

CITY OF OLATHE, KANSAS

REDEVELOPMENT DISTRICTS - TAX INCREMENT FINANCING

Application Procedures and Application Form



Approved

May 6, 2003 - Resolution No. 03-1053

(Application Updated in January 2024, in accordance with Resolution 23-1078)

Important Notice and Disclaimer

The attached procedures, policies and forms have been prepared by the City of Olathe, Kansas (the "City") and The Economic Development Committee of the City of Olathe, Kansas (the "Economic Development Committee") for the purpose of assisting private developers in the consideration of whether a Redevelopment District and Tax Increment Financing ("TIF") for prospective projects is a realistic possibility. The authority to make the legislative findings and determinations necessary for the compliance with the TIF Statutes is vested solely and only in the City's Governing Body. Applicants and Projects are cautioned that the attached materials have been prepared primarily for informational purposes to inform Applicants of the types of projects the City would consider for TIF assistance. The City reserves the right to reject any and all projects, even those which satisfy all of the attached criteria for the use of TIF, for any reason whatsoever, without regard for the viability of the project. Furthermore, the City reserves the right to waive any non-conformance to these policies and approve any project the City deems favorable to the City.

Overview of the Redevelopment (TIF) Process

1. Pre-application meeting(s) with the City's Economic Development Committee and the City's Development Review Team.
2. An Application is submitted by Applicant to City's Economic Development Committee. A blight study shall be submitted, if necessary. (* Fees Due)
3. The City's Economic Development Committee will review the Application and determine whether the Application is complete and whether the proposed project is eligible under the City's Tax Increment Financing policy.
4. After approval by the City's Economic Development Committee, the Committee will forward the Application with a recommendation to the City Council for discussion and/or consideration.
5. The City Council calls for a public hearing on the creation of the district.
6. The City conducts hearings, sends notices and completes other requirements as prescribed by state law; City Council considers creation of the district and creates the district by Ordinance.
7. The developer prepares a Redevelopment Plan pursuant to state law and City requirements. A Redevelopment Agreement is also prepared.
8. The Economic Development Committee reviews the Plan and Agreement and submits to the City Council with a recommendation. (* Fees Due)
9. The City Council reviews and considers the Redevelopment Plan and the Redevelopment Agreement at a Study Session.
10. The City Council considers an Ordinance making necessary findings and approving the Redevelopment Plan and Redevelopment Agreement. Authorization of the issuance of bonds or reimbursement of TIF eligible costs is also considered at this time. (* Fees Due)
11. Execution of the Redevelopment Agreement between the City and Applicant.

Application Procedures

1. APPLICATION:

Submission: The Redevelopment District-TIF Application form, policies, and procedures are available [here](#) at www.olatheks.org or the City Clerk's office. Not less than one (1) paper copy and one (1) electronic copy of the completed Application should be submitted to the Economic Development Committee, together with the required Application fee. The completed Application shall be submitted to City Manager, City of Olathe, 100 E. Santa Fe, P O Box 768, Olathe, Kansas 66051.

Application Fee: Each Application shall be accompanied with a non-refundable Application fee made payable to the City of Olathe. The Application fee will be used by the City to pay the costs incurred by the City in the review of the Application. Bond Counsel and Financial Advisor fees are paid from bond and/or incremental TIF proceeds, if necessary. The City has established a phased Application fee as outlined below. Any amendments to a TIF Plan require a non-refundable reapplication fee as indicated below. The Applicant shall be required to pay additional costs such as outside consultant and attorney fees and publication costs.

TIF APPLICATION FEE

<u>Non-Refundable TIF Fee</u>	<u>1% of total TIF assistance authorized</u>
Initial Application Fee (Due at the time of submittal of the application)	5%, or \$5,000, whichever is less
Redevelopment Plan Fee (Due one (1) week prior to consideration of the Redevelopment Plan by the City Council)	15%, or \$10,000, whichever is less
Ordinance Approving Redevelopment Agreement and Issuance of Bonds	80%, or \$85,000, whichever is less
Maximum Fee	1% of total TIF assistance, or \$100,000, whichever is less

Reapplication fees for substantial changes will be charged at the same rate as the schedules shown above.

TIF ADMINISTRATIVE SERVICE FEE

The following administrative service fees shall be paid to the City from the tax increment generated from the project prior to disbursement of the increment to the developer or bond trustee to cover the administrative costs incurred by the City for the administration of and other City costs associated with each approved TIF Project. Such administrative service fee shall be in addition to the TIF application fee and any other fees associated with the TIF Project.

Property tax increment projects only	.5% of the annual increment
Property tax, sales tax and other tax increment projects	2.5% of the annual increment

The applicant may be required to pay additional costs such as outside consultant and attorney fees as required for the City to fully analyze the TIF application. TIF application fees (excluding non-refundable), additional consultant and attorney fees may be reimbursed to applicant or paid to City from bond proceeds or TIF revenues. However, City bond issuance costs may not be reimbursed from TIF project revenue if TIF project reimbursable costs are payable from City sales tax or transient guest tax.

Preliminary Determination of Completeness: Upon submission, the Application will be reviewed to determine if it is complete. If the Application is incomplete or if additional information is needed, the Applicant will be notified in writing that the Application is not complete and the reasons will be stated referring to the specific criteria that are not met, additional information required, or financial, legal, planning, and development concerns.

Requests for Proposals: The City may initiate a Request for Proposals for a redevelopment project. The fees shown above are for both City initiated and non-City initiated redevelopment projects. The City reserves the right to reduce or waive the above fees if a redevelopment project is determined to be in the best interest of the City to do so. Upon the filing of an Application that is non-City initiated, the City reserves the right to cause a public notice to be inserted in a newspaper of general circulation in the City or on the City's website requesting proposals for development in the proposed project area.

2. **STAFF REVIEW:**

Review of the Application will be conducted by the City's Economic Development Committee, and if necessary by other City Staff, the City's Financial Advisor, City Bond Counsel and any other outside consultant deemed necessary for review of the Application. Initial review time will be approximately 30 days from the date the completed Application is submitted to the City. However, more or less time may be required for particular Applications. Upon receipt of a complete Application and after review by the City's Economic Development Committee, the Economic Development Committee shall forward a recommendation to the City Council

for consideration. The recommendation of the City's Economic Development Committee may be approved, denied, or amended by the City Council. Applicants will be notified of the City's Economic Development Committee forwarding the Application to the Council Study Session.

Applications that are determined to be incomplete or do not conform to the City's policy will not be forwarded to the City Council. Applicants will be notified of the determination that the Application will not be forwarded and should be modified before being considered in the future.

3. REDEVELOPMENT CONSIDERATION:

The City Council may desire to hold one or more study sessions before any public hearing is held. During this period the Applicant may be required to submit additional information as requested and/or appear before the City Council to present information regarding the Application. The City Council considers making all findings and determinations required by the TIF Statute (K.S.A. 12-1770).

The City Council conducts hearings and other requirements as prescribed by state law. The proposed developer prepares a Redevelopment Plan pursuant to state law and City requirements. The cost of all such studies shall be paid by the Applicant and should be prepared by a professional consultant having a favorable reputation for the preparation of such studies. The studies shall be submitted to the City in a timely manner for review by Staff prior to any City Council meetings or study sessions. Additionally, consideration of the Redevelopment Plan shall adhere to the requirements of the TIF Policy and may require additional studies as necessary. The City's Economic Development Committee reviews the Redevelopment Plan and submits it to the City Council with comments.

After creation of the District and as part of the negotiation of the Redevelopment Plan, the City and Applicant shall prepare a Redevelopment Agreement. Additional requirements and costs, as needed, may be included in the Redevelopment Agreement.

The City Council may review and discuss the Redevelopment Plan and Redevelopment Agreement at Study Sessions. The City Council may consider an Ordinance making necessary findings and approving the Redevelopment Plan and Redevelopment Agreement. Authorization of the issuance of bonds or reimbursement of TIF eligible costs is also considered at this time.

4. NOTIFICATION / PUBLICATION RESPONSIBILITIES:

Legal notices and mailings to taxing districts and property owners shall be prepared or caused to be prepared, delivered, and mailed by the City pursuant to state law. Copies of certifications of mailing, signed delivery certifications, or other proofs of notifications shall be forwarded to the City Clerk. The City shall also prepare or cause to be prepared any Notices of Public Hearings to be published and forward to the City Clerk for publication in a timely manner as required by state law. The Applicant is responsible for all costs associated with publications, mailings, certifications, delivery, and preparation of notices. The City shall be reimbursed for any expenses associated with Application and the redevelopment (TIF) process.

5. OTHER COSTS OR EXPENSES:

Applicant shall reimburse the City for all reasonable documented, out-of-pocket expenses incurred in connection with the Redevelopment TIF District, including attorney's fees and other City consultant fees. Said reimbursements to the City shall be deemed Reimbursable Expenditures.

**CITY OF OLATHE, KANSAS
APPLICATION FOR TAX INCREMENT FINANCING ("TIF")**

APPLICANT: _____

ADDRESS: _____

PHONE #: _____

FAX #: _____

E-MAIL ADDRESS: _____

CONTACT PERSON: _____

PROJECT NAME: _____

Please complete the following items.

1. As Exhibit A, provide attachments of relevant information on the Applicant's background and development experience. Include resumes of key individuals assigned to the project, as well as other projects completed, including location and contact persons from local governments and bank references. Also, include a copy of the development company's organizational structure.

2. Identify the Applicant's consultants involved, or proposed to be involved, in the project noting relevant experience on similar projects (i.e., civil engineer, land use planner, Applicant's legal counsel, Applicant's financial advisor).

<u>CONSULTANT TYPE</u>	<u>CONSULTANT NAME, ADDRESS, PHONE, CONTACT PERSON, EMAIL</u>	<u>EXPERIENCE</u>

3. Describe the proposed project, including the size and scope, phasing and anticipated timing of the project. Specifically outline residential development, if any, to be included in the project.

11. Identify sources, amounts and status of all debt financing and/or equity funding available to complete the project. Does the Applicant anticipate the debt to be privately financed by the construction lender, developer or publicly sold? Please list all information in the following table format.

<u>Financial Resource</u>	<u>Amount</u>	<u>Term</u>	<u>Status</u>	<u>Contact Person</u>	<u>Contact Telephone #</u>

1. CERTIFICATION OF APPLICANT

APPLICANT HAS RECEIVED AND REVIEWED THE CITY'S TAX INCREMENT FINANCING POLICY (POLICY NO. F-7, RESOLUTION NO. 19-1069) AND THE APPLICANT UNDERSTANDS AND AGREES TO THE TERMS OF THE POLICY, INCLUDING PAYMENT OF THE REQUIRED FEES.

APPLICANT AGREES TO COMPLY WITH SECTION 3(14) OF POLICY NO. F-7, RESOLUTION NO. 19-1069.

APPLICANT AGREES TO COMPLY WITH THE PROVISIONS OF CHAPTER 2.82 OF THE OLATHE MUNICIPAL CODE (THE "CODE"), INCLUDING PARTICULARLY 2.82.130, REGARDING PUBLIC ART FOR THE PROJECT OR TO PAY THE NECESSARY PAYMENT TO THE CITY'S PUBLIC ART FUND.

AS OF THE DATE OF APPLICANT'S EXECUTION OF THIS APPLICATION, TO THE BEST OF THE APPLICANT'S KNOWLEDGE, THE INFORMATION CONTAINED WITHIN THIS APPLICATION IS TRUE AND CORRECT.

IN WITNESS WHEREOF, the undersigned petitioners have executed the above foregoing petition to create the district at the dates set forth opposite their respective signatures below:

(Name of Business)

a _____ authorized to do business in Kansas.
(Business Structure)

By: _____
Signature of Authorized Agent for Entity

Title: _____

Date: _____

NOTARY ACKNOWLEDGMENT

STATE OF _____)
) ss.
COUNTY OF _____)

BE IT REMEMBERED, that on this _____ day of _____, 201__ before me, the undersigned, a Notary Public in and for said County and State, came _____, who is known to me to be the same person who executed the within instrument, and such person duly acknowledged the execution of the same.

IN WITNESS WHEREOF, I have hereunto subscribed my name and affixed my official seal the day and year last above written.

(Seal)

Notary Public in and for said
County and State

My Commission Expires:

EXHIBIT A

Insert or attach here:

EXHIBIT B

Insert or attach here:

EXHIBIT C

Insert or attach here:

EXHIBIT D

Insert or attach here:

EXHIBIT E

Insert or attach here:

EXHIBIT F

Insert or attach here:

EXHIBIT G

Insert or attach here:

EXHIBIT H

Insert or attach here: