

# **CITY COMMISSION AGENDA**

City Hall Commission Chambers

Monday, May 6, 2013

7:00 p.m.

MEETING #4921

## **CALL TO ORDER**

## **ROLL CALL**

**INVOCATION BY** Elder Arthur Foote of Hanna Memorial Church

## **PLEDGE OF ALLEGIANCE**

## **PUBLIC HEARING**

SC & JC, LLC (Curtis Machine) Tax Abatement

## **PETITIONS & PROCLAMATIONS**

National Tourism Week  
Amtrak & National Train Day  
National Historic Preservation Month 2013

**VISITORS** (Limit of five minutes per individual and fifteen minutes per topic. Final action may be deferred until the next City Commission meeting unless an emergency situation does exist).

Executive Director, Ralph Nall, Update of Special Events Center Activities

## **CONSENT CALENDAR**

1. Approval of City Commission Meeting Minutes, April 15, 2013;
2. Appropriation Ordinance No. 9, May 6, 2013;
3. Cereal Malt Beverage License
  - (a) DC Athletics' Baseball Association, San Jose Dr.
  - (b) Ban Lao, 102 West Wyatt Earp Blvd.;
  - (c) Tianguis Carniceria, LLC, 512 S 2<sup>nd</sup> Avenue;
4. Approval of Sewer Contract with Mid America Washout, LLC.

## **ORDINANCES & RESOLUTIONS**

**Resolution No. 2013-19:** A Resolution to consider Establishing a Rural Housing Incentive District for Summerlon V Project and Establishing a Public Hearing on Such Matter, and providing for the giving of notice of such Public Hearing. Report by Special Projects Assistant Leslie Lomas.

**Resolution No. 2013-20:** A Resolution of the Governing Body of the City of Dodge City, Kansas, Amending and Restating Resolution Nos. 2011-21 and 2012-37, passed and approved by the Governing Body on July 18, 2011 and December 3, 2012, Respectively. Report by Economic Development Director, Joann Knight.

**Resolution No. 2013-21:** A Resolution Authorizing the Sale of Special Obligation Revenue Bonds, Series 2013A (Summerlon Phase III-SI Project) of the City of Dodge City, Kansas and Authorizing Execution and Delivery of a Real Estate and Bond Purchase Agreement in Connection Therewith. Report by Special Projects Assistant Leslie Lomas.

**Resolution No. 2013-22:** A Resolution Authorizing the Sale of Special Obligation Revenue Bonds, Series 2013B (Summerlon Phase III-NI Project) of the City of Dodge City, Kansas and Authorizing Execution and Delivery of a Real Estate and Bond Purchase Agreement in Connection Therewith. Report by Special Projects Assistant Leslie Lomas.

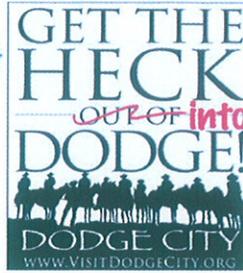
## **UNFINISHED BUSINESS**

### **NEW BUSINESS**

1. Discussion of Southwest Chief Funding. Report by City Manager, Ken Strobel.
2. Agreement with Interfaith Housing for Abandon Housing. Report by Assistant City Manager, Cherise Tieben
3. Approval of Bids for Asphalt Street Projects. Report by Director of Engineering Services, Ray Slattery.

## **OTHER BUSINESS**

## **ADJOURNMENT**



## National Tourism Week 2013

The City of Dodge City will observe National Travel and Tourism Week from May 4-12, along with National Train Day on May 11<sup>th</sup>.

Hundreds of cities, states, and businesses nationwide will salute the travel and tourism industry during this week long tradition of exploring tourism.

The annual National Tourism Week is designed to draw attention to, enhance perceptions of, and recognize the economic, social, and cultural impacts of tourism.

The City of Dodge City and the Convention and Visitors Bureau would like citizens to join us in celebrating our Western Heritage, and take some time to explore the attractions and history the city has to offer. We are eager for participation in this nationwide event, and hope that the interests of the public will expand tourism awareness in our community and remind everyone that the height of tourism season is upon us. By drawing attention to our local attractions, we hope to help remind our citizens of all our community has to offer to the traveling visitors and how important those visitors are to our local economy.

During National Tourism Week, We invite you to experience Dodge City, and our corner of Kansas.

Visitors come to experience our city. They come to learn about our past, to shop, go hunting, and enjoy our festivals and events. They come with visions of cowboys and history, and expect our western hospitality.

We hope you can take in some of the sites of the City during National Travel and Tourism Week, and become a Dodge City ambassador, and be ready to greet our visitors with a Great Big Dodge City Howdy!

In observance of National Tourism Week, come to the Visitors Center for refreshments at 400 West Wyatt Earp starting at 10:00 a.m., until 2 p.m. on Saturday May 4th. While there, you can and enjoy a complementary ride on the Historic Trolley and feel free to sign up for a drawing for 2 round trip airline tickets, donated by Great Lakes Airlines. Registration for the drawing for the airline tickets can be done at anytime during that week, the drawing will take place on May 11th. We would also like to extend an invitation to the Historic Santa Fe Depot for National Train Day activities on May 11<sup>th</sup>. For more information on all the community activities during that week, visit our web site, [www.visitdodgecity.org](http://www.visitdodgecity.org), or call 620-225-8186.

Travel matters to Kansas!!!

Jan Stevens  
Director, Dodge City Convention and Visitors Bureau  
400 West Wyatt Earp  
Dodge City Kansas 67801

## PROCLAMATION

**WHEREAS**, Travel is at the heart of America's economic sustainability. It generates millions of jobs, and billions in taxes, it is a vital resource in improving America's image. In Dodge City, the travel industry contributes substantially to our city's cultural and social well being. Travel is one of our most fundamental freedoms. Every citizen benefits from travel and tourism. The travel industry significantly enhances our personal growth and education, while promoting intercultural understanding and appreciation of Dodge City's history, geography and culture; and,

**WHEREAS**, Travel is one of America's largest service exports, and is among the largest private-sector employers in the United States, supporting 14.4 million jobs in 2012. One of every eight U.S. non-farm jobs is connected to travel. In 2011, total travel spending generated \$1.9 trillion; and,

**WHEREAS**, Travelers' spending generated 14.4% of all Kansas state and local tax revenues; and,

**WHEREAS**, Tourism is responsible for creating 4.4% of the total Kansas Gross State Product and is the 3rd largest industry in the state based on employment; and

**WHEREAS**, Kansas Travel & Tourism reported a Global Insight study which shows Kansas tourism has an \$8.3 billion impact on the Kansas economy.

**WHEREAS**, Tourism has nearly \$523 million impact in southwest Kansas, and visitor expenditures contributed \$ 104.7 million to the economic wealth of Ford County; and locally, based solely on overnight motel room stays, more than \$34 million is interjected into the economy. It is responsible for creating jobs, increasing our tax revenues and providing an improved quality of life for Dodge City citizens; and

**WHEREAS**, Travel is a catalyst that moves the national economy forward; and so in recognition of the unique significance of the American travel industry, and in the lives of the citizens of Dodge City,

**NOW, THEREFORE**, I, Kent Smoll, Mayor, do hereby proclaim May 4-12, 2013 as

### NATIONAL TOURISM WEEK

**BE IT FUTHER RESOLVED** that the City of Dodge City with the aid of the Convention and Visitors Bureau, will hold a week long reception in observance of Travel and Tourism Week in Dodge City at the Visitors Center, and urge the citizens to join me in this special observance with appropriate events and activities.

**IN WITNESS THEREOF**, I have hereunto set my hand this 6th day of May, 2013

\_\_\_\_\_  
Kent Smoll , Mayor

\_\_\_\_\_  
Nannette Pogue, City Clerk

## **Amtrak & National Train Day Proclamation**

### **Dodge City, Kansas**

**A proclamation of the City of Dodge City designating May 11, 2013 as "Train Day in Dodge City".**

**Whereas**, America is celebrating "National Train Day" on May 11, 2013 a commemoration of the completion of America's first transcontinental railroad; and

**Whereas**, Federal and State transportation departments have made expansion of high-speed and intercity passenger rail a top priority in building 21st-Century national infrastructure; and

**Whereas**, **Dodge City** has benefitted from daily train service on Amtrak's Southwest Chief route, ancestor of a great fleet of Santa Fe passenger trains serving Dodge City since the 19<sup>th</sup> Century; and

**Whereas**, Amtrak continues to work with states and others on the development of the next generation of high-speed and intercity passenger rail trains which will create good jobs in the United States by resurrecting the domestic manufacturing base; and

**Whereas**, Amtrak ridership grew more than 44% between 2000 and 2012 and the railroad carried 31.4 million passengers in 2012, making it the best year in the company's history; and

**Whereas**, **5,174** passengers boarded or disembarked Amtrak trains at the Dodge City station and

**Whereas**, Dodge City congratulates Amtrak on 42 years as America's Railroad and

**NOW, THEREFORE**, I, Kent Smoll, Mayor of the City of Dodge City, KS. do hereby proclaim May 11, 2013 as

#### **NATIONAL TRAIN DAY**

**BE IT FUTHER RESOLVED** that the City of Dodge City will hold a celebration event at the Dodge City Santa Fe Depot to commemorate this momentous day in railroad history and for our community.

**IN WITNESS THEREOF**, I have hereunto set my hand this 6th day of May, 2013

KENT SMOLL, Mayor

Nannette Pogue, City Clerk

## **Proclamation for National Historic Preservation Month 2013**

**WHEREAS**, "See! Save! Celebrate!" is the theme for National Historic Preservation Month 2013, cosponsored by Main Street Dodge City and the National Trust for Historic Preservation; and

**WHEREAS**, the City of Dodge City is a treasure-trove of historic resources, including 20 local historic landmarks, 10 properties listed on the State Register of Historic places, a State and National Registered Historic Downtown District, 6 properties listed on the National Register of Historic Places; and

**WHEREAS**, historic preservation is inherently economically, environmentally, and socially sustainable, fostering a culture of reuse and maximizing the life cycle of all resources through conservation; and

**WHEREAS**, historic preservation is an effective tool for managing growth, sustaining development, revitalizing neighborhoods, fostering local pride, and maintaining community character while enhancing livability; and

**WHEREAS**, it is important to celebrate the role of history in our lives and the contributions made by dedicated individuals in helping to preserve the tangible aspects of the heritage that has shaped the City of Dodge City and us as a people; and

**WHEREAS**, historic preservation encourages community reinvestment, saving resources and promoting socially, culturally, and economically rich communities;

**NOW, THEREFORE**, I, Kent Smoll, Mayor of the City of Dodge City, do proclaim May 2013 as **National Historic Preservation Month**, and call upon the people of Dodge City to join their fellow citizens across the United States in recognizing and participating in this special observance.

**IN WITNESS THEREOF**, I have hereunto set my hand this 6th day of May, 2013

\_\_\_\_\_  
KENT SMOLL, Mayor

\_\_\_\_\_  
Nannette Pogue, City Clerk

# **CITY COMMISSION MINUTES**

City Hall Commission Chambers

Monday, April 15, 2013

7:00 p.m.

MEETING #4920

## **CALL TO ORDER**

**ROLL CALL:** Commissioners, Joyce Warshaw, Jim Sherer, Rick Sowers, Kent Smoll and Brian Delzeit.

## **ELECTION OF MAYOR AND VICE MAYOR**

Commissioner Rick Sowers moved to nominate Commissioner Kent Smoll as Mayor, seconded by Commissioner Brian Delzeit. The motion carried 4-0.

Commissioner Kent Smoll moved to nominate Commissioner Bran Delzeit as Vice Mayor, Commissioner Joyce Warshaw seconded the motion. The motion carried 5-0.

Mayor Kent Smoll expressed gratitude to Rick Sowers for term as Mayor.

**INVOCATION** by Vernon Bogart

## **PLEDGE OF ALLEGIANCE**

## **PUBLIC HEARING**

Mayor Kent Smoll opened the Public Hearing on the Plan of Finance for the Issuance by the City of Wichita, KS of its Health Care Bonds for Presbyterian Manors, Inc. (Manor of the Plains). Report given by Nannette Pogue, City Clerk/Finance Director. Jerry Korbe spoke in behalf of Manor of the Plains. Vernon Bogart commented in favor. Commissioner Rick Sowers moved to close the Public Hearing, Commissioner Joyce Warshaw seconded the motion. The motion carried 5-0.

## **PETITIONS & PROCLAMATIONS**

Arbor Day Proclamation - Paul Lewis representing the Shade Tree Committee commented on Activities to be held on Arbor Day. Two City Employees were selected to be recognized by Planting a tree. -Leona Stacey and Paul Meininger.

Distracted Driving Month - Report by Jane Longmeyer

National Library Week 2013 – Cathy Reeves, Librarian commented on activities for National Library Week and presented the Quarterly Updates.

**VISITORS** (Limit of five minutes per individual and fifteen minutes per topic. Final action may be deferred until the next City Commission meeting unless an emergency situation does exist).

Roger Proffitt- Dodge City Community College, DCCC is applying for a \$250,000.00 Tax Credit Grant from the State of Kansas. Would like the City to write a letter of endorsement. Commission authorized Ken Strobel to write the Letter of Support.

#### **CONSENT CALENDAR**

1. Approval of City Commission Meeting Minutes, April 1, 2013;
2. Approval of Joint City/County Meeting Minutes, April 3, 2013;
3. Appropriation Ordinance No. 8, April 15, 2013;
4. Cereal Malt Beverage License Applications;
  - (a) Lotus Garden, 1210 E Wyatt Earp Blvd
  - (b) Kwik Shop Store, 1811 Central Avenue
  - (c) Kwik Shop Store, 1500 W Wyatt Earp Blvd.

Commissioner Brian Delzeit moved to approve the Consent Calendar as presented; Commissioner Joyce Warshaw seconded the motion. The motion carried unanimously.

#### **ORDINANCES & RESOLUTIONS**

**Resolution No. 2013-17:** A Resolution Authorizing the Execution of an Amendment to the Interlocal Cooperation Agreement between the City of Dodge City, Kansas, and the City of Wichita, Kansas, and the Issuance of Certain Health Care Facilities Revenue Bonds by the City of Wichita, Kansas, in the principal amount not to exceed \$110,000,000 pursuant to such Interlocal Cooperation Agreement was approved on a motion by Commissioner Rick Sowers. Motion was seconded by Commissioner Brian Delzeit. The motion carried unanimously.

**Resolution No. 2013-18:** A Resolution Determining the Advisability of the making of certain Internal Improvements in the City of Dodge City, Kansas, making certain findings with respect thereto; and Authorizing and Providing for the Making of Improvements in accordance with such findings (various Internal Improvements in Prairie Pointe Development) was approved on a motion by Commissioner Brian Delzeit. Motion was seconded by Commissioner Joyce Warshaw. The motion carried unanimously.

#### **UNFINISHED BUSINESS**

**NEW BUSINESS**

An Agreement for Engineering & Design Services with Burns & McDonnell for the rehabilitation of the Airport Parking Lot in the amount of \$27,434.00 was approved on a motion by Commissioner Rick Sowers. Motion was seconded by Commissioner Joyce Warshaw. The motion carried unanimously.

**OTHER BUSINESS**

City Manager, Ken Strobel:

- Congratulations to Kent Smoll for Mayor;
- Dodge City is proud to have the quality of City Commissioners;
- Thanks to Rick Sowers for serving as Mayor;
- Talked about the number of events being held in Dodge City, encouraged the citizens to take advantage.

Commissioner, Joyce Warshaw:

- Congratulated Mayor, Kent Smoll and Vice Mayor, Brian Delzeit;
- Bragged about the School District – One of two school districts in Kansas asked to participate in the Regional Breaking Ranks School Showcase in California.

Commissioner, Jim Sherer:

- Congratulations to Mayor and Vice Mayor;
- Commented on Races in Dodge City this past weekend.

Commissioner, Kent Smoll:

- Impressive that truck races were on National TV;
- Thanks to Rick Sowers for all of his hard work.

Commissioner, Brian Delzeit:

- Wanted to pass some comments on that he received during a tour that he conducts for potential employees of the Medical communities, one of the people from the East Coast was amazed by the good conditions of our City Streets and cleanliness of the City as a whole-complimentary of the entire City;
- Asked about the Water Conservation Policy.

Commissioner, Rick Sowers:

- Did Ribbon Cutting at the Racetrack for an off Road Course;
- The Dennis Hopper Statutes were revealed today, Brent Harris and Miss Kitty were present. Melissa McCoy did a very good job organizing the event. Thanks for all her hard work;
- Thanks to Jan Stevens for TV work.

**ADJOURNMENT**

Commissioner Brian Delzeit moved to adjourn the meeting; Commissioner Rick Sowers seconded the motion. The motion carried unanimously.

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E. Kent Smoll, Mayor

ATTEST:

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Nannette Pogue, City Clerk

# CORPORATE APPLICATION FOR LICENSE TO SELL CEREAL MALT BEVERAGES

(This form has been prepared by the Attorney General's Office)

City or  County of Dodge City

SECTION 1 – LICENSE TYPE	
Check One: <input type="checkbox"/> New License <input checked="" type="checkbox"/> Renew License <input type="checkbox"/> Special Event Permit	
Check One:	
<input checked="" type="checkbox"/> License to sell cereal malt beverages for consumption on the premises.	
<input type="checkbox"/> License to sell cereal malt beverages in original and unopened containers and not for consumption on the licensed premises.	

SECTION 2 – APPLICANT INFORMATION			
Kansas Sales Tax Registration Number (required):			
Name of Corporation Dodge City Athletic's Baseball Association	Principal Place of Business 1715 Central Avenue		
Corporation Street Address 1715 Central Avenue	Corporation City Dodge City	State KS	Zip Code 67801
Date of Incorporation April 3, 2007	Articles of Incorporation are on file with the Secretary of State.		<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Resident Agent Name Glenn I. Kerbs	Phone No. 620-225-0238		
Residence Street Address 116 Carefree Lane	City Dodge City	State KS	Zip Code 67801

SECTION 3 – LICENSED PREMISE			
Licensed Premise (Business Location or Location of Special Event)		Mailing Address (If different from business address)	
DBA Name Dodge City A's		Name Dodge City A's	
Business Location Address Cavalier Field, San Jose Drive		Address P.O. Box 1473	
City Dodge City, KS 67801	State KS	City Dodge City, KS 67801	State KS
Business Phone No. 620-225-0238	<input type="checkbox"/> Applicant owns the proposed business or special event location. <input checked="" type="checkbox"/> Applicant does not own the proposed business or event location.		
Business Location Owner Name(s) City of Dodge City, Kansas			

SECTION 4 – OFFICERS, DIRECTORS, STOCKHOLDERS OWNING 25% OR MORE OF STOCK			
List each person and their spouse, if applicable. Attach additional pages if necessary.			
Name Glenn I. Kerbs	Position President		Date of Birth 8-30-53
Residence Street Address 116 Carefree Lane	City Dodge City	State KS	Zip Code 67801
Spouse Name	Position		Date of Birth
Residence Street Address	City	State	Zip Code
Name Charles D. Konrade	Position Secretary/Treasurer		Date of Birth 6-1-57
Residence Street Address 10278 129 Road	City Spearville	State KS	Zip Code 67876
Spouse Name	Position		Age
Residence Street Address	City	State	Zip Code
Name James Coffin	Position Director		Date of Birth 1-15-48
Residence Street Address 1106 Summerlon Way	City Dodge City	State KS	Zip Code 67801
Spouse Name	Position		Age
Residence Street Address	City	State	Zip Code

**INDIVIDUAL/SOLE PROPRIETOR  
APPLICATION FOR LICENSE TO SELL CEREAL MALT BEVERAGES**

(This form has been prepared by the Attorney General's Office)

City or  County of Ford County, Dodge City

<b>SECTION 1 - LICENSE TYPE</b>	
Check One: <input checked="" type="checkbox"/> New License <input type="checkbox"/> Renew License <input type="checkbox"/> Special Event Permit	
Check One: <input checked="" type="checkbox"/> License to sell cereal malt beverages for consumption on the premises. <input type="checkbox"/> License to sell cereal malt beverages in original and unopened containers and not for consumption on the licenses premises.	

<b>SECTION 2 - APPLICANT INFORMATION</b>			
Kansas Sales Tax Registration Number (required):			
Name	Phone No.	Date of Birth	
<u>Molly Phaengsy</u>	<u>(620) 339-2996</u>	<u>03-10-70</u>	
Residence Street Address	City	Zip Code	
<u>1205 AVE K</u>	<u>DODGE CITY KS</u>	<u>67801</u>	
<b>Applicant Spousal Information</b>			
Spouse Name	Phone No.	Date of Birth	
Residence Street Address	City	Zip Code	

<b>SECTION 3 - LICENSED PREMISE</b>			
<b>Licensed Premise</b> (Business Location or Location of Special Event)		<b>Mailing Address</b> (If different from business address)	
DBA Name	Name		
<u>Ban Lao</u>			
Business Location Address	Address		
<u>102 W WYATTEARY BLVD</u>			
City	City	State	Zip
<u>Dodge City</u>		<u>KS</u>	<u>67801</u>
Business Phone No.	<input type="checkbox"/> I own the proposed business or special event location. <input type="checkbox"/> I do not own the proposed business or event location.		
<u>(620) 338-8881</u>			
Business Location Owner Name(s)			

<b>SECTION 4 - APPLICANT QUALIFICATION</b>	
I am a U.S. Citizen	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have been a resident of Kansas for at least one year prior to application.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have resided within the state of Kansas for <u>27</u> years.	
I am at least 21 years old.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have been a resident of this county for at least 6 months.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Within 2 years immediately preceding the date of this application, neither I nor my spouse <sup>1</sup> has been convicted of, released from incarceration for or released from probation or parole for any of the following crimes: (1) Any felony; (2) a crime involving moral turpitude; (3) drunkenness; (4) driving a motor vehicle while under the influence of alcohol (DUI); or (5) violation of any state or federal intoxicating liquor law.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No Have   Have Not
My spouse has previously held a CMB license.	<input type="checkbox"/> Yes <input type="checkbox"/> No
My spouse has never been convicted of one of the crimes mentioned above while licensed.	<input type="checkbox"/> Yes <input type="checkbox"/> No

# INDIVIDUAL/SOLE PROPRIETOR APPLICATION FOR LICENSE TO SELL CEREAL MALT BEVERAGES

(This form has been prepared by the Attorney General's Office)

City or  County of \_\_\_\_\_

SECTION 1 - LICENSE TYPE	
Check One: <input type="checkbox"/> New License <input checked="" type="checkbox"/> Renew License <input type="checkbox"/> Special Event Permit	
Check One:	
<input type="checkbox"/> License to sell cereal malt beverages for consumption on the premises.	
<input checked="" type="checkbox"/> License to sell cereal malt beverages in original and unopened containers and not for consumption on the licenses premises.	

SECTION 2 - APPLICANT INFORMATION			
Kansas Sales Tax Registration Number (required): <b>004-4526413330F-01</b>			
Name <b>Ismael Hernandez</b>	Phone No. <b>(620) 227-2110</b>	Date of Birth <b>6/26/94</b>	
Residence Street Address <b>2201 Robin Rd</b>	City <b>Dodge City KS</b>	Zip Code <b>67801</b>	
Applicant Spousal Information			
Spouse Name	Phone No.	Date of Birth	
Residence Street Address	City	Zip Code	

SECTION 3 - LICENSED PREMISE			
Licensed Premise (Business Location or Location of Special Event)		Mailing Address (If different from business address)	
DBA Name <b>Tianquis Carniceria LLC</b>		Name <b>Same</b>	
Business Location Address <b>512 S. 2nd Ave</b>		Address	
City <b>Dodge city</b>	State <b>KS</b>	City	State <b>KS</b>
Zip <b>67801</b>		Zip	
Business Phone No. <b>(620) 227-2110</b>		<input checked="" type="checkbox"/> I own the proposed business or special event location.	
Business Location Owner Name(s)		<input type="checkbox"/> I do not own the proposed business or event location.	

SECTION 4 - APPLICANT QUALIFICATION	
I am a U.S. Citizen	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have been a resident of Kansas for at least one year prior to application.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have resided within the state of Kansas for <u>11</u> years.	
I am at least 21 years old.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
I have been a resident of this county for at least 6 months.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No
Within 2 years immediately preceding the date of this application, neither I nor my spouse <sup>1</sup> has been convicted of, released from incarceration for or released from probation or parole for any of the following crimes: (1) Any felony; (2) a crime involving moral turpitude; (3) drunkenness; (4) driving a motor vehicle while under the influence of alcohol (DUI); or (5) violation of any state or federal intoxicating liquor law.	<input checked="" type="checkbox"/> Yes <input type="checkbox"/> No Have Not Have
My spouse has previously held a CMB license.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
My spouse has never been convicted of one of the crimes mentioned above while licensed.	<input type="checkbox"/> Yes <input checked="" type="checkbox"/> No

## Memorandum

*To: City Manager  
City Commissioners*

*From: Leslie Lomas  
Special Projects/Housing*

*Date: 5/6/13*

*Subject: Summerlon Phase V*

*Agenda Item: Resolution No. 2013-19*

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**Recommendation:** Staff recommends adoption of Resolution 2013-19 which states City's intent to establish a Rural Housing Incentive District (RHID) for the construction of the Summerlon Phase V multi-family duplex development and establishes a date for a Public Hearing concerning the matter.

**Background:** In 2008, the City commissioned a Housing Needs Analysis, which reflected a critical shortage of housing available in the community. In 2009, the City Commission adopted a Resolution providing for several incentive programs in order to encourage housing development in the City. The RHID was identified as one of those programs. The program has captured the attention of several developers, locally and statewide. In 2012, the City commissioned another Housing Needs Analysis taking into consideration the progress that had developed since the 2008 Analysis. The latest Analysis continued to reflect a major shortage of housing. Working with City Staff the group has prepared a development plan providing for twenty-six (26) multi-family duplexes to be located in the Summerlon Phase V Addition.

Under the proposed RHID plan, the Summerlon Properties, L.L.C., has financed the infrastructure and will utilize developers to construct twenty-six (26) multi-family duplexes. The land developer is then reimbursed for a portion of the infrastructure costs through the incremental real estate taxes assessed against the completed improvements, which allows the developer to price the land at an affordable rate.

**Justification:** Housing continues to be a constant challenge in the Dodge City area. Establishment of the RHID is necessary in order to address the City's critical housing shortage.

**Financial Considerations:** Infrastructure costs are paid by the incremental real estate tax resulting from the development.

**Purpose/Mission:** To provide adequate housing in order for the City to accommodate present and future growth.

**Legal Considerations:** The RHID is established under the statutory provisions authorizing city's of our size to provide incentives for housing development as approved by the State Department of Commerce.

**Attachments:** Resolution No. 2013-19

**RESOLUTION NO. 2013-19**

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS DETERMINING THAT THE CITY IS CONSIDERING ESTABLISHING A RURAL HOUSING INCENTIVE DISTRICT WITHIN THE CITY AND ADOPTING A PLAN FOR THE DEVELOPMENT OF HOUSING AND PUBLIC FACILITIES IN SUCH PROPOSED DISTRICT; ESTABLISHING THE DATE AND TIME OF A PUBLIC HEARING ON SUCH MATTER, AND PROVIDING FOR THE GIVING OF NOTICE OF SUCH PUBLIC HEARING. (SUMMERLON PHASE V)**

**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 40,000 located in a county 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 Commerce of the State (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 Dodge City, Kansas (the “City”) has an estimated population of approximately 28,000, is located in Ford County, Kansas, which has an estimated population of approximately 34,000, and therefore constitutes a city as said term is defined in the Act; and

**WHEREAS**, the Governing Body of the City has performed a Housing Needs Analysis dated May 9, 2012 (the “Analysis”), a copy of which is on file in the office of the City Clerk; and

**WHEREAS**, the Governing Body of the City has heretofore adopted Resolution No. 2009-30 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 a Housing Needs Analysis to the Kansas Department of Commerce in accordance with the provisions of the Act; and

**WHEREAS**, the Secretary of the Kansas Department of Commerce, pursuant to a letter dated February 3, 2010, authorized the City to proceed with the establishment of a Rural Housing Incentive District pursuant to the Act (the “District”); and

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

**WHEREAS**, the Plan includes:

1. The legal description and map required by subsection (a) of K.S.A. 12-5245;
2. The existing assessed valuation of the real estate in the proposed District listing the land and improvement values 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 benefits derived from such 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 such District; and

**WHEREAS**, the Governing Body of the City proposes to continue proceedings necessary to create a Rural Housing Incentive District, in accordance with the provisions of the Act, and adopt the Plan, by the calling of a public hearing on such matters.

**THEREFORE, BE IT RESOLVED** by the Governing Body of the City of Dodge City, Kansas as follows:

**Section 1. Proposed Rural Housing Incentive District.** The Governing Body hereby declares an intent to establish within the City a Rural Housing Incentive District. The District is proposed to be formed within the boundaries of the real estate legally described in *Exhibit A* attached hereto, and shown on the map depicting the existing parcels of land attached hereto as *Exhibit B*. A list of the names and addresses of the owners of record of all real estate parcels within the proposed District and the existing assessed valuation of said real estate, listing the land and improvement values separately, is attached hereto as *Exhibit C*.

**Section 2. Proposed Plan.** The Governing Body hereby further declares an intent to adopt the Plan in substantially the form presented to the Governing Body this date. A copy of the Plan shall be filed in the office of the City Clerk and be available for public inspection during normal business hours. A description of the housing and public facilities projects that are proposed to be constructed or improved in the proposed District, and the location thereof are described in *Exhibit D* attached hereto. A summary of the contractual assurances by the developer and the comprehensive feasibility analysis is contained in *Exhibit E* attached hereto.

**Section 3. Public Hearing.** Notice is hereby given that a public hearing will be held by the Governing Body of the City to consider the establishment of the District and adoption of the Plan on June 17, 2013, at the City Commission Meeting Room, City Hall, 806 N. Second Avenue, Dodge City, Kansas 67801; the public hearing to commence at 7:00 p.m. or as soon thereafter as the Governing Body can hear the matter. At the public hearing, the Governing Body will receive public comment on such matters, and may, after the conclusion of such public hearing, consider the findings necessary for establishment of the District and adoption of the Plan, all pursuant to the Act.

**Section 4. Notice of Public Hearing.** The City Clerk is hereby authorized and directed to provide for notice of the public hearing by taking the following actions;

- a. A certified copy of this resolution shall be delivered to:
  - (i) the Board of County Commissioners of Ford County, Kansas;
  - (ii) the Board of Education of U.S.D. No. 443; and
  - (iii) the Planning Commission of the City.
- b. This Resolution, specifically including *Exhibit A* thru *E* attached hereto, shall be published at least once in the official newspaper of the City not less than one week nor more than two weeks preceding the date of the public hearing.

**Section 5. Further Action.** The Mayor, City Manager, City Clerk and the officials and employees of the City, including the City Attorney, Stiefel Nicolaus & Company, Inc., Financial Advisors and Gilmore & Bell, P.C. and Bond Counsel are hereby further authorized and directed to take such other actions as may be appropriate or desirable to accomplish the purposes of this Resolution.

**Section 6. Effective Date.** This Resolution shall take effect after its adoption by the Governing Body.

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**ADOPTED** by the Governing Body of the City of Dodge City, Kansas, on May 6, 2013.

(SEAL)

\_\_\_\_\_  
E. Kent Smoll, Mayor

ATTEST:

\_\_\_\_\_  
Nannette Pogue, City Clerk

**CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Resolution No. 2013-19 adopted by the Governing Body of the City on May 6, 2013 as the same appear of record in my office.

DATED: May 6, 2013

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Nannette Pogue, City Clerk

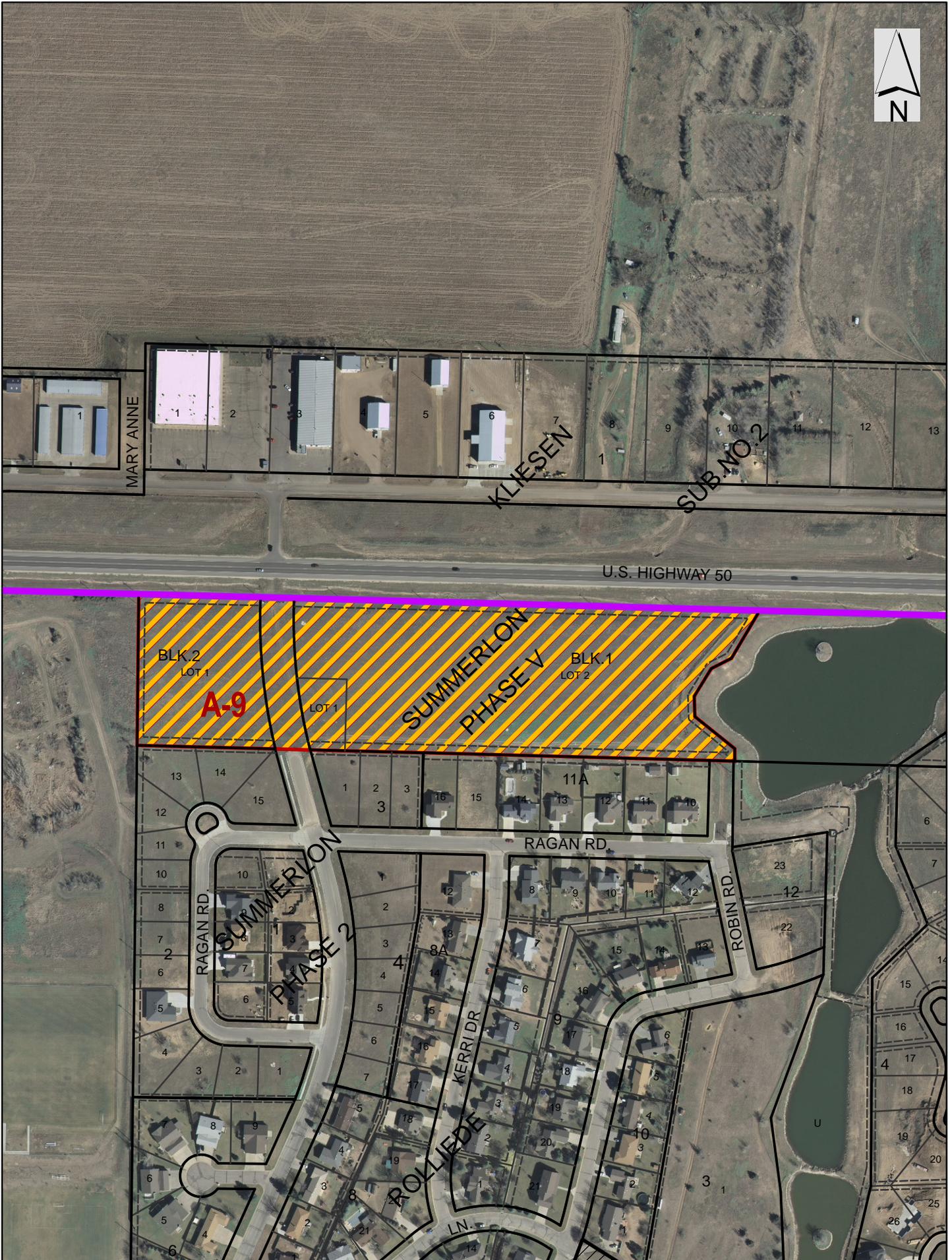
***EXHIBIT A***

**LEGAL DESCRIPTION OF PROPOSED  
RURAL HOUSING IMPROVEMENT DISTRICT BOUNDARIES  
FOR SUMMERLON PHASE V**

Lot 1 & 2, Block 1, Summerlon Phase V and Lot 1, Block 2 Summerlon Phase V an Addition to the City of Dodge City, Ford County, Kansas.

***EXHIBIT B***

**MAP OF PROPOSED  
RURAL HOUSING IMPROVEMENT DISTRICT BOUNDARIES  
FOR SUMMERLON PHASE V**



***EXHIBIT C***

**NAMES AND ADDRESSES OF THE OWNERS OF RECORD OF ALL REAL  
ESTATE PARCELS WITHIN THE PROPOSED RURAL HOUSING INCENTIVE  
DISTRICT AND THE EXISTING ASSESSED VALUATION OF SAID  
REAL ESTATE PARCELS**

Owner of Record: Summerlon, Inc.  
1902 Hi Street  
Dodge City, KS 67801

Contract Purchaser: Summerlon Properties, L.L.C.  
P.O. Box 608  
Dodge City, KS 67801

Developer: Summerlon Properties, L.L.C.  
P.O. Box 608  
Dodge City, KS 67801

2012 Assessed Valuation: Land: \$56,980  
Improvements: \$0 (vacant land)

## ***EXHIBIT D***

### **DESCRIPTION OF THE HOUSING AND PUBLIC FACILITIES PROJECT OR PROJECTS THAT ARE PROPOSED TO BE CONSTRUCTED OR IMPROVED IN THE PROPOSED RURAL HOUSING INCENTIVE DISTRICT**

#### ***Housing Facilities***

The housing facilities will be composed of twenty-six (26) multi-family duplexes. The housing facilities will consist of a variety of 2 and 3 bedroom duplexes. Each individual family unit will have laundry hook-up, cable television hook-ups and garage parking.

#### ***Public Facilities***

Public improvements include the extension of water and sewer by the City of Dodge City, gas distribution lines by Black Hills Energy and electric distribution lines to the boundaries of the District by Victory Electric.

Public improvements will also include construction of infrastructure improvements located within the boundaries of the District, including electric, gas, water, sanitary sewer, storm sewer, storm water detention, streets, street lighting, fire services and sidewalks. Infrastructure improvements will be constructed concurrently with the project.

***EXHIBIT E***

**SUMMARY OF THE CONTRACTUAL ASSURANCES BY THE DEVELOPER  
AND OF THE COMPREHENSIVE FEASIBILITY ANALYSIS**

Contractual Assurances.

The Governing Body of the City of Dodge City has entered into a development agreement with Summerlon, Inc. This 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 of Dodge City.

Feasibility Study.

The City conducted a study 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 provided by the developer, would be sufficient to pay for the public improvements to be undertaken in the District. The analysis estimates the property tax revenues that will be generated from the development, less existing property taxes to determine the revenue stream available to support the costs of the public infrastructure. The estimates indicate that the revenue realized from the project would be adequate to pay the costs of the public infrastructure.

**CERTIFICATE OF DELIVERY AND PUBLICATION**

STATE OF KANSAS            )  
  ) §:  
COUNTY OF FORD         )

The undersigned, City Clerk of the City of Dodge City, Kansas (the “City”), does hereby certify, as follows:

- (a) On \_\_\_\_\_, 2013, I caused a certified copy of Resolution No. 2013-19 with ***Exhibits A*** thru ***E*** attached (the “Resolution”), to be delivered to the following:
  - (1) the Board of County Commissioners of Ford County, Kansas;
  - (2) the Board of Education of U.S.D. No. 443; and
  - (3) the Planning Commission of the City.
  
- (b) I caused a copy of the Resolution to be published one time in ***The Dodge City Daily Globe***, the official newspaper of the City, on \_\_\_\_\_, 2013, which date was not less than one week nor more than two weeks after preceding the date fixed for the public hearing. A true copy of the affidavit of publication of the Resolution is attached to this Certificate.

**WITNESS** my hand and seal on \_\_\_\_\_, 2013.

(Seal)

\_\_\_\_\_  
Nannette Pogue, City Clerk

## Memorandum

*To: City Manager  
City Commissioners*

*From: Joann Knight, Executive Director  
Dodge City/Ford Co. Dev Corp*

*Date: 5/01/13*

*Subject: Curtis Machine Property Tax  
Exemption Request*

*Agenda Item: Public Hearing and Resolution*

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**Recommendation:** Staff recommends the approval of the Resolution authorizing Curtis Machine Company a property tax exemption on their new 56,000 sq ft manufacturing building located at the Dodge City Chaffin Industrial Park.

**Background:** Curtis Machines original property tax exemption request was approved by the City Commission with Resolution 2011-21 granting a 10-year prorated exemption on the facility. During the process, the building ownership was changed and the attorneys for Curtis Machine requested that the City pass Resolution # 2012-37 acknowledging the proposed transfer of certain property subject to an ad valorem property tax exemption and acknowledging the continued applicability of such ad valorem property tax exemption. This resolution was submitted to the Court of Tax Appeals (COTA) for the final State approval of the abatement and the application was sent back to Curtis Machine for re-application due to the regulation differences in an applicant leasing said property. When the property is leased to the qualifying applicant (manufacturer), COTA requires the applicant to tie equipment into the application and the building owner must have 51% ownership of the building.

**Justification:** Tax exemptions for manufacturing facilities are eligible for up to 100% for ten-years under the constitution property tax exemption laws of the State of Kansas. The Tax Abatement Review Committee consisting of representatives from each of the affected taxing entities recommended approval of a pro-rated ten-year exemption for Curtis Machine on the original application. The City Commission approved this recommendation and the company completed their commitment to build the facility and meet their job creation expectations. We are resubmitting the application due to the recommendation of COTA due to the ownership makeup of the building with a lease agreement back to Curtis Machine.

**Financial Considerations:** The prorated ten-year scenario offers new tax revenues to the taxing entities in year two of the project. The cost benefits for each taxing entity show in excess of a 1.3 – 1.0 rate of return to all jurisdictions which indicates a favorable project to the State of Kansas and all the local taxing jurisdictions.

**Purpose/Mission:** This project meets the mission and purpose of both the Dodge City/Ford County Development Corporation and the City of Dodge City by providing on-going community improvement as well as adding and retaining manufacturing jobs in Dodge City.

**Legal Considerations:** Allowed by Kansas Constitution and recommended by the Court of Tax Appeals to resubmit application.

**Attachments:** Resolution

RESOLUTION NO. 2013-20

**A RESOLUTION OF THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS AMENDING AND RESTATING RESOLUTION NOS. 2011-21 AND 2012-37, PASSED AND APPROVED BY THE GOVERNING BODY ON JULY 18, 2011 AND DECEMBER 3, 2012, RESPECTIVELY.**

**WHEREAS**, the Governing Body of the City of Dodge City, Kansas, (the "Governing Body") did, by its Resolution No. 2011-21 passed and approved July 18, 2011, ("2011 Resolution") subject to certain provisions described therein, determine to exempt from the payment of certain *ad valorem* property taxes for ten (10) years that real and personal property (the "Facility") then owned by Curtis Machine Company, Inc., a Kansas corporation ("Curtis Machine"); and

**WHEREAS**, the Governing Body did, by its Resolution No. 2012-37 passed and approved December 3, 2012, (the "2012 Resolution") determine that the *ad valorem* tax exemption provided for by the 2011 Resolution would remain in full force and effect upon the transfer of the Facility to SC&JC, LLC, a Kansas limited liability company ("Curtis LLC") with common ownership with Curtis Machine (the 2011 Resolution and the 2012 Resolution shall be referred to herein collectively as the "Resolution"); and

**WHEREAS**, the Facility, which was transferred to and is owned by Curtis LLC, is leased to and will be used exclusively for manufacturing purposes by the applicant and manufacturer, Curtis Machine, which manufactures gears and gearboxes; and

**WHEREAS**, Curtis Machine is the owner of a certain compressor (the "Personal Property") that is personal property, is used exclusively for manufacturing purposes, has been installed in the Facility and is property to which the Facility is integrally associated; and

**WHEREAS**, Curtis Machine and Curtis LLC have common ownership exceeding 51% in accordance with the provisions of K.S.A. 79-221, as amended; and

**WHEREAS**, the Governing Body wishes to amend and restate the Resolution to describe Curtis Machine's ownership of the Personal Property that has been installed in the Facility that is integrally associated with the Personal Property, all of which will be used exclusively for manufacturing purposes by Curtis Machine.

NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS:

The Resolution is hereby amended and restated in its entirety and shall provide as follows:

Section 1. That Curtis Machine Company, Inc. of Dodge City, Kansas, ("Curtis Machine") has made application to the City of Dodge City, Kansas for exemption from *ad valorem* property tax under Section 13, Article 11 of the Constitution of the State of Kansas and K.S.A. Section 79-221, as amended, in connection with a certain compressor costing \$24,241.38 that is personal property (the "Personal Property"), and the real property and improvements costing \$2,908,638.00 comprising the manufacturing

facility (the “Facility”) in which the Personal Property is installed that is integrally associated with the Personal Property and all of which are to be used exclusively for manufacturing purposes.

Section 2. That it is found by the Governing Body that the Personal Property was acquired and installed in the Facility, which is now owned by SC&JC, LLC, a Kansas limited liability company (“Curtis LLC”) and leased to Curtis Machine, for Curtis Machine’s business purposes involving the manufacturing of articles of commerce, that the Facility is integrally associated with the Personal Property, that Curtis Machine and Curtis LLC have common ownership exceeding 51% in accordance with the provisions of K.S.A. 79-221, as amended, and that the Personal Property and Facility will be used exclusively for such purposes; and as such, the Personal Property meets the criteria set out by the above referenced constitutional provisions, the Facility meets the requirements of the above referenced statutory provision and each also meets the criteria of Resolution No. 97-12 being the City of Dodge City’s policy for granting of exemptions for economic development purposes.

Section 3. That a public hearing on the original application for tax exemption was held on July 18, 2011, during a regularly scheduled meeting of the Governing Body; that notice of said hearing was published in the Dodge City Daily Globe in accordance with statutory requirements; and that notice was delivered to the Board of County Commissioners of Ford County, Kansas, the Board of Education of Unified School District 443 and the Board of Trustees of Dodge City Community College, all as provided for K.S.A. 79-251; and

That a public hearing on the amended application for tax exemption was held on May 6, 2013, during a regularly scheduled meeting of the Governing Body; that notice of said hearing was published in the Dodge City Daily Globe in accordance with statutory requirements; and that notice was delivered to the Board of County Commissioners of Ford County, Kansas, the Board of Education of Unified School District 443 and the Board of Trustees of Dodge City Community College, all as provided for K.S.A. 79-251.

Section 4: That a cost/benefit analysis of this proposed tax exemption has been conducted on the Personal Property and the Facility as prescribed by City Resolution 97-12 and K.S.A. 79-251.

Section 5: That the requested exemption is specifically only for the Personal Property and the Facility.

Section 6: That it is found by this Governing Body that the requested exemption is necessary to create new jobs and is necessary to retain jobs at Curtis Machine located in Dodge City, Ford County, Kansas.

Section 7: That this Governing Body, having considered and reviewed the facts herein and the effect of this exemption on state revenues as detailed by the cost/benefit analysis, hereby approves the request of Curtis Machine for *ad valorem* property tax exemption in connection with the Personal Property pursuant to Section 13, Article 11 of the Constitution of the State of Kansas and for the Facility pursuant to K.S.A. Section 79-221, as amended.

Section 8: That, subject to the approval of the Kansas Court of Tax Appeals, the Governing Body does hereby authorize the grant to Curtis Machine and Curtis LLC, as applicable, a tax exemption for the Personal Property and Facility for a period of ten (10) years in accordance with the following schedule:

	<u>Facility</u>	<u>Personal Property</u>
2013	100%	100%
2014	90%	100%
2015	80%	100%
2016	70%	100%
2017	60%	100%
2018	50%	100%
2019	40%	100%
2020	30%	100%
2021	20%	100%
2022	10%	100%

Section 9: The above exemption is subject to all applicable laws, rules and regulations of the State of Kansas; is subject to final approval by the Kansas Board of Tax Appeals and is subject to all monitoring and compliance required by the City of Dodge City, Kansas, in accordance with the provisions of Resolution No. 97-12.

Adopted by the Governing Body of the City of Dodge City, Kansas, this \_\_\_\_ the day of May, 2013.

\_\_\_\_\_  
Kent Smoll, Mayor

ATTEST:

\_\_\_\_\_  
Nannette Pogue, City Clerk

## Memorandum

*To: City Manager  
City Commissioners*

*From: Leslie Lomas  
Special Projects/Housing*

*Date: 5/6/13*

*Subject: Summerlon III South 1  
Agenda Item: Resolution No. 2013-21*

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**Recommendation:** Staff recommends the adoption of Resolution No. 2013-21 approving a Real Estate and Bond Purchase Agreement between the City of Dodge City, Summerlon Properties, LLC, Summerlon Inc., and Jim Coffin.

**Background:** Staff has been working with Summerlon Properties, LLC on an RHID project, which will develop seventeen (17) lots on the Southeast corner of the Summerlon Addition. The homes must be developed with properties that appraise no less than \$200,000. We anticipate that the minimum appraisal will be exceeded in each case.

**Justification:** In order to complete the RHID process of Summerlon Phase III South 1, it is necessary to complete the land transaction in order for the cost to be considered eligible for RHID reimbursement through a bond transaction, in accordance with State statutes.

**Financial Considerations:** None

**Purpose/Mission:** To provide adequate housing in order for the City to accommodate present and future growth.

**Legal Considerations:** Bond Counsel has prepared the attached documents.

**Attachments:** Attached is the draft of the Real Estate and Bond Purchase Agreement which has been prepared by Bond Counsel. The final document will be present upon receipt.

**RESOLUTION NO. 2013-21**

**A RESOLUTION AUTHORIZING THE SALE OF SPECIAL OBLIGATION REVENUE BONDS, SERIES 2013A (SUMMERLON PHASE III-S1 PROJECT) OF THE CITY OF DODGE CITY, KANSAS AND AUTHORIZING EXECUTION AND DELIVERY OF A REAL ESTATE AND BOND PURCHASE AGREEMENT IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to Ordinance No. 3557 passed by the governing body of the City of Dodge City, Kansas (the “City”) on March 18, 2013 and the provisions of K.S.A. 12-5241 *et seq.*, as amended (the “Act”), the City has created a Rural Housing Incentive District within the City limits (the “District”) and approved a plan for the development of housing and public facilities within the District (the “Plan”); and

**WHEREAS**, in connection with the Plan, the City and Summerlon Properties, LLC, a Kansas limited liability company (the “Developer”), have entered into a Development Agreement dated March 18, 2013, pursuant to which the Developer agrees to develop a single-family residential development within the District to be known as “Summerlon Phase III-S1 Development”; and

**WHEREAS**, in accordance with the provisions of the Act, the City hereby finds and determines it to be necessary and desirable to issue its Special Obligation Revenue Bonds, Series 2013A (Summerlon Phase III-S1 Project) (the “Bonds”), and to apply the proceeds of such Bonds to the purchase of the real property constituting the District (the “Property”) and the payment of related costs as permitted by the Act; and

**WHEREAS**, such Bonds shall be special obligations of the City, payable solely and only from property tax increments received by the City pursuant to K.S.A. 12-5250(b)(2)(A); and

**WHEREAS**, the governing body of the City desires to authorize City Administration to proceed with the sale of the Bonds and the acquisition of the Property.

**THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS, AS FOLLOWS:**

**Section 1.** The City Manager is hereby authorized to proceed with the sale of the Bonds in order to provide funds to acquire the Property and pay related costs, all in accordance with the Act and the Plan. Proceeds of the Bonds may be used to reimburse the City for such expenditures made not more than 60 days prior to the date this Resolution is adopted, and as provided by §1.150-2 of the U.S. Treasury Regulations. The issuance of the Bonds is subject to the passage of an ordinance by the City Commission and execution of various documents necessary to deliver the Bonds.

**Section 2.** The confirmation of the sale of the Bonds and the purchase of the Property shall be subject to the execution of the Real Estate and Bond Purchase Agreement (the “Agreement”) among the City, the Developer, Summerlon, Inc., a Kansas corporation, as seller of the Property, and James A. Coffin, as purchaser of the Bonds. The Mayor and Director of Finance/City Clerk are hereby authorized to execute

and deliver the Agreement for and on behalf of and as the act and deed of the City, in substantially the form submitted to the governing body concurrently with the adoption of this Resolution, with such changes therein as such officials may deem appropriate provided that the principal amount of and the interest rate on the Bonds does not exceed that set forth in the Agreement as submitted to the governing body.

**Section 3.** The City Manager, Director of Finance/City Clerk and the other officers and representatives of the City, including Gilmore & Bell, P.C., as Bond Counsel, are hereby authorized and directed to take such other action as may be necessary to carry out the intent of this Resolution.

**Section 4.** This Resolution shall be in full force and effect from and after its adoption.

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**ADOPTED** by the governing body of the City of Dodge City, Kansas, on May 6, 2013.

(SEAL)

\_\_\_\_\_  
E. Kent Smoll, Mayor

ATTEST:

\_\_\_\_\_  
Nannette Pogue, City Clerk

**CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Resolution adopted by the governing body on May 6, 2013, as the same appears of record in my office.

DATED: \_\_\_\_\_, 2013.

\_\_\_\_\_  
Nannette Pogue, City Clerk

**REAL ESTATE AND  
BOND PURCHASE AGREEMENT**

**SUMMERLON PHASE III-S1 PROJECT  
DODGE CITY, KANSAS**

**THIS REAL ESTATE AND BOND PURCHASE AGREEMENT** (the “Agreement”) is entered into as of \_\_\_\_\_, 2013 among the **CITY OF DODGE CITY, KANSAS**, a municipal corporation of the State of Kansas (the “City”), **SUMMERLON PROPERTIES, LLC**, a Kansas limited company (the “Developer”), **SUMMERLON, INC.**, a Kansas corporation (the “Seller”), and **JAMES A. COFFIN** (the “Bond Purchaser”).

**WITNESS:**

**WHEREAS**, the Seller is the owner of the real estate situated in Ford County, Kansas, described on **Exhibit A** hereto (the “Property); and

**WHEREAS**, pursuant to Ordinance No. 3557 passed by the governing body of the City on March 18, 2013 and the provisions of K.S.A. 12-5241 *et seq.*, as amended (the “Act”), the City has created a Rural Housing Incentive District consisting of the Property; and

**WHEREAS**, the City and the Developer have entered into a Development Agreement dated March 18, 2013 (the “Development Agreement”) pursuant to which the Developer agrees to develop the Property by the construction of a single family residential development to be known as “Summerlon Phase III-S1 Development” (the “Development”); and

**WHEREAS**, the Seller desires to sell all of its right, title and interest in the Property to the City, and the City desires to purchase all of Seller’s right, title and interest in the Property, subject to the terms and conditions of this Agreement; and

**WHEREAS**, in accordance with the provisions of the Act, the City has agreed to issue its Special Obligation Revenue Bonds (Summerlon Phase III-S1 Project), Series 2013A in the aggregate principal amount of **\$690,000** (the “Bonds”), such Bonds to be payable solely and only from amounts received by the City pursuant to K.S.A. 12-5250(b)(2)(A) (the “Incremental Tax Revenues”), and to apply the proceeds of such Bonds to the purchase of the Property from the Seller; and

**WHEREAS**, upon its acquisition of the Property, the City desires to transfer all of its right, title and interest in the Property to the Developer in exchange for the Developer’s agreement to construct the Development in accordance with the terms and conditions of the Development Agreement; and

**WHEREAS**, the Bond Purchaser desires to purchase the Bonds from the City in accordance with the terms and conditions of this Agreement.

**NOW, THEREFORE**, on the basis of the representations and covenants and upon the terms and conditions contained in this Agreement, the parties hereto agree as follows:

## ARTICLE I

### SALE AND PURCHASE OF THE PROPERTY

**Section 1.1. Purchase Price.** The Seller agrees to sell to the City, and the City agrees to purchase from the Seller, all of Seller's right, title and interest in the Property, for a purchase price equal to **\$574,887** (the "Real Estate Purchase Price"). Seller covenants that upon payment of said Purchase Price City shall be entitled to clear title to and full and complete possession of the Property on the Closing Date (as such term is defined in **Section 3.1** hereof).

**Section 1.2. Marketable Title.** Seller, at its expense, shall provide to City a title insurance commitment at least 10 days prior to Closing Date reflecting that Seller possess clear title to the Property and that the Property is free and clear of any mortgage or other encumbrances, except only easements, reservations and restrictions of record and any other encumbrance consented to by the Developer. In the event the Title Commitment reflects mortgages, special assessments or other encumbrances not consented to by the Developer, such shall be fully paid from the Purchase Price by the Escrow Agent as hereinafter specified at or before the Closing Date, and said Escrow Agent shall provide City with releasing and Closing reflecting that all such mortgages and special assessments, if any, have been fully paid and satisfied.

**Section 1.3. Deed of Conveyance.** Not later than 10 days prior to the Closing Date, Seller shall execute a Warranty Deed conveying the Property to the City, subject only to existing restrictive covenants, easements and encumbrances permitted by this Agreement. Such deed shall be deposited with the Escrow Agent specified in **Section 1.4** hereof.

**Section 1.4. Escrow Agent.** The parties hereto mutually designate High Plains Land & Title as escrow and closing agent (the "Escrow Agent"), and agree that a signed copy of this Agreement shall be delivered to the Escrow Agent. The compensation of the Escrow Agent shall be paid by Seller. Both parties agree to execute a standard Escrow Agent agreement, which along with this Agreement shall provide instructions for the Escrow Agent.

**Section 1.5. Special Assessments.** The parties acknowledge that the Property is currently identified as a benefit district with special assessments for infrastructure improvements. Seller agrees to prepay and discharge at Closing all special assessments levied against the Property by depositing with the City, in escrow, the aggregate amount of the outstanding special assessments. Seller may use a portion of the Real Estate Purchase Price to satisfy such obligation as well as any other encumbrances on the Property. City agrees to deliver to the Escrow Agent, for recording with the Register of Deeds of Ford County, an appropriate release of such special assessments.

**Section 1.6. Closing.** Closing of the sale of the Property to the City shall occur on the Closing Date of the Bond issue, as specified in **Section 3.1** hereof. Payment of the Real Estate Purchase Price shall be made by the Trustee, on behalf of the City, from proceeds of the Bonds, by federal wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the Escrow Agent. Upon receipt of the Purchase Price, the Escrow Agent is authorized to prepay and discharge all special assessments as provided in **Section 1.5** hereof as well as any mortgage or other encumbrance against the Property not consented to by the Developer, by wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the financial institution designated by the City in the case of the Special Assessments and to any depository holding an encumbrance against the Property. Escrow Agent is then authorized to record with the Register of Deeds of Ford County, the

release of special assessments, and the warranty deed conveying title to the Property to the City. The parties agree to provide all necessary wire instructions to the Escrow Agent and Trustee.

## ARTICLE II

### TRANSFER OF PROPERTY TO DEVELOPER

**Section 2.1 Consideration for Transfer.** The City agrees to transfer to Developer all of the City's right, title and interest in the Property in exchange for the Developer's agreement to construct the Development in accordance with the terms of the Development Agreement and for other good and valuable consideration, the receipt of which is acknowledged.

**Section 2.2 Deed of Conveyance.** Not later than 10 days prior to the Closing Date, City shall execute a Special Warranty Deed conveying the Property to the Developer, subject only to those encumbrances to which title was subject upon conveyance of the Property to the City. Such deed shall be deposited with the Escrow Agent.

**Section 2.3. Closing.** Upon recording of the documents specified in **Section 1.6** above, the Escrow Agent is authorized to record with the Register of Deeds of Ford County the special warranty deed conveying title to the Property to the Developer.

## ARTICLE III

### PURCHASE OF BONDS

**Section 3.1 Purchase, Sale and Delivery of the Bonds.** On the basis of the representations and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time (as hereinafter defined) the Bond Purchaser agrees to purchase from the City for its own account and not for reoffer or resale, and the City agrees to sell to the Purchaser, the Bonds on the terms and conditions set forth herein, at the purchase price set forth on **Exhibit B** hereto (the "Bond Purchase Price").

The Bonds shall be issued under and secured as described in an Ordinance adopted by the governing body of the City (the "Ordinance") and a Bond Trust Indenture (the "Indenture") between the City and the financial institution named therein as bond trustee (the "Trustee"). The Bonds shall have the maturities, interest rate and mandatory redemption provisions as set forth on **Exhibit B** hereto and in the Indenture. The delivery of the Bonds shall be made in definitive form as one fully registered Bond in the aggregate principal amount of the Bonds.

The Bonds shall be sold to the Bond Purchaser by the City on the date mutually agreed upon by the City and the Bond Purchaser, such date to be not later than ninety days after the date of this Agreement. Payment of the Bond Purchase Price shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds payable to the order of the Trustee for the account of the City. The date of such delivery and payment is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time," and the transactions to be accomplished for delivery of the Bonds on the Closing Date shall be herein called the "Closing." The

Closing shall take place in the Wichita, Kansas, offices of Bond Counsel or at the principal corporate trust office of the Trustee.

**Section 3.2. City's Representations and Agreements.** The City hereby represents and agrees with the Bond Purchaser that:

(a) The City is authorized and empowered pursuant to the provisions of the laws of the State of Kansas (the "State"), particularly the Act, to issue and sell the Bonds.

(b) The City will apply the proceeds from the sale of the Bonds for the purpose of (i) acquiring the Property from the Seller and (ii) paying the cost of issuing the Bonds, as set forth on **Exhibit C** attached hereto.

(c) The City will comply with all provisions of the Act and the Constitution and laws of the State and has full power and authority to consummate all transactions contemplated by this Agreement.

(d) The Bonds, when issued, delivered and paid for as herein provided, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding special obligations of the City in accordance with their terms and entitled to the benefits and security of the Indenture (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies. The Bonds and the interest thereon will be special, limited obligations of the City payable solely out of the Incremental Tax Revenues, if any, and will be secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of the Bonds. The Bonds will NOT pledge the full faith and credit of the State of Kansas or any political subdivision thereof, including the City.

(e) The City will authorize all necessary action to be taken for: (i) the issuance and sale of the Bonds upon the terms set forth herein; (ii) the execution, delivery, receipt and due performance of this Agreement, the Bonds and the Indenture and any and all such other agreements and documents as may be required to be executed, delivered and received in order to carry out, give effect to and consummate the transactions contemplated hereby; and (iii) the carrying out, giving effect to and consummation of the transactions contemplated hereby.

(f) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the best of the City's knowledge, threatened against or affecting the City, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or the validity of the Bonds, this Agreement, the Indenture or any agreement or instrument to which the City will be a party and which will be used or contemplated for use in the consummation of the transactions contemplated hereby.

(g) The execution and delivery of this Agreement, the Bonds, the Indenture and the other agreements contemplated hereby, and compliance with the provisions thereof, to the best of the City's knowledge after due inquiry and in reliance in part upon advice of legal counsel, will not conflict with or constitute on the part of the City a breach of or a default under any existing

law, court or administrative regulation, decree or order or any resolution, agreement, indenture or other instrument to which the City is subject or by which it is or may be bound.

(h) Any certificate signed by the City and delivered to the Bond Purchaser shall be deemed a representation made by the City to the Purchaser as to the statements made therein.

**Section 3.3. Bond Purchaser's Representations and Agreements.** The Bond Purchaser hereby represents and agrees with the City that:

(a) The Bond Purchaser has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, to enable the Bond Purchaser to evaluate the risks involved in an investment in the Bonds.

(b) The Bond Purchaser acknowledges that no official statement, private placement memorandum or other offering document has been or will be prepared in connection with the sale and purchase of the Bonds.

(c) The Bond Purchaser confirms that its investment in the Bonds constitutes an investment that is suitable for and consistent with its investment program and that the Bond Purchaser is able to bear the economic risk of an investment in the Bonds, including a complete loss of such investment.

(d) The Bond Purchaser is purchasing the Bonds solely for its own account for investment purposes only, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof. Notwithstanding such intent, the Investor will not be prohibited in the future from reselling the Bonds although there is no present expectation to do so, and any such resale must be in accordance with applicable securities laws. If the Bond Purchaser sells any of the Bonds, the Bond Purchaser or its agent will obtain from any subsequent purchaser the same representations contained in this **Section 3.3**.

(e) The Bond Purchaser has had access to, and has examined to the extent the Bond Purchaser has deemed necessary, financial statements and other data of the City and the Developer, including ad valorem property tax projections provided by Developer, which the undersigned considers sufficient to enable the undersigned to form a decision concerning such purchase.

(f) The Bond Purchaser acknowledges that none of any past, present or future officers, directors, members, employees or agents of the City (including without limitation the City's legal counsel, the City's financial advisors, the City's consultants, the City's bond counsel or their officers, directors, members, employees or agents) will have any responsibility to the Bond Purchaser for the accuracy or completeness of any information obtained by the Bond Purchaser from any source bearing on the Bond Purchaser's decision concerning a purchase of the Bonds.

(g) The Bond Purchaser acknowledges and understands that the City is relying and will continue to rely on the statements made herein. The Bond Purchaser agrees to notify the City immediately of any changes in the information and conclusions herein.

**Section 3.4. Conditions to the Bond Purchaser's Obligations.** The Bond Purchaser's obligations hereunder shall be subject to the due performance by the City, the Seller and the Developer of the obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the representations contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions being satisfied as of the Closing Time:

(a) The Bonds shall have been duly authorized, executed and delivered in substantially the form provided for by the Indenture with only such changes therein as shall be mutually agreed upon by the City and the Bond Purchaser.

(b) At the Closing Time, the Bond Purchaser shall receive:

(i) the approving opinion of Gilmore & Bell, P.C., Bond Counsel, dated the Closing Date and addressed to the City and the Bond Purchaser, with respect to the validity of the authorization and issuance of the Bonds;

(ii) a certificate of the City, dated as of the Closing Date and in form and substance satisfactory to the Bond Purchaser, to the effect that: (A) the City has duly performed all of its obligations to be performed at or prior to the Closing Time and that each of its representations contained herein is true as of the Closing Time; (B) the City has authorized, by all necessary action: the execution, delivery, receipt and due performance of the terms and provisions of the Bonds, the Indenture, this Agreement and any and all such other agreements and documents as may be required to be executed, delivered and received by the City to carry out, give effect to and consummate the transactions contemplated hereby; (C) no litigation is pending, or, to the best of the City's knowledge, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the City's existence, powers or right to use the proceeds of the Bonds or the due execution, delivery and performance of the Indenture; and (D) the execution, delivery, receipt and due performance of the Bonds, the Indenture and the other agreements contemplated hereby under the circumstances contemplated hereby and compliance with the provisions thereof will not conflict with or constitute a breach of or a default under any existing law, court or administrative regulation, decree or order or any resolution, agreement, indenture or other instrument to which the City is subject or by which it is or may be bound;

(iii) original executed counterpart of the Indenture; and

(iv) such additional certificates and other documents as the Bond Purchaser, the Developer, the Seller, the City and Bond Counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby, all such certificates and other documents to be satisfactory in form and substance to the Bond Purchaser.

All the opinions, letters, certificates, instruments and other documents mentioned in this Agreement shall be deemed to be in compliance with this Agreement if, but only if, they are in form and substance satisfactory to the Bond Purchaser.

If the City, the Seller and/or the Developer shall be unable to satisfy the conditions to the obligations of the Bond Purchaser contained in this Agreement, or if the obligations of the Bond

Purchaser shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the parties shall have no further obligations hereunder. However, the Bond Purchaser may in its discretion waive one or more of the conditions imposed by this Agreement for the protection of the Bond Purchaser and proceed with the Closing.

**Section 3.5. Conditions of the City's Obligations.** If the City is unable to satisfy the conditions to the obligations of the Bond Purchaser contained in this Agreement, or if the obligations of the Bond Purchaser are terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Bond Purchaser nor the City shall be under further obligation hereunder except their respective obligations with respect to payment of expenses as provided in **Section 3.6**.

**Section 3.6. Payment of Expenses.** The City agrees to pay all expenses incident to the performance of its obligations hereunder, including but not limited to (a) the cost of preparing, printing, reproducing, registering, safeguarding, transporting and authenticating the Bonds, (b) the fees and disbursements of Bond Counsel, the City's financial advisors, and any other experts or consultants retained by the City, (c) the fees and expenses of the City in connection with the issuance and sale of the Bonds, including all publications required by the Act, (d) the cost of printing or other reproduction and distribution of the documents in connection with the issuance of the Bonds, including the Indenture, and (e) the fees and disbursements of the Trustee, Bond Registrar and Paying Agent. Such costs shall be paid from Bond proceeds.

The City shall be under no obligation to pay any expenses incident to the performance of the Bond Purchaser's obligations hereunder. The Bond Purchaser shall pay the expenses incurred by it in connection with its purchase of the Bonds and the fees of legal counsel to the Bond Purchaser.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

**Section 4.1. Representations and Agreements to Survive Delivery.** The representations and warranties of the parties to this Agreement shall survive the transfer of title to the Property to the Developer and the execution and delivery to the Bond Purchaser of the Bonds as contemplated hereby.

**Section 4.2 Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person, delivered by prepaid overnight delivery service, mailed by registered or certified mail, postage prepaid, or transmitted by facsimile transmission, at the following addresses or facsimile numbers:

(a) To the City at:

City of Dodge City  
806 Second Ave.  
Dodge City, Kansas 67801  
Attention: City Clerk  
Fax: (620) 225-8144

(b) To the Developer at:

Summerlon Properties, L.L.C.  
Box 608  
Dodge City, KS 67801

(c) To the Seller at:

Summerlon, Inc.  
1902 Hi St.  
Dodge City, KS 67801

(d) To the Bond Purchaser at:

James A. Coffin  
1106 Summerlon Ridge  
Dodge City, KS 67801

**Section 4.3 Limitation on City Obligations.** No provision, covenant, representation, agreement or obligation contained in this Agreement or any breach of this Agreement shall constitute or give rise to a pecuniary liability or a charge against the City's general credit or taxing power.

Neither the City nor any other director, officer, member, employee or agent (including any financial advisor, consultant, structuring agent or escrow agent) of the City shall be charged personally by the Bond Purchaser with any liability, or held personally accountable to the Bond Purchaser, under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, of this Agreement.

**Section 4.4. Nonassignability.** This Agreement shall inure to the benefit of the parties hereto and their respective successors and assigns. Nothing in this Agreement is intended or shall be construed to give any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The terms "successor" and "assigns" as used in this Agreement shall not include any purchaser, acting in such capacity, of any of the Bonds from the Bond Purchaser. This Agreement shall not be assigned by the City. This Agreement shall not be assigned by the Seller, Developer or Bond Purchaser without the written consent of the City.

**Section 4.5. Severability.** If any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 4.6. Electronic Transactions.** The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 4.7 Governing Law.** This Agreement shall be governed by the laws of the State of Kansas.

**Section 4.8. Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

[The remainder of this page intentionally left blank.]

**IN WITNESS WHEREOF**, the City has caused this Agreement to be signed by an authorized official, such signature to be attested by an authorized officer, and its official seal to be applied, as of the date first above written.

**CITY OF DODGE CITY, KANSAS**

---

Mayor

(Seal)

ATTEST:

---

City Clerk

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be signed by an authorized officer, as of the date first above written:

**SUMMERLON, INC**

By: \_\_\_\_\_  
Name:  
Title:

**SUMMERLON PROPERTIES, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**JAMES A. COFFIN**

\_\_\_\_\_

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

Lots 33, 34, 35, 36, 37, 38, 56, 57, 58, 59, 60, 61, 62, 63, 64, 65 and 66, Block 1 Summerlon Phase III an Addition to the City of Dodge City, Ford County, Kansas, according to the Plat recorded in Plat Book "E" at page 59-61.

**EXHIBIT B**

**CALCULATION OF BOND PURCHASE PRICE**

Principal Amount	\$ 690,000.00
Accrued Interest	0.00
<b><i>Total Purchase Price</i></b>	<b><i>690,000.00</i></b>

**MATURITY SCHEDULE**

<b>Stated Maturity</b>	<b>Principal</b>	<b>Annual Rate</b>
<u>May 1</u>	<u>Amount</u>	<u>of Interest</u>
2028	\$690,000	5.00%

**REDEMPTION OF BONDS**

***Optional Redemption.*** At the option of the City, the Bonds are subject to redemption and payment prior to their Stated Maturity, as a whole or in part at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

***Special Mandatory Redemption.*** The Bonds shall be subject to special mandatory redemption and payment prior to Stated Maturity, semiannually on each **May 1 and November 1**, at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date, in an amount equal to the available Incremental Tax Revenues transferred by the Trustee into the Debt Service Account pursuant to the terms of the Indenture.

**EXHIBIT C**

EXPECTED USE OF BOND PROCEEDS	
LAND ACQUISITION	\$574,887.00
CAPITALIZED INTEREST	90,000.00
COSTS OF ISSUANCE	\$25,113.00
TOTAL	\$690,000.00

## Memorandum

*To: City Manager  
City Commissioners*

*From: Leslie Lomas  
Special Projects/Housing*

*Date: 5/6/13*

*Subject: Summerlon III North 1  
Agenda Item: Resolution No. 2013-22*

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**Recommendation:** Staff recommends the adoption of Resolution No. 2013-22 approving a Real Estate and Bond Purchase Agreement between the City of Dodge City, Summerlon Properties, LLC, Summerlon Inc., and Jim Coffin.

**Background:** Staff has been working with Summerlon Properties, LLC on an RHID project, which will develop nineteen (19) lots on the northern portion of the Summerlon Addition. The homes must be developed with properties that appraise no less than \$200,000. We anticipate that the minimum appraisal will be exceeded in each case.

**Justification:** In order to complete the RHID process of Summerlon Phase III North 1, it is necessary to complete the land transaction in order for the cost to be considered eligible for RHID reimbursement through a bond transaction, in accordance with State statutes.

**Financial Considerations:** None

**Purpose/Mission:** To provide adequate housing in order for the City to accommodate present and future growth.

**Legal Considerations:** Bond Counsel has prepared the attached documents.

**Attachments:** Attached is the draft of the Real Estate and Bond Purchase Agreement which has been prepared by Bond Counsel. The final document will be present upon receipt.

**RESOLUTION NO. 2013-22**

**A RESOLUTION AUTHORIZING THE SALE OF SPECIAL OBLIGATION REVENUE BONDS, SERIES 2013B (SUMMERLON PHASE III-N1 PROJECT) OF THE CITY OF DODGE CITY, KANSAS AND AUTHORIZING EXECUTION AND DELIVERY OF A REAL ESTATE AND BOND PURCHASE AGREEMENT IN CONNECTION THEREWITH.**

**WHEREAS**, pursuant to Ordinance No. 3558 passed by the governing body of the City of Dodge City, Kansas (the “City”) on April 1, 2013 and the provisions of K.S.A. 12-5241 *et seq.*, as amended (the “Act”), the City has created a Rural Housing Incentive District within the City limits (the “District”) and approved a plan for the development of housing and public facilities within the District (the “Plan”); and

**WHEREAS**, in connection with the Plan, the City and Summerlon Properties, LLC, a Kansas limited liability company (the “Developer”), have entered into a Development Agreement dated April 1, 2013, pursuant to which the Developer agrees to develop a single-family residential development within the District to be known as “Summerlon Phase III-N1 Development”; and

**WHEREAS**, in accordance with the provisions of the Act, the City hereby finds and determines it to be necessary and desirable to issue its Special Obligation Revenue Bonds, Series 2013B (Summerlon Phase III-N1 Project) (the “Bonds”), and to apply the proceeds of such Bonds to the purchase of the real property constituting the District (the “Property”) and the payment of related costs as permitted by the Act; and

**WHEREAS**, such Bonds shall be special obligations of the City, payable solely and only from property tax increments received by the City pursuant to K.S.A. 12-5250(b)(2)(A); and

**WHEREAS**, the governing body of the City desires to authorize City Administration to proceed with the sale of the Bonds and the acquisition of the Property.

**THEREFORE, BE IT RESOLVED BY THE GOVERNING BODY OF THE CITY OF DODGE CITY, KANSAS, AS FOLLOWS:**

**Section 1.** The City Manager is hereby authorized to proceed with the sale of the Bonds in order to provide funds to acquire the Property and pay related costs, all in accordance with the Act and the Plan. Proceeds of the Bonds may be used to reimburse the City for such expenditures made not more than 60 days prior to the date this Resolution is adopted, and as provided by §1.150-2 of the U.S. Treasury Regulations. The issuance of the Bonds is subject to the passage of an ordinance by the City Commission and execution of various documents necessary to deliver the Bonds.

**Section 2.** The confirmation of the sale of the Bonds and the purchase of the Property shall be subject to the execution of the Real Estate and Bond Purchase Agreement (the “Agreement”) among the City, the Developer, Summerlon, Inc., a Kansas corporation, as seller of the Property, and James A. Coffin, as purchaser of the Bonds. The Mayor and Director of Finance/City Clerk are hereby authorized to execute

and deliver the Agreement for and on behalf of and as the act and deed of the City, in substantially the form submitted to the governing body concurrently with the adoption of this Resolution, with such changes therein as such officials may deem appropriate provided that the principal amount of and the interest rate on the Bonds does not exceed that set forth in the Agreement as submitted to the governing body.

**Section 3.** The City Manager, Director of Finance/City Clerk and the other officers and representatives of the City, including Gilmore & Bell, P.C., as Bond Counsel, are hereby authorized and directed to take such other action as may be necessary to carry out the intent of this Resolution.

**Section 4.** This Resolution shall be in full force and effect from and after its adoption.

[BALANCE OF THIS PAGE INTENTIONALLY LEFT BLANK]

**ADOPTED** by the governing body of the City of Dodge City, Kansas, on May 6, 2013.

(SEAL)

\_\_\_\_\_  
E. Kent Smoll, Mayor

ATTEST:

\_\_\_\_\_  
Nannette Pogue, City Clerk

**CERTIFICATE**

I hereby certify that the above and foregoing is a true and correct copy of the Resolution adopted by the governing body on May 6, 2013, as the same appears of record in my office.

DATED: \_\_\_\_\_, 2013.

\_\_\_\_\_  
Nannette Pogue, City Clerk

**REAL ESTATE AND  
BOND PURCHASE AGREEMENT**

**SUMMERLON PHASE III-N1 PROJECT  
DODGE CITY, KANSAS**

**THIS REAL ESTATE AND BOND PURCHASE AGREEMENT** (the “Agreement”) is entered into as of \_\_\_\_\_, 2013 among the **CITY OF DODGE CITY, KANSAS**, a municipal corporation of the State of Kansas (the “City”), **SUMMERLON PROPERTIES, LLC**, a Kansas limited company (the “Developer”), **SUMMERLON, INC.**, a Kansas corporation (the “Seller”), and **JAMES A. COFFIN** (the “Bond Purchaser”).

**WITNESS:**

**WHEREAS**, the Seller is the owner of the real estate situated in Ford County, Kansas, described on **Exhibit A** hereto (the “Property); and

**WHEREAS**, pursuant to Ordinance No. 3557 passed by the governing body of the City on March 18, 2013 and the provisions of K.S.A. 12-5241 *et seq.*, as amended (the “Act”), the City has created a Rural Housing Incentive District consisting of the Property; and

**WHEREAS**, the City and the Developer have entered into a Development Agreement dated April 1, 2013 (the “Development Agreement”) pursuant to which the Developer agrees to develop the Property by the construction of a single family residential development to be known as “Summerlon Phase III-N1 Development” (the “Development”); and

**WHEREAS**, the Seller desires to sell all of its right, title and interest in the Property to the City, and the City desires to purchase all of Seller’s right, title and interest in the Property, subject to the terms and conditions of this Agreement; and

**WHEREAS**, in accordance with the provisions of the Act, the City has agreed to issue its Special Obligation Revenue Bonds (Summerlon Phase III-N1 Project), Series 2013B in the aggregate principal amount of **\$785,000** (the “Bonds”), such Bonds to be payable solely and only from amounts received by the City pursuant to K.S.A. 12-5250(b)(2)(A) (the “Incremental Tax Revenues”), and to apply the proceeds of such Bonds to the purchase of the Property from the Seller; and

**WHEREAS**, upon its acquisition of the Property, the City desires to transfer all of its right, title and interest in the Property to the Developer in exchange for the Developer’s agreement to construct the Development in accordance with the terms and conditions of the Development Agreement; and

**WHEREAS**, the Bond Purchaser desires to purchase the Bonds from the City in accordance with the terms and conditions of this Agreement.

**NOW, THEREFORE**, on the basis of the representations and covenants and upon the terms and conditions contained in this Agreement, the parties hereto agree as follows:

## ARTICLE I

### SALE AND PURCHASE OF THE PROPERTY

**Section 1.1. Purchase Price.** The Seller agrees to sell to the City, and the City agrees to purchase from the Seller, all of Seller's right, title and interest in the Property, for a purchase price equal to **\$685,290** (the "Real Estate Purchase Price"). Seller covenants that upon payment of said Purchase Price City shall be entitled to clear title to and full and complete possession of the Property on the Closing Date (as such term is defined in **Section 3.1** hereof).

**Section 1.2. Marketable Title.** Seller, at its expense, shall provide to City a title insurance commitment at least 10 days prior to Closing Date reflecting that Seller possess clear title to the Property and that the Property is free and clear of any mortgage or other encumbrances, except only easements, reservations and restrictions of record and any other encumbrance consented to by the Developer. In the event the Title Commitment reflects mortgages, special assessments or other encumbrances not consented to by the Developer, such shall be fully paid from the Purchase Price by the Escrow Agent as hereinafter specified at or before the Closing Date, and said Escrow Agent shall provide City with releasing and Closing reflecting that all such mortgages and special assessments, if any, have been fully paid and satisfied.

**Section 1.3. Deed of Conveyance.** Not later than 10 days prior to the Closing Date, Seller shall execute a Warranty Deed conveying the Property to the City, subject only to existing restrictive covenants, easements and encumbrances permitted by this Agreement. Such deed shall be deposited with the Escrow Agent specified in **Section 1.4** hereof.

**Section 1.4. Escrow Agent.** The parties hereto mutually designate High Plains Land & Title as escrow and closing agent (the "Escrow Agent"), and agree that a signed copy of this Agreement shall be delivered to the Escrow Agent. The compensation of the Escrow Agent shall be paid by Seller. Both parties agree to execute a standard Escrow Agent agreement, which along with this Agreement shall provide instructions for the Escrow Agent.

**Section 1.5. Special Assessments.** The parties acknowledge that the Property is currently identified as a benefit district with special assessments for infrastructure improvements. Seller agrees to prepay and discharge at Closing all special assessments levied against the Property by depositing with the City, in escrow, the aggregate amount of the outstanding special assessments. Seller may use a portion of the Real Estate Purchase Price to satisfy such obligation as well as any other encumbrances on the Property. City agrees to deliver to the Escrow Agent, for recording with the Register of Deeds of Ford County, an appropriate release of such special assessments.

**Section 1.6. Closing.** Closing of the sale of the Property to the City shall occur on the Closing Date of the Bond issue, as specified in **Section 3.1** hereof. Payment of the Real Estate Purchase Price shall be made by the Trustee, on behalf of the City, from proceeds of the Bonds, by federal wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the Escrow Agent. Upon receipt of the Purchase Price, the Escrow Agent is authorized to prepay and discharge all special assessments as provided in **Section 1.5** hereof as well as any mortgage or other encumbrance against the Property not consented to by the Developer, by wire transfer or certified or official bank check or draft in immediately available federal funds, payable to the financial institution designated by the City in the case of the Special Assessments and to any depository holding an encumbrance against the Property. Escrow Agent is then authorized to record with the Register of Deeds of Ford County, the

release of special assessments, and the warranty deed conveying title to the Property to the City. The parties agree to provide all necessary wire instructions to the Escrow Agent and Trustee.

## ARTICLE II

### TRANSFER OF PROPERTY TO DEVELOPER

**Section 2.1 Consideration for Transfer.** The City agrees to transfer to Developer all of the City's right, title and interest in the Property in exchange for the Developer's agreement to construct the Development in accordance with the terms of the Development Agreement and for other good and valuable consideration, the receipt of which is acknowledged.

**Section 2.2 Deed of Conveyance.** Not later than 10 days prior to the Closing Date, City shall execute a Special Warranty Deed conveying the Property to the Developer, subject only to those encumbrances to which title was subject upon conveyance of the Property to the City. Such deed shall be deposited with the Escrow Agent.

**Section 2.3. Closing.** Upon recording of the documents specified in **Section 1.6** above, the Escrow Agent is authorized to record with the Register of Deeds of Ford County the special warranty deed conveying title to the Property to the Developer.

## ARTICLE III

### PURCHASE OF BONDS

**Section 3.1 Purchase, Sale and Delivery of the Bonds.** On the basis of the representations and covenants contained herein and in the other agreements referred to herein, and subject to the terms and conditions herein set forth, at the Closing Time (as hereinafter defined) the Bond Purchaser agrees to purchase from the City for its own account and not for reoffer or resale, and the City agrees to sell to the Purchaser, the Bonds on the terms and conditions set forth herein, at the purchase price set forth on **Exhibit B** hereto (the "Bond Purchase Price").

The Bonds shall be issued under and secured as described in an Ordinance adopted by the governing body of the City (the "Ordinance") and a Bond Trust Indenture (the "Indenture") between the City and the financial institution named therein as bond trustee (the "Trustee"). The Bonds shall have the maturities, interest rate and mandatory redemption provisions as set forth on **Exhibit B** hereto and in the Indenture. The delivery of the Bonds shall be made in definitive form as one fully registered Bond in the aggregate principal amount of the Bonds.

The Bonds shall be sold to the Bond Purchaser by the City on the date mutually agreed upon by the City and the Bond Purchaser, such date to be not later than ninety days after the date of this Agreement. Payment of the Bond Purchase Price shall be made by federal wire transfer or certified or official bank check or draft in immediately available federal funds payable to the order of the Trustee for the account of the City. The date of such delivery and payment is herein called the "Closing Date," and the hour and date of such delivery and payment is herein called the "Closing Time," and the transactions to be accomplished for delivery of the Bonds on the Closing Date shall be herein called the "Closing." The

Closing shall take place in the Wichita, Kansas, offices of Bond Counsel or at the principal corporate trust office of the Trustee.

**Section 3.2. City's Representations and Agreements.** The City hereby represents and agrees with the Bond Purchaser that:

(a) The City is authorized and empowered pursuant to the provisions of the laws of the State of Kansas (the "State"), particularly the Act, to issue and sell the Bonds.

(b) The City will apply the proceeds from the sale of the Bonds for the purpose of (i) acquiring the Property from the Seller and (ii) paying the cost of issuing the Bonds, as set forth on **Exhibit C** attached hereto.

(c) The City will comply with all provisions of the Act and the Constitution and laws of the State and has full power and authority to consummate all transactions contemplated by this Agreement.

(d) The Bonds, when issued, delivered and paid for as herein provided, will have been duly executed, authenticated, issued and delivered and will constitute valid and binding special obligations of the City in accordance with their terms and entitled to the benefits and security of the Indenture (subject to any applicable bankruptcy, reorganization, insolvency, moratorium or other law or laws affecting the enforcement of creditors' rights generally or against entities such as the Issuer and further subject to the availability of equitable remedies. The Bonds and the interest thereon will be special, limited obligations of the City payable solely out of the Incremental Tax Revenues, if any, and will be secured by a transfer, pledge and assignment of and a grant of a security interest in the Trust Estate to the Trustee and in favor of the owners of the Bonds. The Bonds will NOT pledge the full faith and credit of the State of Kansas or any political subdivision thereof, including the City.

(e) The City will authorize all necessary action to be taken for: (i) the issuance and sale of the Bonds upon the terms set forth herein; (ii) the execution, delivery, receipt and due performance of this Agreement, the Bonds and the Indenture and any and all such other agreements and documents as may be required to be executed, delivered and received in order to carry out, give effect to and consummate the transactions contemplated hereby; and (iii) the carrying out, giving effect to and consummation of the transactions contemplated hereby.

(f) There is no action, suit, proceeding, inquiry or investigation at law or in equity or before or by any court, public board or body pending or, to the best of the City's knowledge, threatened against or affecting the City, wherein an unfavorable decision, ruling or finding would adversely affect the transactions contemplated hereby or the validity of the Bonds, this Agreement, the Indenture or any agreement or instrument to which the City will be a party and which will be used or contemplated for use in the consummation of the transactions contemplated hereby.

(g) The execution and delivery of this Agreement, the Bonds, the Indenture and the other agreements contemplated hereby, and compliance with the provisions thereof, to the best of the City's knowledge after due inquiry and in reliance in part upon advice of legal counsel, will not conflict with or constitute on the part of the City a breach of or a default under any existing

law, court or administrative regulation, decree or order or any resolution, agreement, indenture or other instrument to which the City is subject or by which it is or may be bound.

(h) Any certificate signed by the City and delivered to the Bond Purchaser shall be deemed a representation made by the City to the Purchaser as to the statements made therein.

**Section 3.3. Bond Purchaser's Representations and Agreements.** The Bond Purchaser hereby represents and agrees with the City that:

(a) The Bond Purchaser has sufficient knowledge and experience in business and financial matters in general, and investments such as the Bonds in particular, to enable the Bond Purchaser to evaluate the risks involved in an investment in the Bonds.

(b) The Bond Purchaser acknowledges that no official statement, private placement memorandum or other offering document has been or will be prepared in connection with the sale and purchase of the Bonds.

(c) The Bond Purchaser confirms that its investment in the Bonds constitutes an investment that is suitable for and consistent with its investment program and that the Bond Purchaser is able to bear the economic risk of an investment in the Bonds, including a complete loss of such investment.

(d) The Bond Purchaser is purchasing the Bonds solely for its own account for investment purposes only, and not with a view to, or in connection with, any distribution, resale, pledging, fractionalization, subdivision or other disposition thereof. Notwithstanding such intent, the Investor will not be prohibited in the future from reselling the Bonds although there is no present expectation to do so, and any such resale must be in accordance with applicable securities laws. If the Bond Purchaser sells any of the Bonds, the Bond Purchaser or its agent will obtain from any subsequent purchaser the same representations contained in this **Section 3.3**.

(e) The Bond Purchaser has had access to, and has examined to the extent the Bond Purchaser has deemed necessary, financial statements and other data of the City and the Developer, including ad valorem property tax projections provided by Developer, which the undersigned considers sufficient to enable the undersigned to form a decision concerning such purchase.

(f) The Bond Purchaser acknowledges that none of any past, present or future officers, directors, members, employees or agents of the City (including without limitation the City's legal counsel, the City's financial advisors, the City's consultants, the City's bond counsel or their officers, directors, members, employees or agents) will have any responsibility to the Bond Purchaser for the accuracy or completeness of any information obtained by the Bond Purchaser from any source bearing on the Bond Purchaser's decision concerning a purchase of the Bonds.

(g) The Bond Purchaser acknowledges and understands that the City is relying and will continue to rely on the statements made herein. The Bond Purchaser agrees to notify the City immediately of any changes in the information and conclusions herein.

**Section 3.4. Conditions to the Bond Purchaser's Obligations.** The Bond Purchaser's obligations hereunder shall be subject to the due performance by the City, the Seller and the Developer of the obligations and agreements to be performed hereunder at or prior to the Closing Time and to the accuracy of and compliance with the representations contained herein, as of the date hereof and as of the Closing Time, and are also subject to the following conditions being satisfied as of the Closing Time:

(a) The Bonds shall have been duly authorized, executed and delivered in substantially the form provided for by the Indenture with only such changes therein as shall be mutually agreed upon by the City and the Bond Purchaser.

(b) At the Closing Time, the Bond Purchaser shall receive:

(i) the approving opinion of Gilmore & Bell, P.C., Bond Counsel, dated the Closing Date and addressed to the City and the Bond Purchaser, with respect to the validity of the authorization and issuance of the Bonds;

(ii) a certificate of the City, dated as of the Closing Date and in form and substance satisfactory to the Bond Purchaser, to the effect that: (A) the City has duly performed all of its obligations to be performed at or prior to the Closing Time and that each of its representations contained herein is true as of the Closing Time; (B) the City has authorized, by all necessary action: the execution, delivery, receipt and due performance of the terms and provisions of the Bonds, the Indenture, this Agreement and any and all such other agreements and documents as may be required to be executed, delivered and received by the City to carry out, give effect to and consummate the transactions contemplated hereby; (C) no litigation is pending, or, to the best of the City's knowledge, threatened, to restrain or enjoin the issuance or sale of the Bonds or in any way affecting any authority for or the validity of the Bonds or the City's existence, powers or right to use the proceeds of the Bonds or the due execution, delivery and performance of the Indenture; and (D) the execution, delivery, receipt and due performance of the Bonds, the Indenture and the other agreements contemplated hereby under the circumstances contemplated hereby and compliance with the provisions thereof will not conflict with or constitute a breach of or a default under any existing law, court or administrative regulation, decree or order or any resolution, agreement, indenture or other instrument to which the City is subject or by which it is or may be bound;

(iii) original executed counterpart of the Indenture; and

(iv) such additional certificates and other documents as the Bond Purchaser, the Developer, the Seller, the City and Bond Counsel may reasonably request to evidence performance of or compliance with the provisions hereof and the transactions contemplated hereby, all such certificates and other documents to be satisfactory in form and substance to the Bond Purchaser.

All the opinions, letters, certificates, instruments and other documents mentioned in this Agreement shall be deemed to be in compliance with this Agreement if, but only if, they are in form and substance satisfactory to the Bond Purchaser.

If the City, the Seller and/or the Developer shall be unable to satisfy the conditions to the obligations of the Bond Purchaser contained in this Agreement, or if the obligations of the Bond

Purchaser shall be terminated for any reason permitted by this Agreement, this Agreement shall terminate and the parties shall have no further obligations hereunder. However, the Bond Purchaser may in its discretion waive one or more of the conditions imposed by this Agreement for the protection of the Bond Purchaser and proceed with the Closing.

**Section 3.5. Conditions of the City's Obligations.** If the City is unable to satisfy the conditions to the obligations of the Bond Purchaser contained in this Agreement, or if the obligations of the Bond Purchaser are terminated for any reason permitted by this Agreement, this Agreement shall terminate and neither the Bond Purchaser nor the City shall be under further obligation hereunder except their respective obligations with respect to payment of expenses as provided in **Section 3.6**.

**Section 3.6. Payment of Expenses.** The City agrees to pay all expenses incident to the performance of its obligations hereunder, including but not limited to (a) the cost of preparing, printing, reproducing, registering, safeguarding, transporting and authenticating the Bonds, (b) the fees and disbursements of Bond Counsel, the City's financial advisors, and any other experts or consultants retained by the City, (c) the fees and expenses of the City in connection with the issuance and sale of the Bonds, including all publications required by the Act, (d) the cost of printing or other reproduction and distribution of the documents in connection with the issuance of the Bonds, including the Indenture, and (e) the fees and disbursements of the Trustee, Bond Registrar and Paying Agent. Such costs shall be paid from Bond proceeds.

The City shall be under no obligation to pay any expenses incident to the performance of the Bond Purchaser's obligations hereunder. The Bond Purchaser shall pay the expenses incurred by it in connection with its purchase of the Bonds and the fees of legal counsel to the Bond Purchaser.

## ARTICLE IV

### MISCELLANEOUS PROVISIONS

**Section 4.1. Representations and Agreements to Survive Delivery.** The representations and warranties of the parties to this Agreement shall survive the transfer of title to the Property to the Developer and the execution and delivery to the Bond Purchaser of the Bonds as contemplated hereby.

**Section 4.2 Notices.** Except as otherwise provided herein, it shall be sufficient service of any notice, request, demand, authorization, direction, consent, waiver or other paper required or permitted by this Agreement to be made, given or furnished to or filed with the following persons, if the same shall be delivered in person, delivered by prepaid overnight delivery service, mailed by registered or certified mail, postage prepaid, or transmitted by facsimile transmission, at the following addresses or facsimile numbers:

(a) To the City at:

City of Dodge City  
806 Second Ave.  
Dodge City, Kansas 67801  
Attention: City Clerk  
Fax: (620) 225-8144

(b) To the Developer at:

Summerlon Properties, L.L.C.  
Box 608  
Dodge City, KS 67801

(c) To the Seller at:

Summerlon, Inc.  
1902 Hi St.  
Dodge City, KS 67801

(d) To the Bond Purchaser at:

James A. Coffin  
1106 Summerlon Ridge  
Dodge City, KS 67801

**Section 4.3 Limitation on City Obligations.** No provision, covenant, representation, agreement or obligation contained in this Agreement or any breach of this Agreement shall constitute or give rise to a pecuniary liability or a charge against the City's general credit or taxing power.

Neither the City nor any other director, officer, member, employee or agent (including any financial advisor, consultant, structuring agent or escrow agent) of the City shall be charged personally by the Bond Purchaser with any liability, or held personally accountable to the Bond Purchaser, under any term or provision of this Agreement, or because of its execution or attempted execution, or because of any breach, or attempted or alleged breach, of this Agreement.

**Section 4.4. Nonassignability.** This Agreement shall inure to the benefit of the parties hereto and their respective successors and assigns. Nothing in this Agreement is intended or shall be construed to give any other person, firm or corporation any legal or equitable right, remedy or claim under or in respect of this Agreement or any provision herein contained. The terms "successor" and "assigns" as used in this Agreement shall not include any purchaser, acting in such capacity, of any of the Bonds from the Bond Purchaser. This Agreement shall not be assigned by the City. This Agreement shall not be assigned by the Seller, Developer or Bond Purchaser without the written consent of the City.

**Section 4.5. Severability.** If any provision in this Agreement shall be invalid, illegal or unenforceable, the validity, legality and enforceability of the remaining provisions shall not in any way be affected or impaired thereby.

**Section 4.6. Electronic Transactions.** The transaction described herein may be conducted and related documents may be stored by electronic means. Copies, telecopies, facsimiles, electronic files and other reproductions of original executed documents shall be deemed to be authentic and valid counterparts of such original documents for all purposes, including the filing of any claim, action or suit in the appropriate court of law.

**Section 4.7 Governing Law.** This Agreement shall be governed by the laws of the State of Kansas.

**Section 4.8. Execution in Counterparts.** This Agreement may be executed in any number of counterparts, each of which so executed shall be deemed to be an original, but all such counterparts shall together constitute but one and the same instrument.

[The remainder of this page intentionally left blank.]

**IN WITNESS WHEREOF**, the City has caused this Agreement to be signed by an authorized official, such signature to be attested by an authorized officer, and its official seal to be applied, as of the date first above written.

**CITY OF DODGE CITY, KANSAS**

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Mayor

(Seal)

ATTEST:

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City Clerk

**IN WITNESS WHEREOF**, the parties have caused this Agreement to be signed by an authorized officer, as of the date first above written:

**SUMMERLON, INC**

By: \_\_\_\_\_  
Name:  
Title:

**SUMMERLON PROPERTIES, LLC**

By: \_\_\_\_\_  
Name:  
Title:

**JAMES A. COFFIN**

\_\_\_\_\_

**EXHIBIT A**

**REAL PROPERTY DESCRIPTION**

Lot 1 through 10 in Block 4 and Lot 1 through 9 in Block 1, Summerlon Phase III an Addition to the City of Dodge City, Ford County, Kansas, according to the Plat recorded in Plat Book E at page 59-61 thereof.

**EXHIBIT B**

**CALCULATION OF BOND PURCHASE PRICE**

Principal Amount	\$ 785,000.00
Accrued Interest	0.00
<b><i>Total Purchase Price</i></b>	<b><i>785,000.00</i></b>

**MATURITY SCHEDULE**

<b>Stated Maturity</b>	<b>Principal</b>	<b>Annual Rate</b>
<u>May 1</u>	<u>Amount</u>	<u>of Interest</u>
2028	\$785,000	5.00%

**REDEMPTION OF BONDS**

***Optional Redemption.*** At the option of the City, the Bonds are subject to redemption and payment prior to their Stated Maturity, as a whole or in part at any time, at the Redemption Price of 100% (expressed as a percentage of the principal amount), plus accrued interest thereon to the Redemption Date.

***Special Mandatory Redemption.*** The Bonds shall be subject to special mandatory redemption and payment prior to Stated Maturity, semiannually on each **May 1 and November 1**, at a Redemption Price equal to 100% of the principal amount thereof plus accrued interest to the Redemption Date, in an amount equal to the available Incremental Tax Revenues transferred by the Trustee into the Debt Service Account pursuant to the terms of the Indenture.

**EXHIBIT C**

EXPECTED USE OF BOND PROCEEDS	
LAND ACQUISITION	\$685,290.00
CAPITALIZED INTEREST	74,200.00
COSTS OF ISSUANCE	\$25,510.00
TOTAL	\$785,000.00

# Memorandum

*To: City Commissioners*  
*From: Ken Strobel*  
*Date: 05-03-13*  
*Subject: Amtrak Lobbying Funds*  
*Agenda Item: New Business*

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**Recommendation:** Staff recommends providing financial assistance of twenty thousand dollars (\$20,000.00) to the Southwest Rail Coalition so that a lobbyist can continue to be utilized in an effort to retain Amtrak's Southwest Chief passenger rail service to our community.

**Background:** The Southwest Rail Coalition was formed after cities along Amtrak's Southwest Chief route were notified that the service would be suspended or rerouted if significant rail improvements were not made in Kansas, Colorado and New Mexico. The route has deteriorated to a level that requires significant reductions in speed through the territory in question. BNSF is only required to maintain the track to levels sufficient for freight. That level prevents the speeds being achieved that a cross country train requires in order for the route to be feasible. The Coalition is comprised of Dodge City, Garden City, Hutchinson and Newton in Kansas and the communities in Colorado are Lajunta, Trinidad and Lamar. To date, the Coalition has retained Senator Dole's law firm, Alston & Bird, in an effort to encourage Amtrak, BNSF and Congress to compromise in an effort to reach a solution that will ultimately benefit all parties. Currently, Alston & Bird is preparing a Tiger Grant for communities from each state to submit for Federal Funding of the substantial repairs.

**Justification:** The Southwest Chief provides an affordable and necessary mode of transportation for our citizens who may not be able to travel by air or highway. In addition, the Chief brings many tourists to our community annually.

**Financial Considerations:** The twenty thousand dollars (\$20,000.00) necessary to continue this effort can be secured through the CVB and the Tourism Task Force Budget.

**Purpose/Mission:** Working towards excellence, we strive to achieve high performance and service standards set by us and expected by the community.

**Legal Considerations:** None at this time.

**Attachments:** None

## Memorandum

*To: City Manager  
City Commissioners*

*From: Cherise Tieben*

*Date: 05-30-13*

*Subject: Abandoned Housing Project*

*Agenda Item: New Business*

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**Recommendation:** Staff recommends approval of the Memorandum of Understanding with Interfaith Housing which will serve to guide the operation of the Abandoned Housing Program.

**Background:** Since the initial CHAT report was received, the City established a goal to develop all aspects of housing. The Abandoned Housing Program was developed with Interfaith Housing to address this last area of the housing market. Vacant and abandoned properties are detriments to neighborhoods and often could be utilized in the market with some slight renovation. Dwellings left unoccupied over a significant period of time tend to deteriorate at a rapid pace and are much more susceptible to vandalism. The damage then tends to slowly spread in the neighborhood through decline in neighboring values, lower sale prices and simple blight.

**Justification:** Staff feels that this type of program is necessary in order to prevent deterioration in neighborhoods and to help fulfill our housing market needs.

**Financial Considerations:** \$50,000 is budgeted for 2013 and has been included in the CIP for 2014 and 2015.

**Purpose/Mission:** Together we serve to make Dodge City the best place to be.

**Legal Considerations:** The document has been reviewed by the City Attorney.

**Attachments:** Memorandum of Understanding

## MEMORANDUM OF UNDERSTANDING

This MEMORANDUM OF UNDERSTANDING is made and entered into by and between the CITY OF DODGE CITY, KANSAS (CITY), a municipal corporation and INTERFAITH HOUSING SERVICES, INC. (IHS), a non-profit entity.

WHEREAS, Interfaith Housing (IHS) and the City of Dodge City, Kansas (City) desire to collaborate on a project referred to as the Abandoned Housing Program (AHP), and

WHEREAS, the intent of AHP will be to identify housing properties within the city limits of Dodge City, Kansas that are unoccupied and abandoned, and which could be acquired through purchase, tax sale, donation or through the Kansas Unsafe or Dangerous Structures and Abandoned Property Act, and

WHEREAS, the funding for the AHP will be provided by the City who applied for and received a Moderate Income Housing (MIH) grant through the Kansas Housing Resource Center (KHRC). In addition the City has agreed to match the grant with fifty thousand dollars (\$50,000.00) for the first year and intends to provide the same amount for two additional years beginning 2014, and

WHEREAS, IHS has the skilled labor, technical staff and access to both volunteers and local contractors that are capable of renovating such homes in an economical fashion in order for the homes to be either sold or rented to the public through the IHS rental program.

NOW THEREFORE, the Parties do hereby enter into this Memorandum of Understanding as evidence of their good faith, desire, and intent for the future operation of the AHP.

The parties understand and agree as follows:

1. Goals of the AHP will be:
  - a. One (1) house will be acquired, a scope of work developed, and renovation work started by July 1, 2013.
  - b. The program will acquire and renovate at least two (2) projects in each fiscal year of this Agreement.
2. IHS will establish an AHP revolving fund to be used for the proceeds and expenses of the AHP.
3. The City will provide disbursements from matching funds or the MIH grant within 3-6 weeks of receiving requests for funding distributions from IHS. Requests shall be submitted to the City Manager's designee and subject to his approval.
4. City will assist IHS in identifying housing properties for the AHP. No property will be acquired by IHS for participation in the AHP without prior written approval of the City Manager or his designee.
5. At the expense of the City, the City Attorney will assist IHS with legal issues necessary to move property through the legal system using the Unsafe or Dangerous structure and Abandoned Property Act statutes, if applicable; to the extent that said tasks do not present legal conflicts.
6. IHS will evaluate each housing property for feasibility for inclusion in the AHP. Feasibility will be evaluated by comparing the cost of acquisition together with the cost of renovation, to the estimated after-renovation appraised value.
7. Once a housing property is acquired, IHS will hold the title in its name, unless otherwise agreed to prior to the acquisition.

May 3, 2013

8. A housing property that cannot be renovated for less than the estimated appraised value after renovation will not be acquired without prior approval from the City.
9. IHS will be solely responsible for the coordination of volunteers, contractors, or other groups assisting in this program.
10. Once renovation is complete, IHS will first market the housing property to homebuyers in an attempt to sell the property as a primary residence.
11. If the housing property is sold, net sale proceeds will be deposited in the AHP fund.
12. If the housing property is not sold within five (5) months following IHS completion of renovation and receiving judicial deed to the housing property, IHS will attempt to rent and manage the housing property.
  - a. If the property is rented, a mortgage will be secured in an amount acceptable to a financial institution, but not to exceed the capacity of the property to adequately cash flow, based on the proposed rent schedule, maintenance and upkeep, taxes, insurance and other related operating costs, the net proceeds of which shall be deposited in the AHP fund.
13. The City agrees that IHS will incur general operating overhead that will be attributable to the AHP. Such expenses will be established by mutual agreement of the parties and paid from the AHP fund. This operating allocation includes such things as general liability insurance, secondary medical insurance to cover volunteer activities, operating expenses including office utilities, administrative staff, fundraising costs, etc. This allocation is based on a prorated basis across all programs and services operated by IHS. Office expenses are shared with other programs that are operating in the Dodge City area.
14. To the extent feasible, materials and contracted services will be obtained through local suppliers and contractors. However, IHS, in its discretion, may obtain materials or services outside the area that will result in savings to the project. IHS will maintain appropriate levels of insurance, including builder's risk policies, on each and every housing property included in the AHP.
15. IHS reserves the right to raise funds from sources other than the City to help cover operating overhead costs, tools, equipment, etc.
16. IHS will submit monthly financial reports and other such reports as requested by the City in accordance with the MIH guidelines. IHS represents to the City that IHS undergoes annual professional audits of its financial status which will be provided to the City upon request.
17. At the outset of AHP the City agrees that the Fifty Thousand dollars (\$50,000) provided by the City will be drawn by IHS prior to utilization of the MIH funding.
18. The City will waive building permits for housing properties associated with AHP.
19. IHS will maintain a log of volunteer identities, volunteer hours and donated goods and services so they can be used as matching funds for other grants and donations. All volunteers will be under the exclusive control and authority of IHS. All volunteers will be advised that they are not volunteering on behalf of the City in any form or fashion.
20. The parties agree that this agreement may be terminated at any time by either party upon providing ninety (90) days notice to the other party. Upon termination or expiration of this agreement the parties agree that all cash funds existing in the AHP after payment of pending reimbursable expenses will be returned to the sole ownership of the City for use in providing housing opportunities consistent with the underlying purpose of the AHP. Any housing properties existing in the name of IHS at the time of termination will be placed for sale as soon as practical. Upon sale the net proceeds will be returned to the City for use in providing housing opportunities consistent with the underlying purpose of the AHP.
21. This agreement will continue in effect for three (3) years commencing on May 6, 2013 and terminating on May 5, 2016, unless terminated in accordance with paragraph 20.

The Parties agree to use good faith efforts in working together to accomplish the purpose and intent of this Memorandum of Understanding. Issues pertaining to this agreement shall be addressed to the following individuals respectively:

City Manager  
City of Dodge City  
806 Second Ave.  
Dodge City, KS 67801  
Phone – (620)225-8100

And

President  
Interfaith Housing Services  
1326 East Avenue A  
PO Box 1987  
Hutchinson, KS 67504  
Phone – (620)662-8370

IN WITNESS WHEREOF, said Parties have caused this agreement to be on the 6<sup>th</sup> of May, 2013, by their duly authorized representatives.

City of Dodge City

Interfaith Housing Services, Inc.

By: \_\_\_\_\_  
Kent Smoll, Mayor

By: \_\_\_\_\_  
John Scott, President

Attest: \_\_\_\_\_  
Nannette Pogue, City Clerk

May 3, 2013

# Memorandum

*To:* City Manager  
Assistant City Manager  
City Commissioners  
*From:* Ray Slattery, P.E.   
Director of Engineering Services  
*Date:* April 30, 2013  
*Subject:* Bids for 2013 Asphalt Street Projects.  
Agenda Item: New Business

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**Recommendation:** Approve proposal from Klotz Sand Co., Inc. for the construction of the 2013 Asphalt Street Projects in the amount of \$263,263.60.

**Background:** These projects were slated for construction as part of the 2013 Street Program which was approved by the Commission earlier this year. This project will reconstruct 4 blocks of residential streets; overlay and mill, & overlay an additional 4 blocks of asphalt roadways. The following streets to be reconstructed;

Ash St. Loop; Gray St. from 12<sup>th</sup> Ave. to 13<sup>th</sup> Ave.; Greenwood Ave. from Spruce St. to Homewood Ave.; Harris Ave. from McArtor Rd. to Beeson Rd. Ash St from 9<sup>th</sup> Ave. to 11<sup>th</sup> Ave. will have a mill & overlay operation and sections of Frontview St. will be overlaid with an asphalt mat.

**Justification:** This project will maintain the street infrastructure and extend the service life of the street.

**Financial Considerations:** The construction of the 2013 Asphalt Street Projects will cost \$263,263.60. Funding of these projects will be from the Special Streets Fund. There was \$370,000 budgetted for this project.

**Purpose/Mission:** The completion of this project will maintain our street infrastructure in an acceptable condition and extend the life of street repaired under this project.

**Legal Considerations:** By approving the bid with Klotz Sand Co., Inc. the City will enter into a contract with Klotz Sand Co., Inc. and be responsible to make payments to Klotz Sand Co., Inc. for the completed work.

**Attachments:** The bid tabulation for Klotz Sand Co., Inc. and APAC Kansas Inc., Shears Division which includes the Engineers' estimate.

