** is entered into this 19th day of April, 2016, by and between **THE**
12 **BOARD OF COUNTY COMMISSIONERS OF THE COUNTY OF SHAWNEE, KANSAS**, a governmental
13 subdivision of the State of Kansas, hereinafter referred to as the "County," and **THE CITY OF**
14 **TOPEKA, KANSAS**, a duly organized municipal corporation, hereinafter referred to as the "City."

15 **WHEREAS**, during the November 4, 2014 election, the voters of Shawnee County voted
16 to renew the countywide retailers' sales tax in the amount of one-half of one cent to be levied in
17 Shawnee County, Kansas, to take effect on January 1, 2017 and to expire on December 31, 2031,
18 for the purpose of providing revenue to finance economic development, infrastructure
19 improvements and quality of life projects; and

20 **WHEREAS**, economic development is defined as the implementation of the economic
21 development priorities established on a yearly basis by the Joint Economic Development
22 Organization. For purposes of this agreement, economic development includes: research, target
23 marketing, existing business retention and expansion, new business recruitment, infrastructure
24 development, site acquisition, incentive funds and workforce training and expansion, support
25 economic development for socially and economically disadvantaged individuals and/or business
26 enterprises and consider inclusion of urban economic development programs related to youth
27 employment and the rehabilitation of blighted, derelict and underutilized facilities and
28 infrastructure (for purposes of attracting economic development prospects), in addition to other
29 related activities; and

29 infrastructure (for purposes of attracting economic development prospects), in addition to other
30 related activities; and

31 **WHEREAS**, countywide infrastructure improvements and quality of life projects include
32 those listed as part of the November 4, 2014 ballot question; and

33 **WHEREAS**, the County and City desire to enter into an interlocal agreement, pursuant
34 to K.S.A. 12-2901 *et seq.*, relating to financing countywide economic development,
35 infrastructure improvements and quality of life projects to be funded by a one-half of one cent
36 countywide retailers' sales tax.

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

39 1. **Joint Economic Development Organization Created; Governing Board.** The
40 County and City hereby desire to continue the Joint Economic Development Organization,
41 hereinafter referred to as "JEDO," a separate legal entity created by Shawnee County Contract
42 No. C261-2001 and City of Topeka Contract No. 31439, in accordance with K.S.A. 12-2904a.
43 As such, the County and the City authorize JEDO to establish the economic development
44 program for the County and the City and incorporate into its operational rules appropriate
45 mechanisms by and through which JEDO will oversee and evaluate said economic development
46 program in conjunction with any entities ultimately selected to provide economic development
47 services.

48 The following agreements concerning JEDO shall be rescinded: Shawnee County
49 Contract No. C261-2001 and City of Topeka Contract No. 31439 and Shawnee County Contract
50 No. C145-2010 and City of Topeka Contract No. 40338. Shawnee County Contract No. C344-
51 2004, as amended by Contract No. C103-2014, and City of Topeka Contract No. 34790, as

52 amended by Contract No. 43522, shall remain in effect until all sales tax receipts and
53 commitments from the sales tax expiring December 31, 2016 have been distributed. All other
54 contracts and resolutions approved by JEDO prior to this Agreement shall remain in full force
55 and effect. JEDO shall be organized according to the following provisions:

56 (a) The JEDO Board shall be comprised of thirteen (13) members. Voting members
57 shall include the three (3) County Commissioners, the Mayor, the Deputy Mayor and two (2)
58 City Council members selected by the Council. Nonvoting members shall be the remaining six
59 (6) Council members. If the Deputy Mayor or other voting City Council member cannot be
60 present at a meeting, an alternate may be selected by the absent member with full voting rights.
61 The alternate shall be a City Council member of the absent member's choice; provided, however,
62 that such alternate may only serve after providing the JEDO Chairperson a written proxy from
63 the absent member; and

64 (b) The JEDO Chairperson shall preside at all Board meetings. The County and City
65 shall rotate the position of JEDO Chairperson between the Chairperson of the County
66 Commission (or the County Chairperson's designee) serving in even-numbered years and the
67 Mayor (or the Mayor's designee) serving in odd-numbered years pursuant to Resolution No.
68 7623; commencing on January 1 of the respective year. If a vacancy is created, the respective
69 governing body shall elect another chairperson from among its voting members; and

70 (c) JEDO shall establish its own operational policies and procedures and may employ
71 such staff as is necessary for the performance of the functions and purposes of this Agreement
72 (see K.S.A. 12-2904a); and

73 (d) JEDO shall have the authority to own and hold property. Any property, including
74 real property held or titled in the name of a JEDO contractor, shall revert to JEDO upon

75 termination of the contract with JEDO. Any property held by JEDO at termination shall revert
76 jointly to the County and the City; and

77 (e) JEDO shall be subject to the provisions of the Kansas Open Meetings Act, K.S.A.
78 75-6101, and the Kansas Open Records Act, K.S.A. 45-221.

79 **2. JEDO Meetings; Economic Development Priorities.** The JEDO Board shall
80 meet on the second Wednesday of February, May, September and December of each calendar
81 year. The JEDO Board may also meet as needed at the discretion of the Chair. Each year, the
82 County Commission and the City Governing Body may meet separately for purposes of
83 considering and discussing economic development priorities for the upcoming calendar year. In
84 December of each year, the JEDO Board shall establish economic development priorities for the
85 coming year based upon these considerations and discussions. If for any reason priorities are not
86 established by JEDO for the next year, the priorities established for the previous year shall
87 remain in effect.

88 **3. Finance Committee; Holding Account.** (a) There is hereby created a Finance
89 Committee, which shall be composed of the Shawnee County Public Works Director, the Topeka
90 Public Works Director, the Shawnee County Financial Administrator and the Topeka City
91 Manager or a designee.

92 (b) The County and City shall transfer all of the sales tax receipts into an account
93 created and maintained by the Finance Committee. Such account will be the holding account for
94 all the money needed to complete the economic development programs and identified
95 infrastructure improvements and quality of life projects. The account may be drawn upon only
96 with the signatures of two members of the Finance Committee, one from the County and one
97 from the City.

98 (c) The actions of JEDO and the Finance Committee, with respect to the completion
99 of the economic development programs, infrastructure improvements and quality of life projects
100 contained in the ballot question, shall be ministerial and not discretionary.

101 (d) Recognizing that sales tax revenue is dependent upon many factors and, therefore,
102 can vary from month to month, the Finance Committee shall distribute the proceeds on a
103 monthly basis in accord with the terms of this Agreement; or, if the funds are insufficient, as
104 otherwise determined by said Committee.

105 (e) There shall be an annual audit of Finance Committee transactions to ascertain
106 compliance with this Agreement, which shall be completed in accordance with approved
107 accounting standards. Such audit and report shall be provided to the County and the City and
108 filed with the County Clerk and the City Clerk. Both the County Clerk and the City Clerk shall
109 be authorized agents for the purpose of obtaining information about this one-half of one cent
110 countywide retailers' sales tax from the Kansas Department of Revenue.

111 4. **Funds Dedicated Annually; Economic Development.** Beginning in fiscal year
112 2017, and continuing each year during which the retailers' sales tax remains in effect (through
113 December 31, 2031), JEDO shall dedicate – on an annual basis – the amount of Five Million
114 Dollars (\$5,000,000.00) of the funds collected for the purpose of supporting the economic
115 development priorities established by the JEDO Board.

116 5. **Economic Development Priorities; Urban Programs.** (a) Each year, the
117 Finance Committee shall distribute or reserve Five Million Dollars (\$5,000,000.00) of the
118 amount referenced in Section 4 above – in equal monthly installments of Four Hundred Sixteen
119 Thousand, Six Hundred Sixty-Six Dollars and Sixty-Six Cents (\$416,666.66) – to one or more
120 independent contractor(s) selected by the JEDO Board for the purpose of executing JEDO's

121 established economic development priorities; provided, however, that JEDO shall ensure that not
122 less than Ten Percent (10%) of the Five Million Dollars (\$5,000,000.00) will be targeted to
123 support economic development for socially and economically disadvantaged individuals and/or
124 business enterprises and, further, that urban economic development programs related to youth
125 employment and the rehabilitation of blighted, derelict and underutilized facilities and
126 infrastructure (for purposes of attracting economic development prospects) have been considered
127 for inclusion.

128 (b) Said monthly installments shall begin once the January 2017 collections are
129 distributed by the Kansas Department of Revenue to the County and the City. Any economic
130 development entity that contracts with JEDO will be informed so that it understands this lag in
131 the collection of payments may result in said entity receiving its initial payments late.

132 **6. Infrastructure Improvements and Quality of Life Projects.** Once all
133 economic development funding pursuant to Section 5(a) and (b) has been distributed or reserved,
134 the remaining funds shall then be distributed to the County and the City for purposes of
135 completing the infrastructure improvements and quality of life projects set out on Exhibits A and
136 B, which are attached hereto and incorporated herein by reference. Fifty-Two Percent (52%)
137 shall be distributed to the County to complete the improvements and projects set forth on Exhibit
138 A; and Forty-Eight Percent (48%) shall be distributed to the City to complete the improvements
139 and projects set forth on Exhibit B. In the event the sales tax proceeds are not sufficient to fund
140 all of the improvements and projects on Exhibits A and B, JEDO may alter the distribution
141 formula, or reduce the amount of funds allocated for any particular improvement or project.
142 Each year, at JEDO's May meeting, the County and the City shall distribute an updated priority
143 list, accompanied by a project status update, as a matter of information only.

144 7. **Excess Funds.** Upon the later of the expiration or termination of the sales tax and
145 the completion of and payment for the economic development priorities identified in Section 5
146 above, as well as the completion of and payment for the infrastructure improvements and quality
147 of life projects identified in Section 6 above, the Finance Committee shall inform the County and
148 the City of any money remaining in the account. Any excess funds shall be distributed to the
149 County and the City in the proportional rates provided by KSA 12-192(a).

150 8. **Selection of Independent Contractor(s).** JEDO shall have the authority to
151 interview and select one or more independent contractor(s) to execute the economic development
152 priorities set forth in this Agreement. As part of this process, JEDO may choose, but is not
153 obligated, to advertise a Request for Proposals (RFP) and/or a Request for Qualifications (RFQ).
154 No contract(s) shall be for a term greater than three (3) years and each contract shall contain a
155 provision requiring that the contractor(s) promptly respond to inquiries submitted by voting, as
156 well as non-voting, members of the JEDO Governing Board.

157 9. **Term of Agreement.** This Agreement shall be operative upon final approval by
158 the County and the City, as well as the Attorney General's Office, and shall be in existence for
159 the duration of the January 1, 2017 countywide retailers' sales tax plus one (1) year; or for so
160 long as reasonably necessary to administer obligations relating to the economic development
161 program.

162 10. **Termination.** This Agreement may not be terminated by either party as it is
163 expressly acknowledged that this Agreement is time limited, revenue specific and funded with
164 dedicated retailers' sales tax receipts. Unless required by elector petition as provided by K.S.A.
165 12-187(b)(1), neither the County or the City shall submit the question of repeal of the countywide

166 retailers' sales tax approved on November 4, 2014 to the voters during the term of this Agreement;
167 unless such question contains an enhancement of the countywide retailers' sales tax.

168 **11. Binding on Future County and City Governing Bodies.** The parties
169 acknowledge and agree that this Agreement for the distribution of sales tax revenues is a
170 commitment for the protection of the public property, interests and affairs being administered.
171 Consequently, this Agreement is expressly intended by the parties to be binding on future JEDO
172 Boards, Boards of Shawnee County Commissioners and Topeka Governing Bodies.

173 **12. No Third Party Claims.** This Agreement is solely for the benefit of the parties
174 hereto and no third party shall be entitled to claim or enforce any rights hereunder.

175 **13. No Prior Agreements.** This Agreement contains all of the agreements and
176 understandings between the parties concerning its subject matter. The parties acknowledge and
177 agree that this Agreement supersedes all prior agreements and understandings, whether or not
178 written.

179 **14. Amendments.** This Agreement may only be amended, in writing, upon
180 agreement of all parties hereto.

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IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed

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as of the date first above written.

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**BOARD OF COUNTY COMMISSIONERS
SHAWNEE COUNTY, KANSAS**

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Michele A. Buhler, Chair 4/25/2016

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ATTEST:

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Cynthia A. Beck, Shawnee County Clerk

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APPROVED AS TO FORM AND LEGALITY
BY THE SHAWNEE COUNTY COUNSELOR'S OFFICE

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202

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DATE 4-25-16 BY 

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205

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CITY OF TOPEKA, KANSAS

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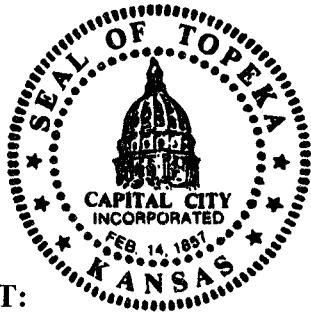
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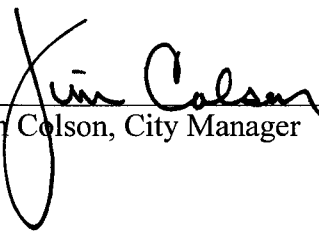
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Jim Colson, City Manager

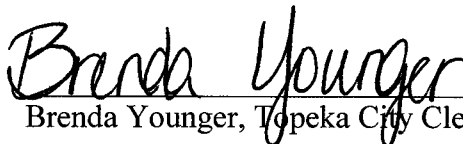
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ATTEST:

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Brenda Younger, Topeka City Clerk

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APPROVED AS TO FORM AND LEGALITY
BY THE CITY ATTORNEY'S OFFICE

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DATE 4/20/16 BY ME

Exhibit A**Shawnee County Sales Tax Projects**

Projects	Projected Years	Projected Cost Estimates	
County Bridges	2017-2031	\$	32,500,000
Expocentre - Deferred Maintenance	2017	\$	2,139,109
Expocentre - Seating	2017	\$	850,000
Expocentre - Parking / Site Expansion	2018, 2023	\$	5,215,823
Expocentre - Livestock Barn Renovation	2018-2019	\$	2,288,704
Expocentre - Livestock Arena	2019-2022	\$	16,237,207
Expocentre - Landon Arena and Exhibition Hall	2026-2029	\$	18,274,157
NW 46th: Button Road to Rochester Road	2023-2025	\$	9,300,000
Rochester Road: Hwy 24 to NW 50th	2027-2031	\$	13,700,000
Total		\$	100,500,000

City of Topeka 1/2 Cent Countywide Exhibit B

Priority	Projects	Projected Years	Projected Estimates
1	SW 6th - Gage to Fairlawn Rd	2017-2018	\$ 5,600,000
2	Zoo Phase 1 & 2	2018-2019	\$ 3,000,000
3	12th Street (2 lanes) - Gage to Kansas Avenue	2019-2022	\$ 13,180,000
4	SE California - 37th to 45th	2018-2020	\$ 5,600,000
5	S.W. 17th Street, MacVicar to Interstate 470	2021-2025	\$ 14,600,000
6	Zoo Phase 3	2022	\$ 2,500,000
7	Huntoon (2 lanes) - Gage to SW Harrison	2024-2027	\$ 11,740,000
8	Zoo Phase 4	2027	\$ 2,000,000
9	Topeka Blvd (5 lanes) - 15th to 21st	2026-2028	\$ 4,900,000
10	SW 29th St - Fairlawn Rd to Wanamaker Rd	2027-2029	\$ 6,100,000
11	Sw 37th St - Scapa Place to Burlingame Rd	2027-2029	\$ 3,700,000
12	S.W. 17th Street, Adams to Washburn	2028-2030	\$ 8,300,000
13	NE Seward - Sumner to Forest	2029-2031	\$ 1,500,000
14	Se 37th ST - Kansas Ave to Adams St	2029-2031	\$ 4,400,000
15	Zoo Phase 5	2031	\$ 2,500,000
16	Bikeways Master Plan	2018-2030	\$ 3,500,000
Totals			\$ 93,120,000

Subject to annual change as programmed in the City of Topeka Capital Improvement Plan