COVER SHEET

TITLE OF DOCUMENT: INTERLOCAL AGREEMENT

DATE OF DOCUMENT: October 19, 2012

GRANTOR (S)

GRANTEE (S) City of Shawnee, Kansas

LEGAL DESCRIPTION: SEE "EXHIBIT A"

AFTER RECORDING RETURN TO:
CITY OF SHAWNEE, KANSAS, THE BOARD OF COUNTY COMMISSIONERS
OF JOHNSON COUNTY, KANSAS, SHAWNEE MISSION UNIFIED SCHOOL
DISTRICT NO. 512, JOHNSON COUNTY LIBRARY DISTRICT, JOHNSON
COUNTY COMMUNITY COLLEGE AND
JOHNSON COUNTY PARK AND RECREATION DISTRICT

INTERLOCAL AGREEMENT

THIS INTERLOCAL AGREEMENT (hereinafter referred to as "agreement")
entered in this 14th day of October, 2012, by and between the City of
Shawnee, Kansas, hereinafter referred to as "City"; the Board of County
Commissioners of Johnson County, Kansas, hereinafter referred to as "County";
the Shawnee Mission Unified School District No. 512, hereinafter referred to as
"Shawnee Mission"; the Johnson County Library District; the Johnson County
Community College; and the Johnson County Park and Recreation District, all of
which are municipalities within the meaning of K.S.A. 10-1101 and K.S.A. 12-
17,114 et seq.; and

WHEREAS, K.S.A. 12-2904 allows public agencies to enter into interlocal
agreements to jointly perform certain functions including economic development;
and

WHEREAS, all parties are pursuant to K.S.A. 12-2903 public agencies,
capable of entering into interlocal agreements; and

WHEREAS, K.S.A. 12-17,114 et seq., provides a program for
neighborhood revitalization and further allows for the use of interlocal agreement
between municipalities to further neighborhood revitalization; and
WHEREAS, it is the desire and intent of the parties hereto to provide the maximum economic development incentive as provided for in K.S.A. 12-17,119 by acting jointly.

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

1. The parties have considered and agree to participate in a neighborhood revitalization plan in substantially the form and content as Exhibit A, attached hereto and incorporated by reference, and the purpose of this agreement is to (i) join and cooperate in exercising the powers and duties authorized by K.S.A. 12-17,114 et seq., the Kansas Neighborhood Revitalization Act, and (ii) to provide greater detail, for purposes of clarification, regarding the interpretation of the neighborhood revitalization plan.

2. The parties further agree that the City shall administer the neighborhood revitalization plan as adopted by each party on behalf of the parties. The City shall create a Neighborhood Revitalization Fund (the Revitalization Fund) pursuant to K.S.A. 12-17,118 for the purpose of financing redevelopment within the revitalization area and to provide a partial rebate of the incremental increase in property taxes (the Tax Increment) resulting from qualified improvements as set forth in the Plan. Any Tax Increment received by or credited to the parties shall be transferred by the County Treasurer to the City, provided, however, that County's participation in the program is limited to the extent that it shall retain thirty percent (30%) of
its share of the incremental tax increase on property assessed as (i) commercial property and (ii) industrial property, for administrative expenses, with the exception, however, that no retainage for County administrative expenses shall be required for any commercial or industrial property where the qualified improvement results in an incremental increase in assessed valuation of less than One Hundred Thousand Dollars ($100,000), as more fully set forth hereinafter in Subparagraph 4d of this agreement.

3. The agreement to participate in the Neighborhood Revitalization Plan shall terminate on January 14, 2023, or any party may terminate their participation at any time prior thereto by providing ninety (90) days advance notice in writing to Johnson County and the City of Shawnee, Kansas, provided however, any application for tax rebate submitted prior to termination shall, if approved, be eligible for the full rebate period as provided in Part 11 of the Plan and this agreement shall continue in affect only to the extent necessary to accomplish this purpose and all tax rebates shall terminate no later than the tax year 2033.

4. The following are binding interpretations, constructions or clarifications of the Plan adopted by the parties:

   a. The Tax Increment to be credited to the Plan means the taxes collected by or credited to the participating entities attributable to the incremental increase in assessed valuation resulting from a qualified improvement. The incremental increase in assessed
valuation resulting from a qualified improvement shall be determined by subtracting the assessed valuation of improvements on the property on January 1st of the year in which the building permit for a qualified improvement is issued from the assessed valuation of improvements on the property on January 1st of the year following completion of a qualified improvement. The incremental increase in assessed valuation which is used to determine the Tax Increment will not change during the ten-year term of the tax rebate, notwithstanding any increase in assessed value of the improvements or the land on which the improvement is located.

b. The County is authorized to and shall transfer any Tax Increment received by the parties, (after deduction and retention of the County administrative expenses as hereinbefore provided) to the Revitalization Fund maintained by the City. The City will rebate 90% of the Tax Increment received by the City to the taxpayer within thirty (30) days of receipt. All funds transferred to the Revitalization Fund by the County and not rebated to taxpayers shall be expended by the City for public improvements in the District and any funds not so expended shall be refunded and distributed to the participating entities as provided by law.
c. "Payment of tax" as used in the Plan means payment of all taxes and assessments due and payable against the tax parcel or parcels on which the qualified improvement is located, and shall be interpreted such that any properties that are delinquent in the payment of any ad valorem property tax assessment, Johnson County personal property tax or special assessment, shall not be eligible for any rebate or future rebate until such time as all taxes and special assessments have been paid.

d. For purposes of this agreement, the wording "a tax rebate in 90% of the amount of the tax increment will be made to the applicant," as set forth in Part 9, Subparagraph h, of the neighborhood revitalization plan, shall be interpreted as follows:

The Board of County Commissioners shall participate in the City of Shawnee Revitalization Plan by contributing its limited share of the incremental tax increase attributed to qualified improvements to real property. As such, for (i) commercial property and (ii) industrial property, with an incremental assessed valuation increase of one hundred thousand dollars ($100,000.00) or more, the applicant’s actual rebate will consist of only the balance set forth in Part 9, Subparagraph h, of the neighborhood revitalization plan, after the county’s administrative expenses are first subtracted.
e. Notwithstanding any other provision to the contrary, if any, contained within the neighborhood revitalization plan, no property owner may receive a tax rebate for their property until the first year of fund availability under the Neighborhood Revitalization Fund, regardless of when a property owner may have first made application for a tax rebate (e.g. for purposes of illustration only, if a property owner made application for a tax rebate in year 2014, but the rebate funds were not first available until the year 2017, then the first year of rebate eligibility shall commence in year 2017).

f. For purposes of this agreement, the wording “The appraised value of the commercial property must be increased by at least $5,000. (Assessed value increased by $1,250)”, as set forth in Part 7, Subparagraph d and Part 10, Subparagraph d, of the neighborhood revitalization plan shall be interpreted to include and in like manner be applied to industrial property, in addition to commercial property. Similarly, that portion of Part 6 of said plan regarding “New Construction, Existing Structures/Commercial”, which provides “the new appraised valuation is increased by $5,000. (Increase in assessed value of at least $1,250)”, shall also be interpreted
and in like manner be applied to industrial property, in addition to commercial property.

5. There shall be no financing of the joint or cooperative undertaking of the parties excepting as provided in paragraph 2 and in the Plan. Any funds in the Neighborhood Revitalization Fund maintained by the City shall be budgeted by the City. No real or personal property shall be acquired or disposed of in this undertaking excepting for the Neighborhood Revitalization Fund provided for in paragraph 2 and in the Plan.

6. The City's attorney shall be responsible for submitting this agreement to the Attorney General for approval. Upon approval by the Attorney General the City Attorney shall provide each party with a copy of the approval.

7. The effective date of this agreement shall be January 14, 2013, notwithstanding that the parties may have executed this agreement on an earlier or later date, unless this agreement is disapproved by the Attorney General within ninety (90) days after its submission and the parties are notified thereof as provided by law.

IN WITNESS WHEREOF, the parties have hereunto executed this agreement as of the day and year first above written.
Attest:

Stephen E. Powell
Clerk of the Board

Approved as to Form:

D. A. Se
Attorney
Shawnee Mission
Unified School District #512

Patty Mach, President

Attest:

Clerk of the Board

Approved as to Form:

Attorney
Johnson County Library District

Mitra Templin
Mitra Templin, Chair

Attest:
Catherine Nugent Vice Chair Secretary

Approved as to Form:
Attorney
Johnson County Community College

Melody Rayl, Chairman
Board of Trustees

Attest:

[Signature]
Stephanie Sharp, Secretary

Approved as to Form:

[Signature]
Teresa L. Wilson
Attorney
Johnson County Park and Recreation District
Board of Commissioners

Nancy Wallerstein, Board Chair

ATTEST:

JOHN P. MILLER, ASSISTANT SECRETARY

APPROVED AS TO FORM:

Attorney - WILLIAM M. TULEY

APPROVED:

Derek Schmidt
Attorney General
OFFICE OF THE ATTORNEY GENERAL
STATE OF KANSAS
By
Assistant Attorney General
Neighborhood Revitalization Plan

Purpose:

This Neighborhood Revitalization Plan is intended to promote the rehabilitation, conservation and/or redevelopment of the designated Neighborhood Revitalization Area within the City of Shawnee in order to protect the public health, safety and welfare of the residents of the city. A tax rebate incentive based on the incremental increase of qualified improvements will be available to property owners in the designated Neighborhood Revitalization Area.

In accordance with KSA 12-17, 114 et seq., the City Council conducted a public hearing on August 13, 2012 and considered the Neighborhood Revitalization Plan. Accordingly, the City Council designates that the described area meets the condition contained in KSA 12-17, 115 (c) (3), to be designated as a "Neighborhood Revitalization Area".
PART 1

Legal description of the real estate forming the boundaries of the Neighborhood Revitalization Area and a map depicting the existing parcels of real estate

Legal Description:

Beginning at a point on the north line of the Northeast Quarter of Section 11, Township 12, Range 24, Johnson County, Kansas, said point being 54.2 feet west of the Northeast corner of said Northeast Quarter; thence west along said north line of Section 11, and along the north line of the north line of the Northeast Quarter of Section 10, Township 12, Range 24 for a distance of 7,156.30 feet to a point of the intersection of the northerly extension of the west right of way line of Long Avenue; thence south 668.98 feet along the west right of way line of Long Avenue and its extension to a point on the north line of Lot 1, Westgate North No. 2 subdivision; thence east 25 feet to the northeast corner of said Lot 1, Westgate North No. 2; thence south 247.92 feet along the east line of Lots 1-3, Westgate North No. 2; thence west 13.81 feet along the south line of Lot 3, Westgate North No. 2; thence south 162.5 feet along the east line of Lot 3, Westgate North No. 2 and Lots 9 and 10, Westgate North subdivision, thence southwesterly 91.59 feet along the east line of Westgate North subdivision; thence south 75 feet to a point on the north line of Lot 1, Block 1, Westgate Place subdivision; thence east 25 feet to the northeast corner of Lot 1, Block 1, Westgate Place; thence south 781.88 feet along the east line of Westgate Place subdivision to a point at the Southeast corner of the Northwest Quarter of the Southwest Quarter of the Northeast Quarter of Section 10, Township 12, Range 24; thence continuing south 359.00 feet along the east line of the Southwest Quarter of the Southeast Quarter of the Northwest Quarter of said Section 10; thence continuing south 296.0 feet being the south line of the north half of said Section 10, being within the Johnson Drive right-of-way; thence west along the south line of the north half of said Section 10, 674 feet to a point in the Rosehill Road right of way, being the center line of said Section 10, Township 12, Range 24; thence south along the centerline of said Section 10, 1,342.6 feet to the centerline of 61st Street; thence continuing south 661.00 feet to the Southeast corner of the Northeast Quarter of the Southeast of the Southwest Quarter of Section 10, Township 12, Range 24; thence west 1,322.98 feet along the south line of the Northeast Quarter of the Southwest Quarter of said Section 10, to the Southwest corner of the Northwest Quarter of the Southeast Quarter of the Southwest Quarter of said Section 10; thence continuing west 1322.29 feet along the south line of the South half of the Northwest Quarter of the Southwest Quarter of said Section 10, to a point on the west line of Section 10, Township 12, Range 24; thence south 1,980 feet along the west line of Section 10, Township 12, Range 24 and the west line of Section 15, Township 12 Range 24, said point being 334.90 feet north of the southwest corner of the Northwest Quarter of the Northwest Quarter of Section 15, Township 12, Range 24; thence east 1,283.85 feet to the northeast corner of Lot 27, Walden Pond subdivision; thence south 332.11 feet along the east property lines of Lots 26 and 27 Walden Pond subdivision; thence east 662.48
feet along the north property lines of Lots 22, 23, and 26, Walden Pond subdivision and continuing east 660.80 feet to the Northeast corner of the Southeast Quarter of the Northwest Quarter of Section 15, Township 12, Range 24; thence south 200 feet along the east property lines of Lots 88 and 89, Goode Estates, 4th Addition subdivision, thence east 874.07 feet to a point on the west line of the West half of the East half of the Southwest Quarter of the Northeast Quarter of said Section 15; thence north 200 feet; thence east 332.02 feet to the east right of way line of Long Avenue, also being the west line of the Resurvey of Noland Acres subdivision; thence north along the west line of the Resurvey of Noland Acres subdivision 943.34 feet to the north line of Lot 7, Resurvey of Noland Acres subdivision; thence east 190.29 feet to a point on the west line of Lot 77, Resurvey of Noland Acres subdivision; thence north 77 feet to a point on the north line of Lot 77, Resurvey of Noland Acres subdivision; thence east 110.29 feet; thence south 17.39 feet; thence east 315.24 feet to the southwest corner of Lot 1, Resurvey of Noland Acres; thence east and southeast along the south line of Lot 1, Resurvey of Noland acres a distance of 372.53 feet to a point on the centerline of Halsey Street; thence north 426.45 feet to a point on the north line of said Section 15 and the intersection of the centerline of Halsey Street extended; thence east along the north line of Section 15, Township 12, Range 24 a distance of 660 feet to the Northeast corner of Section 15, township 12, Range 24; thence south along the east line of said Section 15 1,320 feet being the Southeast corner of the Northeast Quarter of the Northeast Quarter of Section 15, Township 12, Range 24, also being the Southwest corner of the Northwest Quarter of the Northwest Quarter of Section 14, Township 12, Range 24; thence east 2,316.25 feet along the south line of the Northwest Quarter and the Northeast Quarter of the Northwest Quarter of said Section 14 (being a point 343.43 feet west of the Southeast corner of the Northeast Quarter of the Northwest Quarter of Section 14, Township 12, Range 24); thence south 50.54 feet to the centerline of 65th Street; thence south 611.48 feet to the southwest corner of Lot 1, Nieman 65 subdivision; thence west 134 feet; thence South 636.3 feet to the centerline of 67th Street being the south line of the north half of Section 14, Township 12, Range 24; thence east 742 feet along the south line of the north half of the said Section 14; thence north 170 feet; thence east 20 feet; thence north 205.00 feet; thence west 20 feet; thence north 948.33 feet; thence west 130 feet; thence north 242.22 feet; thence east 465 feet to the centerline of Bluejacket Street; thence north along the centerline of Bluejacket Street 579 feet to the centerline of 64th Street; thence east along the centerline of 64th Street 770 feet to the east right-of-way line of Goddard Street; thence north 120 feet along said east line of Goddard Street; thence east 160 feet, thence south 56.85 feet; thence east 198 feet; thence north along the west lines of Lots 5, 6, and 7, Douglas Highlands subdivision 250 feet; thence east 967.30 feet to a point being the northeast corner of Lot 19 Douglas Highlands subdivision; thence north 4,212.16 feet along the east lines of Sections 14 and 11, Township 12, Range 24, also being the east Shawnee City Limits, and being the southeast corner of the Northeast Quarter of the Northeast Quarter of Section 11, Township 12, Range 24; thence 54.2 feet west; thence north 1,334.25 feet along the east line of Hocker Grove North subdivision, also being the east Shawnee City Limit limits to the point of beginning, being a point 54.2 feet west of the northeast corner of Section 11, Township 12, Range 24.
PART 2

Existing appraised and assessed valuation of the real estate within the Neighborhood Revitalization Area

Valuation:

The appraised and assessed valuation of each parcel of real estate located within the Neighborhood Revitalization Area, including land and building values listed separately, is available at the City of Shawnee Planning Department or the Johnson County Appraiser’s office.

The appraised and assessed valuation as of August 13, 2012 for the 2,046 properties located within the Neighborhood Revitalization Area is as follows:

<table>
<thead>
<tr>
<th></th>
<th>Appraised</th>
<th>Assessed</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Land Total</strong></td>
<td>$131,915,290</td>
<td>$23,780,750</td>
</tr>
<tr>
<td>Area A</td>
<td>$63,070,640</td>
<td>$11,983,730</td>
</tr>
<tr>
<td>Area B</td>
<td>$68,844,650</td>
<td>$11,797,020</td>
</tr>
<tr>
<td><strong>Improvements Total</strong></td>
<td>$388,403,140</td>
<td>$48,626,313</td>
</tr>
<tr>
<td>Area A</td>
<td>$155,777,070</td>
<td>$19,786,851</td>
</tr>
<tr>
<td>Area B</td>
<td>$232,626,070</td>
<td>$28,839,462</td>
</tr>
<tr>
<td><strong>Total Valuation</strong></td>
<td>$520,318,430</td>
<td>$72,407,063</td>
</tr>
<tr>
<td>Area A</td>
<td>$218,847,710</td>
<td>$31,770,581</td>
</tr>
<tr>
<td>Area B</td>
<td>$301,470,720</td>
<td>$40,636,482</td>
</tr>
</tbody>
</table>
PART 3

Names and addresses of owners of record within the Neighborhood Revitalization Area

Names and addresses:

The list of names and addresses of owners of record of real estate within the Neighborhood Revitalization Area, as set out and included herein as a document titled Properties and Owners listing for Part 3, dated August 13, 2012 and is available at the City of Shawnee Planning Department or the Johnson County Appraiser’s office.
PART 4

Existing zoning classification and district boundaries and existing and proposed land uses within the Neighborhood Revitalization Area

Existing Zoning Classification and District:

Refer to Map 2, Zoning Districts

Existing Zoning Districts:

The existing zoning districts within the Neighborhood Revitalization Area Boundary are:

R-1 Single Family Residential
TSQ Town Square
DU Duplex
RGA Residential Garden Apartments
PD Planned Development
RMD Residential Multiple Dwellings
PO Planned Office
PMR Planned Mixed Residential
CH Commercial Highway
CH(O) Commercial Highway Overlay
CN Commercial Neighborhood
PI Planned Industrial

Existing Land Use:

Refer to Map 3, Existing Land Use

Proposed Land Use:

Refer to Map 4, Future Land Use
PART 5

Proposed improvements for expanding municipal services within the Neighborhood Revitalization Area

Capital Improvements Plan (CIP):

2012
Shawnee Town 1929

2013
Johnson Drive and Halsey Stormwater Improvements Phase 1

2014
Johnson Drive and Halsey Stormwater Improvements, Phase 2
59th Street and Caenen Stormwater Improvements

2015
60th Street and Earnshaw Stormwater Improvements

2016
No projects listed on current Capital Improvement Plan

2017
No projects listed on current Capital Improvement Plan

Ongoing

Curb and Sidewalk repair and replacement
Street repair
Downtown streetscape improvements
PART 6

Properties eligible for tax rebates under the Neighborhood Revitalization Program

Eligible Properties:

New Residential Construction

New Single family dwellings, duplex dwellings, and multi-family residential dwellings, as may be permitted by the City of Shawnee Zoning Ordinance are eligible for rebate provided that the new appraised valuation is increased by $5,000. (Increase in assessed value is at least $575)

Existing Residential Structures

The rehabilitation, renovation or additions to residential dwelling structures located anywhere within the Neighborhood Revitalization Area will be eligible for the rebate, provided the new appraised valuation is increased by $5,000. (Increase in assessed value is at least $575)

The rehabilitation, renovation or additions to multi-family, two (2) or more family, structures located within the Neighborhood Revitalization Area will be eligible for the rebate, provided the new appraised valuation is increased by $5,000. (Increase in assessed value is at least $575)

New Construction, Existing Structures/Commercial

Rehabilitation, additions or new construction of any office, institutional or commercial structure, including structures devoted to bioscience and animal health research, manufacturing and warehousing, as permitted by the City of Shawnee Zoning Regulations and within the designated Neighborhood Revitalization Area will be eligible for the rebate provided the new appraised valuation is increased by $5,000. (Increase in assessed value of at least $1,250)

Accessory Structures

Improvements to existing or construction of new residential accessory structures such as detached garages, gazebos, storage buildings, workshops, swimming pools, etc. shall not be eligible.
PART 7

Criteria for determination of eligibility

The following criteria are to be used to determine properties eligible under the Shawnee Neighborhood Revitalization Act program.

a. A building permit must be issued on or after January 14, 2013 the date of designation of the Neighborhood Revitalization area by the City.

b. An application for rebate must be filed within sixty (60) days of the issuance of a building permit.

c. The appraised value of residential property must be increased by at least $5,000. (Assessed value increased by $575.)

d. The appraised value of commercial property must be increased by at least $5,000. (Assessed value increased by $ 1,250.)

e. The value of land on which an improvement is located shall not be considered in determining the incremental increase in value or in determining whether an improvement is a qualified improvement.

f. The improvements must conform with the City of Shawnee’s Comprehensive Land Use Plan and Zoning Regulations in effect at the time the improvements are made.

g. The new, as well as existing improvements on property, must conform with all other applicable codes, rules, and regulations in effect at the time the improvements are made, and for the length of the rebate or the rebate may be terminated.

h. Any property that is delinquent in any tax payment or special assessment shall not be eligible for any rebate or future rebate until such time as all taxes and special assessments have been paid.

i. Only owners of real property are eligible for tax rebates. The rebate shall be by check issued to all of the owners of record as shown on the County tax rolls.

j. Tax rebates transfer with ownership.

k. Tax rebates are based on the increase of ad valorem taxes attributable to the appraised value due to the improvements or new construction as of January 1 following the year of 100% completion, contingent on final inspection or issuance of a certificate of occupancy, if required. The County Appraiser, or such person’s
designee, shall conduct a visual inspection of the property improvements and shall update and/or verify the Computer Assisted Mass Appraisal System (CAMA) value, by January 15th. The County Appraiser, or such person's designee shall enter the CAMA value for the first year of the property tax rebate, in order to calculate the increment of change, by January 25th.

I. A project must be completed prior to receipt of any tax rebate. Partially completed projects are not eligible to participate in the program. A project shall be completed upon written determination of the County Appraiser, or such person's designee, that the project is 100% completed. The City of Shawnee will be responsible for contacting the Office of the Johnson County Appraiser for the purpose of requesting an inspection of the subject property, in order to determine whether the improvements made to the property are, in the County Appraiser's opinion 100% completed.
PART 8

Contents of application for tax rebate

Part 1 – General Information

a. Owner’s Name
b. Owner’s mailing address
c. School District Number
d. Parcel I.D. number
e. Building Permit number
f. Address of property
g. Legal description of property
h. Day phone number
i. Property use
j. Proposed improvements
k. Estimated date of completion
l. Estimated cost of improvements
m. Johnson County Appraiser’s Statement of Assessed Value
n. Applicant signature and date

Commencement of Construction

a. Date of commencement of construction
b. Estimated date of completion of construction

Part 2 – Status of Construction/Completion

a. Submission of Certificate of Occupancy
PART 9

Application Procedure

a. The applicant shall obtain an Application for Tax Rebate from the City of Shawnee.

b. The applicant shall complete and sign PART 1 of the application and file the original with the City of Shawnee within sixty (60) days of the issuance of the building permit.

c. The City of Shawnee Planning Department shall verify the existing appraised value with the Johnson County Appraiser’s Office.

d. The City of Shawnee will return the rebate application to the owner.

e. The City will notify the Johnson County Appraiser’s Office of the project status by submitting a copy of the Certificate of Occupancy when project is completed.

For any improvement that is 100% completed on or before January 1 following commencement of construction, the City of Shawnee will then forward the above mentioned document(s) to the Johnson County Appraiser’s Office. This step must be completed by December 1 of the year preceding the commencement of the first year of the tax rebate period in order to qualify for the rebate.

f. The County Appraiser, or such person’s designee, shall conduct a visual inspection of the property improvements and shall update and/or verify the Computer Assisted Mass Appraisal System (CAMA) value, by January 15th. The County Appraiser, or such person’s designee shall enter the CAMA value for the first year of the property tax rebate, in order to calculate the increment of change, by January 25th.

g. Upon determination by the Johnson County Appraiser’s Office that the improvements meet the valuation test for the rebate and the Clerk’s office has determined the status of the taxes on the property, the County shall notify the City of Shawnee that the application does or does not meet the requirements for a tax rebate and the City of Shawnee shall notify the applicant.

h. Upon the payment of the real estate tax for the subject property for the initial and each succeeding tax year period, extending through the specified rebate period and within a thirty (30) day period following disbursement of tax funds by Johnson County and submittal of a receipt by the applicant to City of Shawnee, a tax rebate in 90% the amount of the tax increment (subject to the degree of participation by the County as specified in the Interlocal Agreement) will be made to the applicant. The tax rebate shall be made from the Neighborhood
Revitalization Fund established in conjunction with City of Shawnee and the other taxing districts participating in the interlocal agreement. Furthermore, the Merriam Drainage District shall not be considered as a taxing district. The City Planning Department shall make periodic reports on the tax rebate program to the City Council and other taxing districts accordingly.

i. The City of Shawnee Planning Department shall inform the Johnson County Clerk thirty (30) days prior to the expiration of the final rebate period for each property receiving a tax rebate.
City of Shawnee Neighborhood Revitalization Program
Application for Tax Rebate

Part 1:

Owner's Name __________________________ Day Phone Number ________________________

Owner's Mailing Address ____________________________________________________________

Property Address _________________________________________________________________

Parcel ID Number _________________________________________________________________

(Parcel ID number and Legal description is on your tax statement)

Legal Description of Property

.................................................................................................................................

.................................................................................................................................

(Use additional sheets if necessary)

Property Type [ ] Residential [ ] Commercial

Existing Use __________________________ Proposed Use ____________________________

Age of Principle Building _______ Occupancy Status During Last 5 years ________

List Building to be or Actually Demolished

.................................................................................................................................

.................................................................................................................................

.................................................................................................................................

.................................................................................................................................

List Proposed Improvements (Be Specific)  Cost
................................................................................................................................. $ _____________
................................................................................................................................. $ _____________
................................................................................................................................. $ _____________

Total Cost of Improvements $ _____________ [ ] Actual [ ] Estimated

Date of Project Completion __________________________ [ ] Actual [ ] Estimated

Date Construction is to Begin __________________________

Building Permit Number __________________________

............................................................ Date: ............................................................

(Property Owner's Signature)
PART 10

Standards and Criteria for Review

a. A building permit must be issued on or after January 14, 2013 the date of designation of the Neighborhood Revitalization Area by the City.

b. An application for rebate must be filed within sixty (60) days of the issuance of a building permit.

c. The appraised value of residential property must be increased by at least $5,000. (Assessed value increased by at least $575.)

d. The appraised value of commercial property must be increased by at least $5,000. (Assessed value increased by at least $1,250.)

e. The value of land on which an improvement is located shall not be considered in determining the incremental increase in value or in determining whether an improvement is a qualified improvement.

f. The improvements must conform with the City of Shawnee's Comprehensive Land Use Plan and Zoning Regulations in effect at the time improvements are made. All commercial applicants in Area A must use the principles outlined in the downtown architectural guidelines for building exteriors.

g. The new, as well as existing improvements on the property, must conform with all other applicable codes, rules and regulations in effect at the time the improvements are made, and for the length of the rebate or the rebate may be terminated.

h. Any property that is delinquent in any tax payment or special assessment shall not be eligible for any rebate or future rebate until such time as all taxes and special assessments have been paid.

i. Properties receiving property tax rebates under the Shawnee Neighborhood Revitalization Act program, may also receive other economic development incentives provided by the City upon approval of the Governing Body.

j. Only property owners are eligible for tax rebate.

k. Tax rebates transfer with ownership.

l. Tax rebates are based on the increase of appraised value due to the improvements or new construction as of January 1 following the year of 100% completion, contingent on final inspection or issuance of certification of occupancy. The County Appraiser, or such person's designee, shall conduct a-
visual inspection of the property improvements and shall update and/or verify the Computer Assisted Mass Appraisal System (CAMA) value, by January 15th. The County Appraiser, or such person’s designee shall enter the CAMA value for the first year of the property tax rebate, in order to calculate the increment of change, by January 25th.

m. Properties are eligible to receive multiple rebates under the Shawnee Neighborhood Revitalization Act program provided the project(s) completed meet the requirements set forth in the Shawnee Neighborhood Revitalization Act plan, and the base value for the successive project exceeds the current base value from the previous increment that had been established.

n. The County and the City in administering the funds shall be guided by the Neighborhood Revitalization Area Process, a copy of which is marked as Exhibit B and is attached hereto and incorporated herein.
PART 11

Statement specifying program amounts and years of eligibility

Program Period:

The Neighborhood Revitalization Fund and Tax Rebate Incentive Program shall expire on January 14, 2023, but may be terminated by any participating jurisdiction at any time prior thereto, as far as their participation in the plan, provided however, any application for tax rebate submitted prior to termination shall, if approved, be eligible for the full rebate period as provided in Parts 7 and 9 of the plan, and the plan shall constitute in affect only to the extent necessary to accomplish this purpose, and all tax rebates shall terminate no later than tax year 2033.

Rebate Period:

Residential 10 years
Commercial 10 years

Rebate Amount:

Remodel 90%*
New Construction 90%*

(*) 10% to remain in the appropriate Neighborhood Revitalization Fund.
PART 12

Additional issues under the Neighborhood Revitalization Act

a. Failure to build or maintain the property to applicable codes, rules and regulations shall cause the rebate application to be terminated.

b. Failure to timely pay all property taxes and required assessments shall result in not being eligible for any rebate or future rebate until such time as all taxes and special assessments have been paid. Late fees, fines, surcharges and the like are not eligible for rebate.

c. The City's portion of funds collected from properties located in Area A, shall be placed in a distinct fund and shall be used to provide funding for Downtown Improvements Grants, economic enhancement initiatives for properties within the area, or other permanent public improvements specifically authorized by the Governing Body.

d. The City's portion of funds collected from properties located in Area B shall be placed in a distinct fund and shall be used to promote permanent enhancements to the transportation system, such as funding for bus stop structures, economic enhancement initiatives for properties within the entire Shawnee Neighborhood Revitalization area, or other permanent public improvements specifically authorized by the Governing Body.

e. No credit for partial improvement increases attributable to partial completion of a project will be allowed.
PART 13

Johnson County Tax Levy Schedule
NOV 2011

<table>
<thead>
<tr>
<th>Taxing Jurisdictions</th>
<th>Mill Levy</th>
<th>% of Total Levy</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Johnson County (JC)</td>
<td>17.70</td>
<td>15.48</td>
</tr>
<tr>
<td>2. City of Shawnee</td>
<td>24.732</td>
<td>21.63</td>
</tr>
<tr>
<td>3. U.S.D. #512</td>
<td>56.135</td>
<td>49.10</td>
</tr>
<tr>
<td>4. JCCC</td>
<td>8.776</td>
<td>7.68</td>
</tr>
<tr>
<td>5. JC Library</td>
<td>3.145</td>
<td>2.75</td>
</tr>
<tr>
<td>6. JC Park &amp; Rec.</td>
<td>2.343</td>
<td>2.05</td>
</tr>
<tr>
<td>7. State of Kansas</td>
<td>1.5</td>
<td>1.31</td>
</tr>
<tr>
<td>Sub Total</td>
<td>114.332</td>
<td>100</td>
</tr>
</tbody>
</table>

It is noted that the State of Kansas mill levy is not rebated under this program.
NEIGHBORHOOD REVITALIZATION AREA PROCESS

The CITY CREATES A "Neighborhood Revitalization Area" by resolution. This resolution and other documents including the "Plan" and the "Interlocal Agreement" are filed with the County Clerk. The plan directs the procedures that are to be followed the legal description of the district, and a spreadsheet listing the parcel identification numbers, ownership, situs address and appraised valuation.

After review and content approval by the Legal Department, the County Clerk creates a separate taxing unit(s) for this area.

The city forwards the application completed by the property owner and approved by the city to the County Appraiser.

The County Appraiser forwards a copy of the application and a spreadsheet with pertinent information relating to the property including the base value to the County Clerk and County Treasurer.

After completion of the improvement the property owner notified the County Appraiser that the property should be reappraised as of the following January 1 to determine the property value that should be used to calculate the tax value increment added by the improvements.

The County Appraiser updates their spreadsheet with tax value increment for properties reappraised and forwards a copy of the spreadsheet to the County Clerk and County Treasurer.

After the tax roll is calculated the following process is implemented on completed applications. If the property owner is eligible for a rebate the County Clerk calculates the amount of tax to be rebated and the processing fee retained by the county (if applicable) for each property owner, each year on a special form. This form is signed by the County Clerk and forwarded to the County Treasurer.

Cities of De Soto and Gardner:

The property owner shall submit proof of payment of the entire bill to the County Treasurer to initiate the rebate issuance procedure.

Upon receipt of proof of payment the tax is recalculated to the fund level and reduced through distribution to the participating authorities. A check is issued to the property owner, accompanied with a rebate calculation form, within 30 days of their request, minus the processing fee, which is JV'd to the County General Fund.
City of Shawnee:

The city will submit applications for rebate and proof of payment to the County Treasurer.

The tax is recalculated to the fund level and reduced through distribution to the participating authorities. The total monies for the rebates is put into a fund created for Shawnee City NRA and sent to Shawnee City through distribution checks. The rebate calculation forms supporting the rebates are faxed to the city.

A spreadsheet is maintained by the County Clerk (for all applicants with status and amount of rebate for each applicant by year. Information is reported on the State Abstract.

County Clerk’s Office
Lh 11-28-05 P:\WFILES\INFORMATIO\TIF-NRA-IRB