

Memo

To: City Commission
From: Toby Dougherty, City Manager
Date: 7-18-2022
Re: July 21, 2022 Work Session

Please find the attached agenda and supporting documentation for the July 21, 2022, Work Session.

Item 2 – Ordinance Establishing the Fourth and Fort Street Rural Housing Incentive District,
Adopting the Development Plan, and Authorizing the Execution of the Development Agreement

Please see the attached memorandum from Kim Rupp, Director of Finance. This is the final step in the process to create an RHID for the development of 36 apartments located at 4th and Fort.

Item 3 – 2023 Budget Review

This is the first opportunity for the Commission to discuss and request modifications to the 2023 Budget. The budget will be discussed at the next two work sessions as well.

CITY OF HAYS
CITY COMMISSION WORK SESSION
CITY HALL, 1507 MAIN STREET, HAYS, KS
THURSDAY, JULY 21, 2022 – 6:30 P.M.
AGENDA

1. **July 7, 2022 Work Session Notes (PAGE 1)**
Department Head Responsible: Kim Rupp, Director of Finance
2. **Ordinance Establishing the Fourth and Fort Street Rural Housing Incentive District, Adopting the Development Plan, and Authorizing the Execution of the Development Agreement (PAGE 5)**
Department Head Responsible: Kim Rupp, Director of Finance
3. **2023 Budget Review**
Person Responsible: Toby Dougherty, City Manager
4. **Other Items for Discussion**
5. **Executive Session (if required)**
6. **Adjournment**

ANY PERSON WITH A DISABILITY NEEDING SPECIAL ACCOMMODATIONS TO ATTEND THIS MEETING SHOULD CONTACT THE CITY MANAGER'S OFFICE 48 HOURS PRIOR TO THE SCHEDULED MEETING TIME. EVERY ATTEMPT WILL BE MADE TO ACCOMMODATE ANY REQUESTS FOR ASSISTANCE.

City of Hays
City Commission
Work Session Notes
Thursday, July 7, 2022 – 6:30 p.m.

Present: Mason Ruder, Michael Berges, Shaun Musil, Reese Barrick, Toby Dougherty, Kim Rupp, and Melvin Sauer, Jr.

Absent: Sandy Jacobs

June 16, 2022 Work Session Notes

There were no corrections or additions to the minutes of the work session held on June 16, 2022; the minutes stand approved as presented.

Proposed Unified Development Code (UDC) Amendments – Part II

Jesse Rohr, Director of Public Works, stated that the UDC was adopted in August of 2016 and is a living document to be updated as changes are recognized. Staff has identified regulations within the UDC for suggested amendments. The goal in suggesting these changes is to make it easier to develop properties, relax regulations, and to clarify sections within the UDC to help citizens, developers, and staff with interpreting the regulations. Staff presented these amendments to the Planning Commission in a series of meetings, and after reaching a consensus and a favorable recommendation, now wish to move forward for City Commission consideration of the changes.

At the June 16, 2022, Work Session, 15 proposed amendments were reviewed. Mr. Rohr presented Part II of the series of suggested amendments which included 11 landscaping and miscellaneous changes to the UDC.

Commissioner Musil stated that he thinks these are good changes and that sometimes what is on paper does not work in the real world. He appreciates that staff is listening to contractors and developers.

At the July 14, 2022, Commission meeting, Commissioners will be asked to adopt an ordinance amending various UDC regulations as presented.

Commission Receives 2023 Proposed Budget

City Manager, Toby Dougherty, presented the draft 2023 Budget to the City Commission and noted the following highlights.

- A few funds have large revenue receipts in the “Federal Aid” line item for both 2022 projected and 2023 budgeted. These are lost revenue reimbursements via the American Rescue Plan Act funds.
- The very large transfer to Commission Capital Reserve in 2023 represents current and past ARPA funds received, proceeds from the Countywide ¼ cent sales tax, as well as previous years’ sales tax collections that exceeded budgeted expectations.
- A significant portion of the allocation increases for 2022 is attributable to wages and personnel.
- Sales tax revenues are projected to be up 10% for 2022, and up 5% for 2023.
- Total assessed valuation is up 12%.
- The mill levy is maintained at 25.000.
- The budget contains a programmed step and COLA increase for all City employees.
- The budget is balanced.
- Reserves are funded.

The 2023 budget proposes the addition of two employees. The two positions would be for maintenance workers: one in the Solid Waste Division and the other in the Department of Water Resources. Mr. Dougherty stated the number of solid waste customer accounts has grown and there has also been growth in the water resources system.

Mr. Dougherty noted that this is the second year of the Revenue Neutral Rate budget law which has elongated the process to adopt the budget. A process that previously concluded in August will now conclude in September. This gives City staff and the Commission more time to review the budget and make projected revenue modifications as required. There was Commission consensus to send a notification to the County Clerk to exceed the Revenue Neutral Rate.

Mr. Dougherty reviewed the budget calendar and stated the Commission will have the opportunity to review, discuss, provide input, and make modifications to the budget at the July 21, 2022, August 4, 2022, and August 18, 2022 Work Sessions. Outside Agency Funding requests will be discussed at the August 4, 2022 meeting.

The budget will be presented to the Commission for final approval at the September 8, 2022 Commission meeting.

Other Items for Discussion

Commissioner Barrick thanked staff and stated he is impressed with the amount of work that goes into creating the budget along with receiving a clean audit.

Commissioner Musil thanked City Manager, Toby Dougherty, Assistant City Manager, Collin Bielser, Finance Director, Kim Rupp, and City staff for creating a sustainable, easy to understand, and transparent budget.

Mayor Ruder thanked City Manager, Toby Dougherty, for the work he has done on the R-9 Ranch Project.

The work session was adjourned at 7:54 p.m.

Submitted by: _____

Brenda Kitchen – City Clerk

Commission Work Session Agenda

Memo

From: Kim Rupp, Director of Finance

Work Session: July 21, 2022

Subject: Ordinance Establishing the Fourth and Fort Street Rural Housing Incentive District, Adopting the Development Plan, and Authorizing the Execution of the Development Agreement

Person(s) Responsible: Kim Rupp, Director of Finance

Summary

Michael D. Graham Rentals, LLC, a Kansas limited liability company (the “Developer”) submitted an Application for Economic Incentives and the required application fee relating to a residential project and related infrastructure discussed below.

The Developer is requesting rural housing incentive district financing (RHID) on a pay-as-you-go basis. Developer estimates the RHID will generate approximately \$622,500 of revenue over the maximum 25-year term, which would be made available to reimburse Developer for RHID-eligible project costs on a pay-as-you-go basis. Developer estimates RHID-eligible project costs of approximately \$414,550. RHID collection will cease upon the earlier of 25 years or full reimbursement of all RHID-eligible project costs.

A proposed Development Plan (attached) has been created to describe the housing development, and a Development Agreement (attached) would be entered into upon creation of the RHID to govern the rights and responsibilities of the City and the Developer.

The Commission previously adopted a Resolution to call a public hearing on the establishment of an RHID at the July 28, 2022 City Commission meeting.

Following the public hearing, the consideration of an Ordinance establishing the RHID is the final action required by the Commission. If passed, the RHID will be created unless the USD 489 Board of Education or the Ellis County Board of County Commissioners adopts a resolution in opposition within 30 days after the public hearing.

All materials have been reviewed by the City’s special legal counsel, Gilmore & Bell, P.C., and are found to meet all the requirements of Kansas law and the City’s Economic Development Policy. Staff recommends the Commission adopt the Resolution.

Background

The Developer seeks to construct four structures containing an aggregate total of 36 apartment units to be located at 4th and Fort Street directly west of the former Washington Elementary School (collectively, the “Project”).

The Commission previously adopted a Resolution making certain housing needs findings and determinations. Following adoption and publication, the Resolution was sent to the Kansas Secretary of Commerce for approval to move forward with the creation process and further Commission action. The Kansas Secretary of Commerce approved of the creation through a letter dated May 20, 2022.

Discussion

The Developer seeks reimbursement of certain RHID-eligible project costs of the Project from RHID revenues.

The Developer requests RHID financing on a pay-as-you-go basis for 25 years. The Developer estimates that the RHID will generate approximately \$622,500 in revenues during this term. RHID revenues will be derived from incremental property tax revenues collected on the project site. Developer estimates RHID-eligible project costs of approximately \$414,550. RHID collection will cease upon the earlier of 25 years or full reimbursement of all RHID-eligible project costs.

Passage of the Ordinance would establish the RHID, adopt the Development Plan, and authorize the execution of the Development Agreement to govern the rights and responsibilities of the parties.

Legal Consideration

The City Attorney has reviewed the attached documentation and, based upon the fact that special legal counsel has reviewed all documents, there are no known legal obstacles to proceeding as recommended by City Staff.

Special legal counsel, Gilmore & Bell P.C. has reviewed all the documentation submitted. All aspects as set forth in the Term Sheet comply with Kansas law and the City’s Economic Development Policy.

Financial Consideration

If the RHID is created, the RHID fund would collect incremental property tax revenues for a maximum period of 25 years. The Developer estimates that the RHID would generate approximately \$622,500 in revenues during such term. However, Developer estimates RHID-eligible project costs of approximately \$414,550. RHID collection will cease upon the earlier of 25 years or full reimbursement of all RHID-eligible project costs.

The Developer will advance all costs of the project and will be reimbursed for eligible costs from the RHID revenues on a pay-as-you-go basis. The City will not issue general obligation or special obligation bonds for the project.

The Developer has paid the application fee of \$1,000 and the deposit of \$5,000. The \$5,000 is retained to pay for the City's out of pocket costs associated with the City's review of the application including costs of legal counsel, all as further set forth in the Funding Agreement executed by the Developer. The Policy and Funding Agreement provide that if the costs incurred exceed the fee collected, the applicant will reimburse the City for the additional costs.

Options

The City Commission has the following options regarding the Ordinance establishing the rural housing incentive district:

- Pass the Ordinance
- Decline to pass the Ordinance
- Provide other direction to City staff

Recommendation

Advance the project by passing the Ordinance.

Action Requested

Approve the Ordinance establishing the Fourth and Fort Street Rural Housing Incentive District, adopting the Development Plan, and authorizing the execution of the Development Agreement.

Supporting Documentation

Ordinance
Development Plan
Development Agreement
Calendar

**EXCERPT OF MINUTES OF A MEETING
OF THE GOVERNING BODY OF
THE CITY OF HAYS, KANSAS
HELD ON JULY 28, 2022**

The City Commission (the “Governing Body”) met in regular session at the usual meeting place in the City at 6:30 p.m., the following members being present and participating, to-wit:

Absent:

The Mayor declared that a quorum was present and called the meeting to order.

(Other Proceedings)

Among other business, in accordance with Resolution No. 2022-010 published on July 15, 2022, in *The Hays Daily News*, a public hearing was held by the governing body relating to the proposed establishment of a Rural Housing Incentive District within the City and adopting a plan for the development of housing and public facilities in such District. At the hearing, each project proposed for the District was identified and explained, and the developer that has contracted with the City to undertake such project was identified and present in person. Following the presentation, all interested persons were afforded an opportunity to present their views on the establishment of the District and the proposed projects. Thereafter the public hearing was closed.

Following the close of the public hearing, there was presented to the governing body an Ordinance entitled:

AN ORDINANCE OF THE CITY OF HAYS, KANSAS, ESTABLISHING A RURAL HOUSING INCENTIVE DISTRICT WITHIN THE CITY AND ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC FACILITIES IN SUCH DISTRICT, AND MAKING CERTAIN FINDINGS IN CONJUNCTION THEREWITH (FOURTH AND FORT STREET RURAL HOUSING INCENTIVE DISTRICT).

Commissioner _____ moved that the Ordinance be passed. The motion was seconded by Commissioner _____. The Ordinance was duly read and considered, and upon being put, the motion for the passage of the Ordinance was carried by the vote of the governing body as follows:

Yea: _____

Nay: _____

The Mayor declared the Ordinance duly passed and the ordinance was duly numbered Ordinance No. [____], was signed by the Mayor and attested by the City Clerk, and was directed to be published one time in the official City newspaper.

(Other Proceedings)

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On motion duly made, seconded and carried, the meeting thereupon adjourned.

CERTIFICATE

I certify that the foregoing Excerpt of Minutes is a true and correct summary of the proceedings of the governing body of the City of Hays, Kansas held on the date stated therein, and that the official minutes of such proceedings are on file in my office.

(SEAL)

City Clerk

(Published in *The Hays Daily News* on August 3, 2022)

ORDINANCE NO. [____]

AN ORDINANCE OF THE CITY OF HAYS, KANSAS, ESTABLISHING A RURAL HOUSING INCENTIVE DISTRICT WITHIN THE CITY AND ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC FACILITIES IN SUCH DISTRICT, AND MAKING CERTAIN FINDINGS IN CONJUNCTION THEREWITH (FOURTH AND FORT STREET RURAL HOUSING INCENTIVE DISTRICT).

WHEREAS, K.S.A. 12-5241 *et seq.* (the “Act”) authorizes any city incorporated in accordance with the laws of the state of Kansas (the “State”) with a population of less than 60,000 to designate rural housing incentive districts within such city; and

WHEREAS, prior to such designation the governing body of such city shall conduct a housing needs analysis to determine what, if any, housing needs exist within its community; and

WHEREAS, after conducting such analysis, the governing body of such city may adopt a resolution making certain findings regarding the establishment of a rural housing incentive district and providing the legal description of property to be contained therein; and

WHEREAS, after publishing such resolution, the governing body of such city shall send a copy thereof to the Secretary of the Kansas Department of Commerce (the “Secretary”) requesting that the Secretary agree with the finding contained in such resolution; and

WHEREAS, if the Secretary agrees with such findings, such city may proceed with the establishment of a rural housing incentive district within such city and adopt a plan for the development or redevelopment of housing and public facilities in the proposed district; and

WHEREAS, the City of Hays, Kansas (the “City”) has an estimated population under 60,000 and therefore constitutes a city as the term is defined in the Act; and

WHEREAS, the governing body of the City (the “Governing Body”) has performed a Housing Needs Analysis, dated June 2017 (the “Analysis”), a copy of which is on file in the office of the City Clerk; and

WHEREAS, the Governing Body adopted Resolution No. 2022-08, which made certain findings relating to the need for financial incentives relating to the construction of quality housing within the City, declared it advisable to establish a rural housing incentive district pursuant to the Act, and authorized the submission of such resolution and the Analysis to the Kansas Department of Commerce in accordance with the Act; and

WHEREAS, the Secretary of the Kansas Department of Commerce, pursuant to a letter dated May 20, 2022, authorized the City to proceed with the establishment of a rural housing incentive district pursuant to the Act; and

WHEREAS, the City has caused to be prepared a plan (the “Plan”) for the development or redevelopment of housing and public facilities in the proposed Fourth and Fort Street Rural Housing Incentive District (the “District”) in accordance with the provisions of the Act; and

WHEREAS, the Plan includes:

1. The legal description and map required by K.S.A. 12-5244(a).
2. The existing assessed valuation of the real estate in the proposed District listing the land and improvement value 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 proposed District as provided in the Act, which shows the public benefit derived from the District will exceed the costs and that the income therefrom, together with all public and private sources of funding, will be sufficient to pay for the public improvements that may be undertaken in the District.

WHEREAS, the Governing Body of the City has heretofore adopted Resolution No. 2022-010, which made a finding that the City is considering establishing the proposed District and adopting the proposed Plan pursuant to the Act, set forth the boundaries of the proposed District, provided a summary of the proposed Plan, called a public hearing concerning the establishment of the proposed District for July 28, 2022, and provided for notice of such public hearing as provided in the Act; and

WHEREAS, a public hearing was held on July 28, 2022, after notice was duly published and delivered in accordance with the provisions of the Act; and

WHEREAS, upon and considering the information and public comments received at the public hearing, the Governing Body of the City hereby deems it advisable to make certain findings to establish the proposed District and to adopt the proposed Plan.

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF HAYS, KANSAS:

Section 1. Findings. The Governing Body hereby finds that notice of the public hearing conducted July 28, 2022, was duly made in accordance with the provisions of the Act.

Section 2. Creation of Rural Housing Incentive District. A Rural Housing Incentive District is hereby created within the City in accordance with the provisions of the Act, which shall consist of the following described real property:

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 14 SOUTH, RANGE 18 WEST OF THE 6TH PRINCIPAL MERIDIAN IN THE CITY OF HAYS, COUNTY OF ELLIS, STATE OF KANSAS, BEING A PORTION OF A

PARCEL OF LAND DESCRIBED IN DEED BOOK 53 AT PAGE 400 RECORDED IN THE REGISTER OF DEEDS OFFICE OF SAID COUNTY AND BEING MORE PARTICULARLY DESCRIBED BY JASON R LOADER, PS 1462 ON AUGUST 18TH, 2020 AS FOLLOWS.

ALL BEARINGS HERE IN ARE BASED ON AN ASSUMED BEARING OF NORTH 28° 50' 58" EAST ON THE EAST LINE OF FORT STREET RIGHT AWAY. COMMENCING AT THE NORTHEAST CORNER OF HALSTED AND BAXTER EDITION, A SUBSTITUTE DIVISION IN SAID CITY OF HAYS RECORDED IN MISCELLANEOUS BOOK 20 AT PAGE 392 AND SAID REGISTER OF DEEDS OFFICE: THENCE SOUTH 61° 21' 40" EAST 69.86 FT TO THE NORTHWEST CORNER OF SAID PARCEL OF LAND DESCRIBED IN DEED BOOK 53 AND PAGE 400 AT THE POINT OF THE BEGINNING FENCE ON A SOUTHERLY LINE OF SAID DESCRIBE PARCEL, SOUTH 61° EAST 163.75 FT: THAT'S NORTH 28° EAST 269.95 FT TO THE NORTHERLY LINE OF SAID DESCRIBED PARCEL: THENCE ON SAID NORTHERLY LINE NORTH 61° 06'10" WEST 163.84 FEET TO THE NORTHWEST CORNER OF SAID DESCRIBE PARCEL: THENCE ON A WESTERLY LINE OF SAID DESCRIBE PARCEL, SOUTH 28° 50'58" WEST 270.01 FT TO THE POINT OF BEGINNING. CONTAINS 1.02 ACRES MORE OR LESS.

TOGETHER WITH ALL PUBLIC RIGHTS OF WAY ADJACENT THERETO.

The District's boundaries do not contain any property not referenced in Resolution No. 2022-010, which provided notice of the public hearing on the creation of the District and adoption of the Plan.

Section 3. Approval of Development Plan. The Plan for the development or redevelopment of housing and public facilities in the District, as presented to the Governing Body this date, is hereby approved. In addition, the approval of the Development Agreement relating to the Fourth and Fort Street Rural Housing Incentive District between the City and the developer thereof is hereby ratified and confirmed.

Section 4. Adverse Effect on Other Governmental Units. If, within 30 days following the conclusion of the public hearing on July 28, 2022, any of the following occurs, the Governing Body shall take action to repeal this Ordinance:

(a) The Board of Education of Unified School District No. 489, Ellis County, Kansas (Hays) determines by resolution that the District will have an adverse effect on such school district; or

(b) The Board of County Commissioners of Ellis County, Kansas, determines by resolution that the District will have an adverse effect on such county.

As of this date, the City has not received a copy of any such resolution and is not aware of the adoption of any such resolution by the governing body of either Unified School District No. 489, Ellis County, Kansas (Hays) or of Ellis County, Kansas.

Section 5. Further Action. The Mayor, City Clerk, city officials and employees, including the City Attorney, and Gilmore & Bell, P.C., are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Ordinance.

Section 6. Effective Date. This Ordinance shall be effective upon its passage by the Governing Body and publication one time in the official City newspaper.

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PASSED by the Governing Body of the City of Hays, Kansas, and **SIGNED** by the Mayor on July 28, 2022.

(SEAL)

Mayor

ATTEST:

City Clerk

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that the Ordinance was passed on July 28, 2022; that the record of the final vote on its passage is found on page ____ of journal ____; and that it was published in *The Hays Daily News* on August 3, 2022.

DATED: August 3, 2022.

City Clerk

**DEVELOPMENT PLAN
OF THE CITY OF HAYS, KANSAS
FOURTH AND FORT STREET
RURAL HOUSING INCENTIVE DISTRICT**

JULY 2022

INTRODUCTION

On April 28, 2022 the City Commission (the “Governing Body”) of the City Hays, Kansas (the “City”) adopted Resolution 2022-08, which found and determined that:

1. There is a shortage of quality housing of various price ranges in the City 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 the City.
3. The shortage of quality housing is a substantial deterrent to the future economic growth and development of the City.
4. The future economic wellbeing of the City depends on the Governing Body providing additional incentives for the construction of/or renovation of quality housing in the City.

Based on these findings and determinations, the Governing Body proposed the establishment of a Rural Housing Incentive District within the City pursuant to K.S.A. 12-5241 *et seq.* (the “Act”).

Following the adoption of Resolution 2022-08, a certified copy was submitted to the Secretary of Commerce for approval of the establishment of the Rural Housing Incentive District in the City as required by K.S.A. 12-5244(c). On May 20, 2022, the Secretary of Commerce provided written confirmation approving the establishment of the Rural Housing Incentive District within the City.

DEVELOPMENT PLAN ADOPTION

K.S.A. 12-5245 states that once a city receives approval from the Secretary of Commerce for the development of a rural housing incentive district, the governing body must adopt a plan for the development of housing and public facilities within the proposed district.

DEVELOPMENT PLAN

As a result of the shortage of quality housing, the City proposes this development plan (the “Development Plan”) to assist in the development of quality housing within the City.

(1) ***Legal Description and Map of the District.*** The legal description of the Fourth and Fort Street Rural Housing Incentive District (the “District”) is as follows:

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 14 SOUTH, RANGE 18 WEST OF THE 6TH PRINCIPAL MERIDIAN IN THE CITY OF HAYS, COUNTY OF ELLIS, STATE OF KANSAS, BEING A PORTION OF A PARCEL OF LAND DESCRIBED INDEED BOOK 53 AT PAGE 400 RECORDED IN THE REGISTER OF DEEDS OFFICE OF SAID COUNTY AND BEING MORE PARTICULARLY DESCRIBED BY JASON R LOADER, PS 1462 ON AUGUST 18TH, 2020 AS FOLLOWS.

ALL BEARINGS HERE IN ARE BASED ON AN ASSUMED BEARING OF NORTH 28° 50' 58" EAST ON THE EAST LINE OF FORT STREET RIGHT AWAY. COMMENCING AT THE NORTHEAST CORNER OF HALSTED AND BAXTER EDITION, A SUBSTITUTE DIVISION IN SAID CITY OF HAYS RECORDED IN MISCELLANEOUS BOOK 20 AT PAGE 392 AND SAID REGISTER OF DEEDS OFFICE: THENCE SOUTH 61° 21' 40" EAST 69.86 FT TO THE NORTHWEST

CORNER OF SAID PARCEL OF LAND DESCRIBED IN DEED BOOK 53 AND PAGE 400 AT THE POINT OF THE BEGINNING FENCE ON A SOUTHERLY LINE OF SAID DESCRIBE PARCEL, SOUTH 61° EAST 163.75 FT: THAT'S NORTH 28° EAST 269.95 FT TO THE NORTHERLY LINE OF SAID DESCRIBED PARCEL: THENCE ON SAID NORTHERLY LINE NORTH 61° 06'10" WEST 163.84 FEET TO THE NORTHWEST CORNER OF SAID DESCRIBE PARCEL: THENCE ON A WESTERLY LINE OF SAID DESCRIBE PARCEL, SOUTH 28° 50'58" WEST 270.01 FT TO THE POINT OF BEGINNING. CONTAINS 1.02 ACRES MORE OR LESS.

TOGETHER WITH ALL PUBLIC RIGHTS OF WAY ADJACENT THERETO.

A map of the District is attached as *Exhibit A* to this Development Plan.

(2) **Existing Assessed Valuation of the District.** The assessed valuation of all real estate within the District for 2022 is:

Land	\$4,318
Improvements	<u>0</u>
Total	\$4,318

(3) **Owners of Record.** The name and address of the owner of record for the real estate within the District is:

Michael D. Graham Rentals, LLC
412 Autumn Lane
Hays, Kansas 67601

(4) **Description of Housing and Public Facilities Projects.** The housing and public facilities projects that are proposed to be constructed include the following:

Housing Facilities

The housing facilities will consist of constructing four structures containing an aggregate total of 36 apartment units. The units will be a mix of one and two bedrooms, and garages will be available to tenants as well.

Public Facilities

Public facilities and public improvements will include construction of Infrastructure Improvements located within the boundaries of the District, and all related infrastructure, including but not limited to parking, water, sanitary sewer, storm sewer, gas, and electric improvements as outlined in the Development Agreement. Infrastructure improvements may be constructed prior to or concurrently with the housing facilities in the project.

(5) **Developer's Information.** The names, addresses and specific interests in the real estate in the District of the developers responsible for development of the housing and public facilities is:

Owner of Real Property: Michael D. Graham Rentals, LLC
412 Autumn Lane
Hays, Kansas 67601

Developer: Michael D. Graham Rentals, LLC
412 Autumn Lane

Hays, Kansas 67601

Individuals with specific interest: Michael D. Graham Rentals, LLC

(6) **Contractual Assurances.** The Governing Body entered into a Development Agreement, dated August 3, 2022 (the “Development Agreement”), with Michael D. Graham Rentals, LLC, a Kansas limited liability company (the “Developer”). The Development Agreement, as supplemented and amended, includes the project construction schedule, a description of projects to be constructed, financial obligations of the developer, and financial and administrative support from the City. The Development Agreement includes contractual assurances, if any, the Governing Body has received from the Developer guaranteeing the financial feasibility of specific housing tax incentive projects in the proposed district. A copy of the Development Agreement is attached as **Exhibit B** to this Development Plan.

(7) **Comprehensive Analysis of Feasibility.** A comprehensive analysis was conducted to determine whether the public benefits derived from the District will exceed the costs and that the income from the District, together with other sources of revenue, would be sufficient to pay for the public improvements to be undertaken in the District. A copy of the analysis is attached as **Exhibit C** to this Development Plan. The analysis estimates the property tax revenues that will be generated from the District, less existing property taxes, to determine the revenue stream available to support reimbursement to the Developer for all or a portion of the costs of financing the public infrastructure. The estimates indicate that the revenue realized from the project together with other sources of Developer funds would be adequate to pay the eligible costs.

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EXHIBIT A
DEVELOPMENT PLAN
FOURTH AND FORT STREET
RURAL HOUSING INCENTIVE DISTRICT

MAP OF THE DISTRICT



EXHIBIT B
DEVELOPMENT PLAN
FOURTH AND FORT STREET
RURAL HOUSING INCENTIVE DISTRICT
DEVELOPMENT AGREEMENT

EXHIBIT C
DEVELOPMENT PLAN
FOURTH AND FORT STREET
RURAL HOUSING INCENTIVE DISTRICT

COMPREHENSIVE FINANCIAL FEASIBILITY ANALYSIS

**DEVELOPMENT AGREEMENT
FOURTH AND FORT STREET
RURAL HOUSING INCENTIVE DISTRICT**

THIS DEVELOPMENT AGREEMENT (“**Agreement**”) is entered into effective as of August 3, 2022 (the “**Effective Date**”), by and between the **CITY OF HAYS**, Kansas, a municipal corporation of the State of Kansas (“**City**”), and **MICHAEL D. GRAHAM RENTALS, LLC**, a Kansas limited liability company (“**Developer**”). The City and the Developer are each a “**Party**” and collectively the “**Parties.**”

RECITALS

A. Developer has acquired an interest in the real property located within the boundaries of City and described on *Exhibit A* attached hereto and incorporated herein by reference (the “**Property**”).

B. Developer desires to develop the Property into a four-structure multifamily residential complex with an aggregate total of 36 apartment units (“**Project**”), all as more fully described herein.

C. City has determined that the construction of the Project will foster the economic development of City and surrounding area of Ellis County, Kansas.

D. The Parties are authorized to enter into this Agreement and to complete the responsibilities set forth herein with respect to the Project.

AGREEMENT

NOW THEREFORE, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the Parties hereto agree as follows:

**ARTICLE I
DEFINITIONS AND RULES OF CONSTRUCTION**

1.1 Definitions. As used in this Agreement, the following words and terms have the meaning set forth below:

“**Agreement**” means this Development Agreement, as the same may be from time to time modified, amended or supplemented in writing by the Parties hereto.

“**City**” means the City of Hays, Kansas.

“**City Expenses**” means all legal and professional costs, fees and expenses incurred by City with regard to the preparation of this Agreement, the Funding Agreement, and any and all other Ordinances, Resolutions or other documents necessary for implementation of the District as well as for representation and appearances of legal counsel at any hearings or proceedings required to implement the District.

“**Concept Site Plan**” means the site development plan prepared by a licensed professional engineer, or firm thereof, acceptable to City, depicting the conceptual program for construction of the Project.

“Construction Plans” means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections.

“Developer” means Michael D. Graham Rentals, LLC, a Kansas limited liability company, or its permitted successors or assigns.

“Development Costs” means the total amount spent or expected to be spent by Developer to construct the Work.

“Development Plan” means the Development Plan prepared by the City in accordance with the provisions of the Rural Housing Incentive District Act and approved by the Developer, a copy of which is attached hereto at *Exhibit F*.

“District” means the Fourth and Fort Street Rural Housing Incentive District to be established pursuant the Rural Housing Incentive District Act and the RHID Ordinance.

“Eligible Costs” means the City Expenses, the cost of the Property, and that portion of the costs of the Internal Infrastructure Improvements which are reimbursable to the Developer pursuant to the provisions of K.S.A. 12-5249, including associated legal, engineering and project finance costs, all as more specifically described on *Exhibit C* attached hereto and incorporated herein by this reference.

“Funding Agreement” means the funding agreement between the City and the Developer, dated August 3, 2022, relating to the Developer providing a source of funds to the City to finance costs incurred by the City for legal, financial, planning, inspection, and other services, or for direct out-of-pocket expenses and other reasonable costs resulting from services rendered to the Developer to review, evaluate, process, and inspect the Project and actions related thereto.

“Governing Body” means the City Commission of the City of Hays, Kansas.

“Internal Infrastructure Improvements” means the electric, gas, water, sewer, storm sewer, sidewalks, lighting, and street improvements necessary for Project and located within the boundaries of the Property, including engineering costs, any costs of right-of-way and appurtenances related thereto, as set forth on the approved plat for the Project, all as more specifically described on *Exhibit C* attached hereto and incorporated herein by this reference.

“Material Change” means any change in the Concept Site Plan that significantly affects the nature of the Internal Infrastructure Improvements, modifies the number of residential units, or increases/decreases the cost of the Project by 10% or more for each change or 20% in the aggregate.

“Mayor” means the Mayor of the City of Hays, Kansas or their duly authorized agent.

“Project” means the redevelopment of the Property into a four-structures, aggregate total 36 unit multifamily residential complex in accordance with the Concept Site Plan.

“Property” means the real property (including but not limited to fee interests, leasehold interests, tenant-in-common interests, and such other like or similar interests) on which the Project will be located, more specifically described in *Exhibit A* attached hereto and depicted on *Exhibit B* attached hereto.

“Related Party” means any party related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended and any successor entity

in which the principals of the Developer (either individually or collectively) or Developer own or control no less than fifty percent (50%) of the voting interest in such successor entity.

“**RHID Funds**” means those amounts paid from the Ellis County Treasurer to the Treasurer of the City pursuant to K.S.A. 12-5250(b)(2)(A) as a result of the Project.

“**RHID Ordinance**” means the ordinance passed by the Governing Body approving the Development Plan and establishing the District.

“**Rural Housing Incentive District Act**” means K.S.A. 12-5241 *et seq.*, as amended.

“**Substantial Completion**” means the stage in the progress of the Work when the Work or designated portions thereof is sufficiently complete in accordance with the Construction Plans, excepting all punch list items so that Developer can occupy or utilize the Work for its intended purpose.

“**Work**” means all work necessary to prepare the Property and to construct the Project and the Internal Infrastructure Improvements, including; (1) demolition and removal of any existing improvements located on the Property, grading, and earthwork; (2) construction, reconstruction and/or relocation of utilities; (3) construction of the residential units and related structures; (4) construction and installation of site landscaping on the Property, as described in the Concept Site Plan; and (5) all other Work described in the Concept Site Plan, or reasonably necessary to effectuate the intent of this Agreement.

1.2 Rules of Construction. For all purposes of this Agreement, except as otherwise expressly provided or unless the context otherwise requires, the following rules of construction apply in construing the provisions of this Agreement:

- (a) The terms defined in this Article include the plural as well as the singular.
- (b) All accounting terms not otherwise defined herein have the meanings assigned to them, and all computations herein provided for will be made, in accordance with generally accepted accounting principles.
- (c) All references herein to “generally accepted accounting principles” refer to such principles in effect on the date of the determination, certification, computation or other action to be taken hereunder using or involving such terms.
- (d) All references in this instrument to designated “Articles,” “Sections” and other subdivisions are to the designated Articles, Sections and other subdivisions of this instrument as originally executed.
- (e) The words “herein,” “hereof” and “hereunder” and other words of similar import refer to this Agreement as a whole and not to any particular Article, Section or other subdivision.
- (f) The Article and Section headings herein are for convenience only and will not affect the construction hereof.

**ARTICLE II
REPRESENTATIONS AND WARRANTIES**

2.1 Representations of the City. The City makes the following representations and warranties, which are true and correct on the date hereof, to the best of the City's knowledge:

(a) ***Due Authority.*** The City has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and this Agreement has been duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal valid and binding obligation of the City, enforceable in accordance with its terms.

(b) ***No Defaults or Violation of Law.*** The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing.

(c) ***No Litigation.*** There is no litigation, proceeding or investigation pending or, to the knowledge of the City, threatened against the City with respect to this Agreement or affecting the Property. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the City, threatened against the City seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the City to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the City of the terms and provisions of this Agreement.

(d) ***Governmental or Corporate Consents.*** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution and delivery by the City of this Agreement.

(e) ***No Default.*** No default or Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the City under this Agreement.

2.2 Representations of the Developers. The Developer makes the following representations and warranties, which are true and correct on the date hereof, to the best of the Developer's knowledge:

(a) ***Due Authority.*** The Developer has all necessary power and authority to execute and deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of the Developer herein, and such execution and delivery has been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal valid and binding obligation of the Developer, enforceable in accordance with its terms.

(b) ***No Defaults or Violation of Law.*** The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which they are now a party, and do not and will not constitute a default under any of the foregoing.

(c) ***No Litigation.*** No litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Project, the Developer or any officer, director, member or

shareholder of the Developer. In addition, no litigation, proceeding or investigation is pending or, to the knowledge of the Developer, threatened against the Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Developer, of the terms and provisions of this Agreement.

(d) **No Material Change.** (1) The Developer has not incurred any material liabilities or entered into any material transactions other than in the ordinary course of business except for the transactions contemplated by this Agreement and (2) there has been no material adverse change in the business, financial position, prospects or results of operations of the Developer, which could affect the Developer's ability to perform its obligations pursuant to this Agreement from that shown in the financial information provided by the Developer to the City prior to the execution of this Agreement.

(e) **Governmental or Corporate Consents.** No consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection with the execution, delivery and performance by the Developer of this Agreement other than as set forth herein.

(f) **No Default.** No default or Event of Default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of the Developer under this Agreement, or any other material agreement or material instrument to which the Developer is a party or by which Developer is or may be bound.

(g) **Compliance with Laws.** The Developer is in material compliance with all valid laws, ordinances, orders, decrees, decisions, rules, regulations and requirements of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement.

(h) **Other Disclosures.** The information furnished to the City by the Developer in connection with the matters covered in this Agreement is true and correct and does not contain any untrue statement of any material fact and does not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in the light of the circumstances under which it was made, not misleading.

(i) **Approvals.** The Developer has received and is in good standing with respect to all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to conduct and to continue to conduct its business as heretofore conducted by it and to own or lease and operate its properties as now owned or leased by it. The Developer has obtained, or reasonably believes it will obtain in due course, all certificates, licenses, inspections, franchises, consents, immunities, permits, authorizations and approvals, governmental or otherwise, necessary to acquire, construct, equip, operate and maintain the Project; or reasonably believes that all such certificates, licenses, consents, permits, authorizations or approvals which have not yet been obtained will be obtained in due course.

(j) **Construction Permits.** All governmental permits and licenses required by applicable law to construct, occupy and operate the Project have been issued and are in full force and effect or, if the present stage of development does not allow such issuance, the Developer reasonably believes, after due inquiry of the appropriate governmental officials, that such permits and licenses will be issued in a timely manner in order to permit the Project to be constructed.

(k) **Contractors.** All contracts with contractors shall warrant that the work performed or material supplied by that contractor to the Project will be free from any defects in materials and workmanship for a period of at least two (2) years from the date of completion, and that such warranty does not restrict or otherwise limit that contractor's obligation to construct the Project in a workmanlike manner and in accordance with the Construction Plans and this Agreement as it pertains to that contractor's work.

2.3 Maintenance of Existence. During the term of this Agreement the Developer will maintain its legal existence, will continue to be in good standing under the laws of the State of Kansas and will not dissolve consolidate with or merge into another entity or permit one or more other entities to consolidate with or merge into it.

2.4 Conditions to the Effectiveness of this Agreement. Contemporaneously with the execution of this Agreement, and as a precondition to the effectiveness of this Agreement, the Developer will submit the following documents to the City:

- (a) a copy of the Developer's Articles of Organization and a good standing certificate dated within one month of the date of this Agreement, each certified by the Secretary of State of the State of Kansas;
- (b) a certified copy of the Operating Agreement of the Developer;
- (c) a list of the officers and members of the Developer;
- (d) the Concept Site Plan; and
- (e) an executed copy of the Funding Agreement.

2.5 Final Approval Required. This Agreement will be void: (a) if the City does not finalize all required steps to create the District pursuant to the Rural Housing Incentive District Act by adoption of the RHID Ordinance within 60 days after the Effective Date; or (b) if the District is nullified in the manner set forth in K.S.A. 12-5246. Until the passage of the RHID Ordinance, the Governing Body retains sole discretion on the Project. In addition, the zoning commission and the City retain full discretion within existing ordinances and policy regarding its zoning, planning, permitting and inspection requirements.

ARTICLE III RURAL HOUSING INCENTIVE DISTRICT

3.1 Preliminary Resolution. The Governing Body has heretofore adopted Resolution No. 2022-08 (the "Preliminary Resolution"), which made certain findings pursuant to the Rural Housing Incentive District Act, relative to the need for housing in the City and declaring an intent to establish rural housing incentive districts within the City.

3.2 Department of Commerce Finding. Pursuant to the Preliminary Resolution, the City caused to be prepared a Housing Needs Analysis and forwarded the same with the Preliminary Resolution, to the Kansas Secretary of Commerce. On May 20, 2022, the Kansas Secretary of Commerce issued a letter to the City making certain findings required by the Rural Housing Incentive District Act, and approved the City's ability to establish rural housing incentive districts.

3.3 Further Proceedings. The City has caused to be prepared the Development Plan in accordance with the provisions of the Rural Housing Incentive District Act, and plans to consider a resolution calling a public hearing relative to the Development Plan, conduct a public hearing, and consider

the RHID Ordinance approving the Development Plan and establishing the District. The District will be deemed to be established at the time the RHID Ordinance is passed by the Governing Body and published as required by law. The Parties acknowledge that the creation of the District is subject to nullification in the manner set forth in K.S.A. 12-5246.

ARTICLE IV CONSTRUCTION

4.1 Concept Site Plan.

(a) Developer, at its cost, has had prepared the Concept Site Plan, which is hereby approved by the Parties. Notwithstanding anything to the contrary herein, the City's acceptance of the Concept Site Plan is not acceptance of the final site plan as required by the City ordinances and the City retains full and complete discretion to review, modify and approve or not approve such final site plan through its normal planning, zoning and permitting process.

(b) Developer will promptly notify City in writing of any proposed Material Changes to the Concept Site Plan at least 30 days prior to the implementation of any such Material Change, including a description of the Material Change and reasons therefore, including any supporting documentation requested by the City. Developer may implement a proposed Material Change to the Concept Site Plan only with the advance written consent of the City.

(c) Developer may make changes which are not Material Changes to the Concept Site Plan or any aspect thereof as site conditions or other issues of feasibility may dictate or as may be necessary or desirable in the sole determination of Developer to enhance the economic viability of the Project, with approval from the City provided that such approval will not act as a waiver, alteration, or replacement of any required zoning, planning, permitting and inspection requirements.

4.2 Schedule. Developer will commence renovation and construction of the Project no later than October 1, 2022. Developer will diligently pursue and must obtain Substantial Completion of the Project within 24 months after commencement of construction or the Developer will be in material breach of this Agreement.

4.3 Project Construction.

(a) Developer will construct, at its cost, the Project in a good and workmanlike manner in accordance with the terms of the Development Plan and this Agreement and as set forth in the Construction Plans. Notwithstanding anything to the contrary herein, all work on the Project will comply with existing City codes, rules and regulations. If Developer serves as general contractor for the Project, Developer will not charge more for such services than a third-party contractor would customarily charge for such services. All work on the Project will be inspected by City staff during construction as if this Agreement did not exist.

(b) Developer may enter into one or more construction contracts to complete the Project. Prior to the commencement of construction of the Project, Developer will obtain, or will require that any such contractor obtain, the insurance required in **Section 6.8** hereof and will deliver evidence of such insurance to City.

4.4 Internal Infrastructure Improvements Construction.

(a) Developer will construct, at its cost, the Internal Infrastructure Improvements in a good and workmanlike manner in accordance with the plans and specifications approved by City. If Developer or a Related Party serves as general contractor or sub-contractor for the Internal Infrastructure Improvements, Developer or such Related Party will not charge more for such services than a third-party contractor would customarily charge for such services, as determined by such documentation that is requested by and acceptable to the City in the City's discretion.

(b) Developer is responsible for securing any rights-of-way and/or easement rights from private parties necessary to improve or build the Internal Infrastructure Improvements and City will reasonably cooperate with Developer with respect to any such acquisition. All costs associated with the acquisition of rights-of-way and/or easements from third-parties unrelated to Developer will be considered an Eligible Cost. City will reasonably cooperate with Developer in obtaining all necessary permits for construction of the Internal Infrastructure Improvements in accordance with the City's standard permitting process.

(c) Developer may enter into one or more construction contracts to complete the Work for the Internal Infrastructure Improvements. Prior to the commencement of construction of the Internal Infrastructure Improvements, Developer will obtain or will require that any such contractor obtain, the insurance required by **Section 6.8** hereof and will deliver evidence of such insurance to City.

(d) Promptly after Substantial Completion of the Work with respect to the Internal Infrastructure Improvements, or a phase thereof, in accordance with the provisions of this Agreement, Developer will furnish to City a Certificate of Substantial Completion in the form attached hereto as **Exhibit D**. The City will, within thirty (30) days following delivery of each Certificate of Substantial Completion, carry out such inspections as it deems necessary to (i) verify reasonable satisfaction with, and the accuracy of, the certifications contained in each Certificate of Substantial Completion, and (ii) verify, in the City's reasonable discretion, that the Internal Infrastructure Improvements have been constructed to meet or exceed City quality standards and comply with all applicable City code and permitting requirements. Each Certificate of Substantial Completion will be deemed accepted by City unless, prior to the end of such 30-day period after delivery to City of each Certificate of Substantial Completion, City furnishes Developer with specific written objections to the status of the Work, describing such objections and the written objections to the status of the Work, describing such objections and the measures required to correct such objections in reasonable detail.

(e) After Substantial Completion of the Internal Infrastructure Improvements and verification by the City, in the City's reasonable discretion, that the Internal Infrastructure Improvements have been constructed to meet or exceed City quality standards and comply with all applicable City code and permitting requirements, Developer will dedicate to the City, and the City will accept, title to the Internal Infrastructure Improvements. Following such dedication, City will be responsible, at its sole cost and expense, for all operating and capital costs for the dedicated Internal Infrastructure Improvements from that date forward, and will maintain the dedicated Internal Infrastructure Improvements in a manner consistent with similar public improvements in the City. Notwithstanding the foregoing, (i) Developer will provide for a one-year warranty for the Internal Infrastructure Improvements; and (ii) Developer may, at its sole discretion and expense, enhance the maintenance of operation of the Internal Infrastructure Improvements for the betterment of the Development Project with prior consent of the City.

4.5 Construction Permits and Approvals. Before commencement of construction or development of any buildings, structures or other work or improvements, the Developer shall secure or cause to be secured any and all permits and approvals which may be required by the City and any other governmental agency having jurisdiction as to such construction, development or work. Such permits and approvals may be obtained by Developer in phases corresponding to particular stages of construction.

4.6 No Waiver. Nothing in this Agreement shall constitute a waiver of the City's right to consider and approve or deny governmental approvals pursuant to the City's regulatory authority as provided by city building code and applicable State law. The Developer acknowledges that satisfaction of certain conditions contained in this Agreement require the reasonable exercise of the City's discretionary zoning authority by the City's planning commission and governing body in accordance with the City's zoning ordinance, the City building code and applicable State law.

4.7 Land Use Restriction. The Developer agrees that the Property will be utilized for residential purposes only and all other types of land uses are prohibited in the Project or on the Property unless approved in writing by the City prior to the execution of a letter of intent, lease or prior to the sale of land.

ARTICLE V FINANCING OBLIGATIONS

5.1 Financing of the Project. All costs of the Internal Infrastructure Improvements and the Project will be paid in cash or financed by Developer. The City will use RHID Funds to reimburse Developer for all or a portion of the Eligible Costs, subject to the terms of this Agreement. Reimbursements will be made solely to the Developer. So long as the total amount of Eligible Costs requested for reimbursement does not exceed the actual amount expended for such use or 110% of the total set forth on *Exhibit C*:

(a) the Developer may seek reimbursement of any particular line item on *Exhibit C* not exceeding 120% of the amount stated therein; and

(b) the Developer will be permitted to adjust the amounts estimated as Eligible Costs within and between each line item with the written consent of the City Manager.

5.2 Request for Reimbursement. The Developer will certify all costs and expenditures to be made in connection with the Eligible Costs in accordance with the following:

(a) The Developer will submit to the City a Request for Reimbursement in the form attached hereto as *Exhibit E* setting forth the amount for which reimbursement is sought and an itemized listing of the related Eligible Costs.

(b) Each Request for Reimbursement will be accompanied by such bills, contracts, invoices, or other evidence reasonably satisfactory to the City to document that payment has been made by the Developer for such Eligible Costs.

5.3 Reimbursement. The City will have 30 calendar days after receipt of any Request for Reimbursement to review and respond by written notice to the Developer. If the submitted documentation demonstrates that: (1) the Request for Reimbursement shows payment of the Eligible Costs; (2) the expense was incurred; (3) the Developer is not in default under this Agreement; and (4) the City has not discovered any fraud on the part of the Developer, then the City will approve the Request for Reimbursement and promptly reimburse the Developer for the Eligible Costs pursuant to the terms of this Agreement if sufficient RHID Funds are available, and quarterly as funds become available in the event that RHID Funds in the City's possession are at that time insufficient. In the event the City does not respond within such 30-day period, the Request for Reimbursement will be deemed approved. If the City disapproves of the Request for Reimbursement, the Parties will meet to resolve any such differences. If a resolution is not

found regarding specific cost(s), the denied cost will not be Eligible Costs unless and until a final order from a court of competent jurisdiction is received by the City requiring the cost to be accepted as an Eligible Cost or other written agreement of the Parties. Reimbursements will cease upon the earlier of (a) such time as the Eligible Costs have been fully reimbursed to Developer, or (b) 25 years after the date of the establishment of the District. The City will have no liability and/or responsibility to Developer for any payment greater than the amounts received from the Ellis County Treasurer pursuant to the provisions of K.S.A. 12-5250(b)(2)(A) as a result of the creation of the District.

5.4 Payment of City Expenses. The Developer and City have entered into a Funding Agreement attached as *Exhibit G*, requiring the Developer to reimburse the City for City Expenses. All City Expenses paid by the Developer will be Eligible Costs.

ARTICLE VI GENERAL PROVISIONS

6.1 City's Right to Terminate. In addition to all other rights of termination as provided herein, City may terminate this Agreement at any time if Developer defaults in or breaches any material provision of this Agreement and fails to cure such default or breach within thirty (30) days after receipt of written notice from City of such default or breach.

6.2 Developer's Right to Terminate. In addition to all other rights of termination as provided herein, Developer may terminate this Agreement at any time if City defaults in or breaches any material provision of this Agreement (including any City default under *Article V* hereof) and fails to cure such default or breach within 30 days after receipt of written notice from Developer of such default or breach.

6.3 Successors and Assigns.

(a) This agreement will be binding on and inure to the benefit of the Parties and their respective heirs, administrators, executors, personal representatives, agents, successors and assigns.

(b) Until Substantial Completion of the Project has occurred, the obligations of Developer under this Agreement may not be assigned in whole or in part without the prior written approval of City, which approval will not be unreasonably withheld, conditioned, or delayed upon a reasonable demonstration by Developer of the proposed assignee's experience and financial capability to undertake and complete all portions of the Work with respect to the Project and the Internal Infrastructure Improvements, all in accordance with this Agreement. Notwithstanding the foregoing, Developer is permitted to subcontract the construction of any portion of the Project or Internal Infrastructure Improvements without the consent of City but Developer will remain liable under this Agreement.

(c) The City hereby approves, and no prior consent will be required in connection with:

(1) the right of Developer to encumber or collaterally assign its interest in the Property or any portion thereof or any interest in the Agreement to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Eligible Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment;

(2) the right of Developer to assign Developer's rights, duties and obligations under the Agreement to a Related Party; or

(3) the right of Developer to lease portions of the Property in the ordinary course of the development of the Project;

provided that in each such event Developer named herein will remain liable hereunder for the Substantial Completion of the Project, and will be released from such liability hereunder only upon Substantial Completion of the Project.

6.4 Remedies.

(a) Except as otherwise provided in this Agreement and subject to Developer's and City's respective rights of termination, in the event of any breach of any term or condition of this Agreement by either Party, or any successor, the breaching Party (or successor) will, upon written notice from the other Party specifying such claimed breach, proceed immediately to cure or remedy such breach, and will, in any event, within 30 days after receipt of notice, cure or remedy such default. If the breach is not cured or remedied, the aggrieved Party may hold the breaching Party in default of this Agreement and there upon may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to proceedings to compel specific performance by the defaulting or breaching Party, withholding funds received pursuant to K.S.A. 12-5250(b)(2)(A) and/or repeal of the ordinance establishing the District. For purposes of this **Section 6.4**, no Party may be deemed in default of this Agreement unless and until it has received notice of any claimed breach and has been given an opportunity to cure the same.

(b) Notwithstanding any other provision of this Agreement, in no event will the Developer or the City ever be liable for any punitive, special, incidental, or consequential damages in connection with this Agreement, or otherwise. For purposes of this **Section 6.4**, consequential damages include, but are not limited to, lost profits, lost tax revenue, or other similar losses which are not direct out-of-pocket costs incurred by the non-defaulting Party. Any monetary damages owed by the City will be limited to and will only be payable from RHID Funds actually received by the City as a result of the creation of the District.

6.5 Force Majeure. Neither City nor Developer nor any successor in interests will be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder will be extended in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or casualty; strike; lockout; civil disorder; act of terror; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by any governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof, shortage of delay in shipment of material or fuel; acts of God; unusually adverse weather or soil conditions; unforeseen site conditions that render the site economically or physically undevelopable (as a result of additional cost or delay), or any other cause or contingency similarly; or other causes beyond the Parties' reasonable control, including but not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of this Agreement; provided that such event of force majeure will not be deemed to exist as to any matter initiated or unreasonably sustained by Developer, and further provided that Developer notifies city in writing within thirty (30) days of the commencement of such claimed event of force majeure.

6.6 Notices. Any notice, demand or other communication required by this Agreement to be given by either Party hereto to the other will be in writing and will be sufficiently given or delivered if dispatched by certified United States first class mail, postage prepaid, or delivered personally,

(a) In the case of Developer, to:

Michael D. Graham Rentals, LLC
Attn: Michael D. Graham
412 Autumn Lane

Hays, Kansas 67601
Email: michael@turn-keyproperty.com
Phone: (785) 656-3081

(b) In the case of City, to:

City of Hays, Kansas
Attention: City Manager
P.O. Box 490
1507 Main Street
Hays, Kansas 67601
Email: tdougherty@haysusa.com
Phone: (785) 628-7320

with a copy to:
Gilmore & Bell, P.C.
Attention: Dominic Eck
100 North Main
Suite 800
Wichita, Kansas 67202
Email: deck@gilmorebell.com
Phone: (316) 267-2091

Or to such other address with respect to either Party as that Party may, from time to time, designate in writing and forward to the other as provided in this **Section 6.6**.

6.7 Conflict of Interest. No member of the Governing Body or any branch of City's government who has any power of review or approval of any of Developer's undertakings, or of City's contracting for goods or services for the Project, will participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interests will immediately, upon knowledge of such possible conflict, disclose, in writing, to the Governing Body the nature of such interest and seek a determination by the Governing Body with respect to such interest and, in the meantime, will not participate in any actions or discussions relating to the activities herein proscribed. City represents to Developer that no such conflicts of interest exist as of the date hereof.

6.8 Insurance; Damage or Destruction.

(a) Developer will cause there to be insurance coverage as hereinafter set forth at all times during the process of constructing the Work and, from time to time at the request of City, will furnish City with proof of payment of premiums on:

(1) Builder's Risk insurance, written on the so called "Builder's Risk—Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Work at the date of completion, and with coverage available in non-reporting form on the so called "all risk" form of policy. The interest, if any, of City will be protected in accordance with a clause in form and content satisfactory to City; and,

(2) Comprehensive general liability insurance (including operations, operations of subcontractors, completed operations and contractual liability insurance) together with an owner's contractor's policy, with limits against bodily injury and property damage of not less than Five Million Dollars (\$5,000,000.00) for all claims arising out of a single accident or occurrence and Two Million Dollars (\$2,000,000.00) for any one person in a single accident or occurrence (to accomplish the above required limits, an umbrella excess liability policy may be used); and

(3) Workers Compensation insurance, with statutorily required coverage.

(b) The policies of insurance required pursuant to clauses (1) and (2) above will be in form and content reasonably satisfactory to City and will be placed with financially sound and reputable insurers

licensed to transact business in the State of Kansas with general policy holder's rating of not less than A- and a financial rating of A- as rated in the most current available "Best's" insurance reports. The policy of insurance delivered pursuant to clause (1) above will contain an agreement of the insurer to give not less than 30 days advance written notice to the City in the event of cancellation of such policy or change affecting the coverage thereunder. All policies of insurance required pursuant to this section will name City as an additional insured. Developer will deliver to City evidence of all insurance to be maintained hereunder.

6.9 Inspection. Developer will allow City and its employees, agents and representatives to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as City determines is reasonable and necessary to verify Developer's compliance with the terms of this Agreement.

6.10 Choice of Law. This Agreement will be deemed to have been fully executed, made by the Parties in, and governed by the laws of State of Kansas for all purposes and intents.

6.11 Entire Agreement; Amendment. The Parties agree that this Agreement, the Development Plan, and the Funding Agreement collectively constitute the entire agreement between the Parties and that no other agreements or representations other than those contained in this Agreement have been made by the Parties. This Agreement may be amended only in writing and effective when signed by the authorized agents of the Parties.

6.12 Counterparts. This Agreement is executed in multiple counterparts, each of which constitute one and the same instruments.

6.13 Severability. If any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder will continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

6.14 Representatives Not Personally Liable. No elected or appointed official, agent, employee or representative of City will be personally liable to Developer in the event of any default or breach by any Party under this Agreement or for any amount which may become due to any Party or on any obligations under the terms of this Agreement.

6.15 Legal Actions. If a third party brings an action against City, or any officials, agents, employees or representatives thereof contesting the validity or legality of any of the terms of this Agreement, or the ordinance approving this Agreement, Developer may, at Developer's option but only with City's consent, assume the defense of such claim or action (including without limitation, to settle or compromise any claim or action for which Developer has assumed the defense) with counsel of Developer's choosing. The Parties expressly agree that so long as no conflicts of interest exist between them, the same attorney or attorneys may simultaneously represent City and Developer in any such proceeding; provided, Developer and its counsel will consult with City throughout the course of any such action and Developer will pay all reasonable and necessary costs incurred by City in connection with such action. If such defense is assumed by Developer, all costs of any such action incurred by City will be promptly paid by Developer. If City refuses to permit Developer to assume the defense of any action, then costs incurred by City will be paid by City.

6.16 Release and Indemnification. Notwithstanding the expiration, termination or breach of this Agreement by either Party, the indemnifications and covenants contained in this *Section 6.16* will, except as otherwise expressly set forth herein, survive such expiration, termination or breach of this Agreement by Parties hereto.

(a) Notwithstanding anything herein to the contrary, City and its Governing Body members, officers, agents, servants, employees and independent contractors will not be liable to Developer for damages or otherwise in the event that any ordinance, order or resolution adopted in connection with this Agreement is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either City is prevented from performing any of the covenants and agreements herein or Developer is prevented from enjoying the rights and privileges hereof.

(b) Developer releases from, agrees to indemnify and hold harmless City, its Governing Body members, officers, agents, servants and employees against, and covenants and agrees that City and its Governing Body members, officers, agents, servants, employees and independent contractors will not be liable for, any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the acquisition of the Property or construction of the Work including any and all claims arising from the acquisition of the Property, including, but not limited to, location of hazardous wastes, hazardous materials or other environmental contaminants on the Property, including all costs of defense, including attorney's fees, except for those matters rising out of the willful and/or wanton negligence of City and its governing body members, officers, agents, servants, and employees.

(c) City and its Governing Body members, officers, agents, servants and employees will not be liable for any damage or injury to the persons or property of Developer or its officers, agents, servants or employees or any other person who may be about the Property or the Work except for matters arising out of the willful and/or wanton negligence of City and its Governing Body members, officers, agents, servants and employees.

(d) All covenants, stipulations, promises, agreements and obligations of City contained herein will be deemed to be the covenants, stipulations, promises, agreements and obligations of City and not of any of its Governing Body members, officers, agents, servants or employees in their individual capacities.

(e) No official, employee or representative of City will be personally liable to Developer in the event of a default or breach by any Party to this Agreement.

(f) Developer releases from and covenants and agrees the City, its Governing Body members, officers, employees, agents and independent contractors will not be liable for, and agrees to indemnify and hold City, its Governing Body, members, officers, employees, agents and independent contractors harmless from and against any and all suits, interest, claims and cost of attorney fees incurred by any of them, resulting from, arising out of, or in any way connected with: (1) the Project or its approval, (2) the construction of the Work, (3) the negligence or willful misconduct of Developer, its employees, agents or independent contractors in connection with the management, development, and construction of the Work, (4) the compliance by Developer with all applicable state, federal and local environmental laws, regulations, ordinances and orders, (5) underground storage tanks located on or about the Property, (6) friable asbestos or asbestos-containing materials at, on, or in the Property, (7) the operation of all or any part of the Property, or the condition of the Property, including, without limitation, any environmental cost or liability, or (8) negotiations, inspections, acquisitions, preparations, construction, leasing, operations, and other activities of Developer or its agents in connection with or leading to the Project or the Property; except that the foregoing release and indemnification will not apply in the case of such liability arising directly out of the willful and/or wanton negligence of City or its authorized Governing Body members, officers, employees and agents or which arises out of matters undertaken by City following termination of this Agreement.

6.17 Tax Implications. The Developer acknowledges and represents that (1) neither the City nor any of its officials, employees, consultants, attorneys or other agents has provided to the Developer any

advice regarding the federal or State income tax implications or consequences of this Agreement and the transactions contemplated hereby, and (2) the Developer is relying solely upon its own tax advisors in this regard.

6.18 Cash Basis and Budget Laws. The Parties acknowledge and agree that the ability of the City to enter into and perform certain financial obligations pursuant to this Agreement are subject to the K.S.A. 10-1101 *et seq.* and K.S.A. 79-2935 *et seq.*

6.19 No Partnership. Nothing contained herein will be construed as creating a partnership between the Parties.

6.20 Term. The term of this Agreement will commence on the Effective Date and, unless terminated earlier as provided in this Agreement, expire on the latest of: (i) the date all Eligible Costs have been reimbursed with RHID Funds, subject to the requirements and limitations set forth in this Agreement; or (ii) when the City has released all RHID Funds that have been collected for 25 years after the date of the RHID Ordinance.

6.21 Authorized Parties. Whenever under the provisions of this Agreement and other related documents, instruments or any supplemental agreement, a request, demand, approval, notice or consent of the Parties are required, or the Parties are required to agree or to take some action at the request of the other Party, such approval or such consent or such request shall be given for the City, unless otherwise provided herein, by the City Manager and for the Developer by any officer of Developer so authorized; and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither Party shall have any complaint against the other as a result of any such action taken.

[BALANCE OF THIS PAGE LEFT BLANK INTENTIONALLY]

IN WITNESS WHEREOF, City and Developer have caused this Agreement to be executed in their respective names and City has caused its seal to be affixed thereto, and attested as to the date first above written.

CITY OF HAYS, KANSAS

(SEAL)

By: _____
Mayor

ATTEST:

By: _____
City Clerk

MICHAEL D. GRAHAM RENTALS, LLC

By: _____
Name: Michael D. Graham
Title: Manager

SCHEDULE OF EXHIBITS

Exhibit A	Property Description
Exhibit B	Property Map
Exhibit C	Eligible Costs for the Project
Exhibit D	Certification of Substantial Completion Form
Exhibit E	Request for Reimbursement Form
Exhibit F	Development Plan
Exhibit G	Funding Agreement

EXHIBIT A

**PROPERTY DESCRIPTION
FOURTH AND FORT STREET RURAL HOUSING INCENTIVE DISTRICT**

THAT PORTION OF THE NORTHWEST QUARTER OF SECTION 4, TOWNSHIP 14 SOUTH, RANGE 18 WEST OF THE 6TH PRINCIPAL MERIDIAN IN THE CITY OF HAYS, COUNTY OF ELLIS, STATE OF KANSAS, BEING A PORTION OF A PARCEL OF LAND DESCRIBED IN DEED BOOK 53 AT PAGE 400 RECORDED IN THE REGISTER OF DEEDS OFFICE OF SAID COUNTY AND BEING MORE PARTICULARLY DESCRIBED BY JASON R LOADER, PS 1462 ON AUGUST 18TH, 2020 AS FOLLOWS.

ALL BEARINGS HERE IN ARE BASED ON AN ASSUMED BEARING OF NORTH 28° 50' 58" EAST ON THE EAST LINE OF FORT STREET RIGHT AWAY. COMMENCING AT THE NORTHEAST CORNER OF HALSTED AND BAXTER EDITION, A SUBSTITUTE DIVISION IN SAID CITY OF HAYS RECORDED IN MISCELLANEOUS BOOK 20 AT PAGE 392 AND SAID REGISTER OF DEEDS OFFICE: THENCE SOUTH 61° 21' 40" EAST 69.86 FT TO THE NORTHWEST CORNER OF SAID PARCEL OF LAND DESCRIBED IN DEED BOOK 53 AND PAGE 400 AT THE POINT OF THE BEGINNING FENCE ON A SOUTHERLY LINE OF SAID DESCRIBE PARCEL, SOUTH 61° EAST 163.75 FT: THAT'S NORTH 28° EAST 269.95 FT TO THE NORTHERLY LINE OF SAID DESCRIBED PARCEL: THENCE ON SAID NORTHERLY LINE NORTH 61° 06' 10" WEST 163.84 FEET TO THE NORTHWEST CORNER OF SAID DESCRIBE PARCEL: THENCE ON A WESTERLY LINE OF SAID DESCRIBE PARCEL, SOUTH 28° 50' 58" WEST 270.01 FT TO THE POINT OF BEGINNING. CONTAINS 1.02 ACRES MORE OR LESS.

TOGETHER WITH ALL PUBLIC RIGHTS OF WAY ADJACENT THERETO.

EXHIBIT B

**PROPERTY MAP
FOURTH AND FORT STREET RURAL HOUSING INCENTIVE DISTRICT**

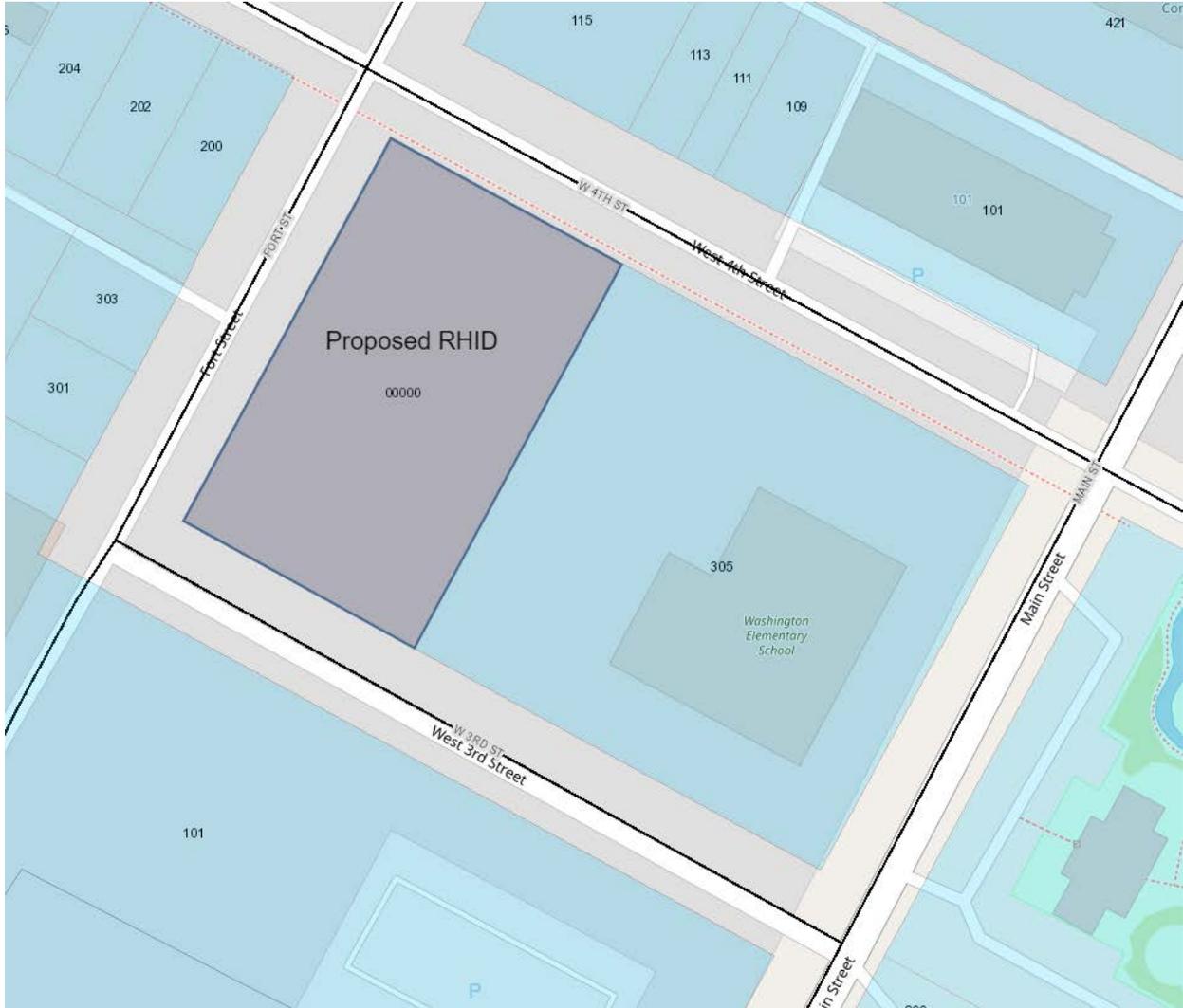


EXHIBIT C

**ELIGIBLE COSTS FOR
FOURTH AND FORT STREET RURAL HOUSING INCENTIVE DISTRICT**

Category	Estimated Amount
Land Acquisition Costs	\$ 135,550
Engineering, Design & Legal	72,500
Site Preparation	65,000
Sanitary Storm Sewer	15,500
Street Prep & Grading	17,500
Paving	22,500
Street Lighting	10,000
Utility Connections	37,500
Sidewalks	22,500
Water Main	<u>16,000</u>
Total	<i>\$414,550</i>

EXHIBIT D

CERTIFICATION OF SUBSTANTIAL COMPLETION FORM

The undersigned, on behalf of Michael D. Graham Rentals, LLC (the “Developer”), pursuant to *Section 4.4* of the Development Agreement dated as of August 3, 2022 (the “Development Agreement”) by and among the City of Hays, Kansas, and the Developer, hereby certifies as follows. All capitalized terms used herein have the meaning attributable to such terms in the Development Agreement.

1. The Work is sufficiently complete in accordance with the Construction Plans, excepting all punch list items, such that the Developer can occupy or utilize the Work for its intended purpose.
2. The Work has been completed in a good and workmanlike manner.
3. There are no mechanic’s or materialmen’s liens or other statutory liens on file encumbering title to the Property; all bills for labor and materials furnished for such portion of the Work which could form the basis of a mechanic’s, materialmen’s or other statutory lien against the Property have been paid in full, and within the past four months no such labor or materials have been furnished which have not been paid for.
4. All applicable building codes have been complied with in connection with the Work.

Dated: _____, 20____

MICHAEL D. GRAHAM RENTALS, LLC

By: _____
Name: _____
Title: _____

EXHIBIT E

REQUEST FOR REIMBURSEMENT

City of Hays, Kansas
Attention: City Manager

You are hereby requested by the undersigned, an authorized representative of Michael D. Graham Rentals, LLC (the “Developer”) to disburse funds held by the City in the special revenue fund created pursuant the authority in K.S.A. 12-5250(b)(2)(A) for the Michael D. Graham Rentals, LLC apartments project (the “Fund”) and set forth in the Development Agreement between the City of Hays, Kansas and the Developer for the Fourth and Fort Street Rural Housing Incentive District dated August 3, 2022 (the “Agreement”) to reimburse expenditures made by the Developer for Eligible Costs (as defined in the Agreement) as described on and in the amounts set forth in the Schedules attached to this invoice and incorporated herein by this reference (the “Schedules”).

I hereby certify that the amounts requested in the attached Schedules have been paid by the Developer in payment of costs that are Eligible Costs, as defined in the Agreement.

I further certify that no part of the amounts set forth in the Schedules have been the basis for any previous withdrawal of any moneys from the Fund.

Attached to the Schedules is a description of the nature of the item billed, a reference to which type of Eligible Cost the expense applies to under the Rural Housing Incentive Act and the Agreement, and a copy of the contract, invoice or other billing for the Eligible Costs for which Developer seeks reimbursement, along with copies of checks, evidence of wire transfers or other evidence of payment by the Developer of such Eligible Costs and hereby certify that such copies are true and accurate copies of the original documents.

Dated: _____, 20____

MICHAEL D. GRAHAM RENTALS, LLC

By: _____
Name: _____
Title: _____

Invoice Reimbursement Schedule

Pursuant *Section 5.2* of the Agreement, I hereby request reimbursement of the amounts specified below and I certify that the description of the purchase or nature of each payment is reasonable, accurate and complete and that Developer has previously paid such Eligible Costs:

	Payee Name	Date of Payment	Purpose or Nature of Payment	Amount
1.				\$
2.				\$
3.				\$
4.				\$
5.				\$
6.				\$

Total Expenses \$ _____

Developer Signature

Note: Copies of bills, contracts, checks and other evidence reflecting the amounts shown above (as described in Section 5.2 of the Agreement) should be attached to this Schedule.

EXHIBIT F
DEVELOPMENT PLAN

EXHIBIT G
FUNDING AGREEMENT

CITY OF HAYS, KANSAS
Michael D. Graham Rentals, LLC Project
RHID Schedule

DATE	ACTION
Apr. 21	Work Session: City Commission considers Resolution making findings as to proposed RHID
Apr. 28	City Commission considers Resolution making findings as to proposed RHID
May 4	Resolution making findings published in the <i>Hays Daily News</i>
May 4	Letter to Secretary of Commerce containing certified copy of Resolution making findings and requesting Secretary to review and advise the City whether the Secretary agrees with the findings
June 3	Letter from Secretary of Commerce to the City advised of the Secretary's agreement
June 9	Development Plan and Development Agreement finalized
June 16	Work Session: City Commission considers Resolution of intent to consider adoption of development plan and establishment of district and calling public hearing
June 23	City Commission considers Resolution of intent to consider adoption of development plan and establishment of district and calling public hearing
June 28	Certified copy of the Resolution of intent delivered to City Planning Commission (receipt requested) and certified mailed to BOCC and USD
July 15	Resolution of intent and calling public hearing published in the <i>Hays Daily News</i> (<i>at least 1 week, no more than 2 weeks, before hearing</i>)
July 21	Work Session: City Commission considers Ordinance adopting the development plan and establishing the district
July 28	Public Hearing (<i>not less than 30, no more than 70 days following adoption of Resolution of Intent</i>) City Commission considers Ordinance adopting the development plan and establishing the district
Aug. 3	Publish Ordinance in the <i>Hays Daily News</i>
Aug. 29	BOCC and USD veto period expires (<i>30 days following public hearing</i>)
Aug. 30	Copy of the Ordinance, legal description of the land within the District, and map indicating the boundaries of the District certified mailed to County Clerk/Treasurer/Assessor, BOCC, and USD (<i>by Jan. 1, 2023</i>)