

1 **INTERLOCAL AGREEMENT**

2  
3 (Shawnee County Contract No. C 129 -2016)  
4 (City of Topeka Contract No. 44926)  
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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  
as of the date first above written.

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



*Michele A. Buhler*  
\_\_\_\_\_  
Michele A. Buhler, Chair 4/25/2016

ATTEST:

*Cynthia A. Beck*  
\_\_\_\_\_  
Cynthia A. Beck, Shawnee County Clerk

APPROVED AS TO FORM AND LEGALITY  
BY THE SHAWNEE COUNTY COUNSELOR'S OFFICE  
DATE 4-25-16 BY *[Signature]*

**CITY OF TOPEKA, KANSAS**



*Jim Colson*  
\_\_\_\_\_  
Jim Colson, City Manager

ATTEST:

*Brenda Younger*  
\_\_\_\_\_  
Brenda Younger, Topeka City Clerk

APPROVED AS TO FORM AND LEGALITY  
BY THE CITY ATTORNEY'S OFFICE  
DATE 4/20/16 BY *ME*

**Exhibit A****Shawnee County Sales Tax Projects**

| <b>Projects</b>                               | <b>Projected Years</b> | <b>Projected Cost Estimates</b> |
|---|------------------------|---------------------------------|
| 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                   |
| <b>Total</b>                                  |                        | <b>\$ 100,500,000</b>           |

**City of Topeka 1/2 Cent Countywide Exhibit B**

| <b>Priority</b> | <b>Projects</b>                               | <b>Projected Years</b> | <b>Projected Estimates</b> |
|-----------------|---|------------------------|----------------------------|
| 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               |
| <b>Totals</b>   |   |                        | <b>\$ 93,120,000</b>       |

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