

Carolyn S. Armstrong
City Manager
(785) 460-4410

Deborah K. Zerr
Finance Director
(785) 460-4400

Joni L. Ketchum
City Clerk
(785) 460-4400

December 19, 2008

Shelly Harms
Thomas County Clerk
300 N. Court
Colby, KS 67701

Dear Shelly:

RE: Tax Increment Financing District (Bosselman's Truck Stop Project)

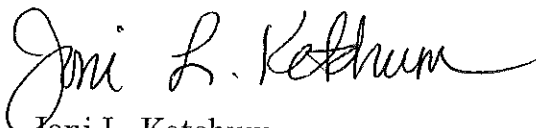
In accordance with the provisions of K.S.A. 12-1770, *et seq.*, as amended (the "Act"), the governing body of the City of Colby, Kansas passed Ordinance No. 1453 on November 18, 2008 establishing a redevelopment district.

The legal description of the land within the district is described on Exhibit A attached hereto.

Enclosed are copies of Ordinance No. 1453 and a map of the District.

The Act provides that real property taxes received by the county treasurer resulting from taxes which are levied following the date of the creation of the redevelopment district shall be collected and distributed as set forth in K.S.A. 12-1775, as amended.

Sincerely,



Joni L. Ketchum
City Clerk

JLK:js

Enclosures

EXHIBIT A

LEGAL DESCRIPTION OF REDEVELOPMENT DISTRICT

Lot 1, Bosselman Addition to the City of Colby, Thomas County, Kansas; and

A tract composed of a portion of the Northwest Quarter (NW¼) of Section Seventeen (17) and a portion of the Southwest Quarter (SW¼) of Section Eight (8), Township Eight (8) South, Range Thirty-three (33) West of the 6th Principal Meridian, City of Colby, Thomas County, Kansas.

Commencing at the Southwest Corner (SW/c) of the Southwest Quarter (SW¼) of said Section Eight (8), thence along the South line of said Southwest Quarter (SW¼) of Section Eight (8) on an assumed bearing of North 90 Degrees 00 Minutes 00 Seconds East (N90°00'00"E) 125.01 feet to a point; thence North 00 Degrees 25 Minutes 08 Seconds East (N00°25'08"E) 476.45 feet to the point of beginning; thence North 00 Degrees 25 Minutes 08 Seconds East (N00°25'08"E) 124.90 feet to a point; thence South 89 Degrees 31 Minutes 15 Seconds East (S89°31'15"E) 60.63 feet to a point; thence South 43 Degrees 53 Minutes 21 Seconds East (S43°53'21"E) 177.90 feet to a point; thence South 27 Degrees 12 Minutes 37 Seconds East (S27°12'37"E) 214.34 feet to a point; thence on a tangent curve to the left having a radius of 427.46 feet, delta angle of 62 Degrees 48 Minutes 44 Seconds (62°48'44"), chord length of 445.50 feet, chord bearing of South 58 Degrees 36 Minutes 59 Seconds East (S58°36'59"E), and an arc length of 468.62 feet to a point; thence South 90 Degrees 00 Minutes 00 Seconds East (S90°00'00"E) 970.98 feet to a point; thence South 00 Degrees 00 Minutes 00 Seconds East (S00°00'00"E) 100.00 feet to a point; thence North 90 Degrees 00 Minutes 00 Seconds West (N90°00'00"W) 970.94 feet to a point; thence on a non-tangent curve to the right having a radius of 527.46 feet, delta angle of 62 Degrees 48 Minutes 45 Seconds (62°48'45"), chord length of 549.72 feet, chord bearing of North 58 Degrees 36 Minutes 59 Seconds West (N58°36'59"W), and an arc length of 578.25 feet to a point; thence North 27 Degrees 12 Minutes 37 Seconds West (N27°12'37"W) 178.14 feet to a point; thence on a non-tangent curve to the left having a radius of 158.14 feet, delta angle of 52 Degrees 09 Minutes 45 Seconds (52°09'45"), chord length of 139.05 feet, chord bearing of North 53 Degrees 59 Minutes 53 Seconds West (N53°59'53"W), and an arc length of 143.97 feet to the point of beginning.

This tract contains 4.37 acres more or less (Willow from the center line of Country Club through the intersection of Stephens Drive).

ORDINANCE NO. 1453

**AN ORDINANCE OF THE GOVERNING BODY OF THE CITY OF COLBY,
KANSAS, ESTABLISHING A REDEVELOPMENT DISTRICT WITHIN THE
CITY AND MAKING CERTAIN FINDINGS IN CONJUNCTION THEREWITH
(BOSELMAN'S TRUCK STOP PROJECT).**

WHEREAS, the City of Colby, Kansas (the "City") desires to promote, stimulate and develop the general and economic welfare of the City and the state of Kansas (the "State") and to assist in the development and redevelopment of eligible areas within the City, thereby promoting the general welfare of the citizens of the State and the City, by acquiring property and providing for the development and redevelopment thereof and the financing relating thereto; and

WHEREAS, pursuant to the provisions of K.S.A. 12-1770 *et seq.*, as amended (the "Act"), the City is authorized to establish redevelopment districts within eligible areas of the City, as said terms are defined in the Act, to approve redevelopment district plans for the completion of redevelopment projects within such redevelopment project areas, and to finance all or a portion of redevelopment project costs from tax increment revenues and various fees collected within such redevelopment district, revenues derived from redevelopment projects, revenues derived from local sales taxes, other revenues described in the Act, or a combination thereof or from the proceeds of full faith and credit tax increment bonds of the City or special obligation tax increment bonds of the City payable from such described revenues; and

WHEREAS, an "eligible area," as defined in the Act, includes an "enterprise zone," as defined in the Act; and

WHEREAS, prior to the creation of any redevelopment district the governing body of the City must adopt a resolution stating that the City is considering the establishing of a redevelopment district, which resolution shall: (1) Give notice that a public hearing will be held to consider the establishment of a redevelopment district and fix the date, hour and place of such public hearing, which public hearing shall be held not less than 30 nor more than 70 days following adoption of such resolution, (2) describe the proposed boundaries of the redevelopment district, (3) describe a proposed redevelopment district plan, (4) state that a description and map of the proposed redevelopment district are available for inspection at a time and place designated, and (5) state that the governing body will consider findings necessary for the establishment of a redevelopment district; and

WHEREAS, notice of such public hearing shall be given by mailing a copy of the resolution calling the public hearing via certified mail return, receipt requested, to the board of county commissioners of the county, the board of education of any school district levying taxes on property within the proposed redevelopment project area, and to each owner and occupant of land within the proposed redevelopment district not more than 10 days following the date of the adoption of such resolution and by publishing a copy of such resolution once in the official City newspaper not less than one week or more than two weeks preceding the date fixed for the public hearing, which publication shall include a sketch clearly delineating the area in sufficient detail to advise the reader of the particular land proposed to be included within the redevelopment project area; and

WHEREAS, upon the conclusion of such public hearing, the governing body may pass an ordinance which shall: (1) make findings that the redevelopment district proposed to be redeveloped is in an "eligible area," as defined in the Act, and that the conservation, development or redevelopment of such area is necessary to promote the general and economic welfare of the city (2) contain the redevelopment district plan as approved, (3) contain the legal description of the redevelopment district, and (4) may establish the redevelopment district, provided that the boundaries of the redevelopment district shall not

include any area not designated in the notice of public hearing on the creation of the redevelopment district; and

WHEREAS, no privately owned property subject to ad valorem taxes shall be acquired and redeveloped under the provisions of the Act, if the board of county commissioners or the board of education levying taxes on such property determines by resolution adopted within 30 days following the conclusion of the hearing for the establishment of the redevelopment district that the proposed redevelopment district will have an adverse effect on such county or school district; and

WHEREAS, upon the creation of a redevelopment district pursuant to the Act, the City may propose to undertake one or more redevelopment projects and shall prepare a redevelopment project plan, which may be implemented in separate development stages, in consultation with the City's planning commission; and

WHEREAS, the City Council has heretofore adopted Resolution No. 967, which made a finding that the City is considering the establishment of a redevelopment district pursuant to the Act, set forth the boundaries of the proposed redevelopment district, provided a summary of the proposed redevelopment district plan, called a public hearing concerning the establishment of a redevelopment district for July 1, 2008, and provided for notice of such public hearing as provided in the Act; and

WHEREAS, a public hearing was opened on September 16, 2008 after duly published, delivered and mailed notice in accordance with the provisions of the Act, continued until this date, and closed on this date; and

WHEREAS, at the public hearing the governing body received and reviewed evidence that the District is an area within the City that was designated as an enterprise zone prior to July 1, 1992, pursuant to K.S.A. 12-17,107 through 12-17,113, and amendments thereto, prior to its repeal, and the conservation, development or redevelopment of the area is necessary to promote the general and economic welfare of the City (an "Enterprise Zone"); and

WHEREAS, upon and considering the information and public comments received at the public hearing conducted this date, the City Council hereby deems it advisable to make certain findings and to create the redevelopment district; and

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

Section 1. Findings. The governing body hereby finds that notice of the public hearing conducted this date was made in accordance with the provisions of the Act. The governing body hereby further finds and that the proposed redevelopment district described herein constitutes an Enterprise Zone and is therefore an "eligible area" (as said term is defined in the Act), and the conservation, development or redevelopment of such area is necessary to promote the general and economic welfare of the City.

Section 2. Creation of Redevelopment District. A redevelopment district is hereby created within the City in accordance with the provisions of the Act, which shall consist of the real estate legally described on *Exhibit A* attached hereto, which is incorporated herein by reference (the "Redevelopment District"). The boundaries of the Redevelopment District do not contain any property not referenced in Resolution No. 967, which provided notice of the public hearing on the creation of the Redevelopment District.

Section 3. Redevelopment District Plan. The preliminary plan for the proposed

Redevelopment District (the "District Plan"), as presented to the governing body this date, is hereby approved. The buildings and facilities to be constructed or improved in the Redevelopment District may be described in a general manner as follows:

The proposed development will be a retail center located adjacent to Exit #54 of westbound I-70 in Thomas County, Kansas, which will initially include a truck stop with restaurant. In addition, there shall be constructed public infrastructure improvements, including street improvements.

Section 4. Approval of Other Governmental Units. No privately owned property subject to ad valorem taxation within the Redevelopment District shall be acquired and redeveloped pursuant to the Act, if the Board of County Commissioners of Thomas County or the Board of Education of Unified School District No. 315 determines by resolution adopted within thirty days following the close of the public hearing on this date, that the Redevelopment District will have an adverse effect on Thomas County or Unified School District No. 315, respectively. If such a resolution is delivered to the City, the governing body shall, within 30 days of the receipt of such a resolution, pass an ordinance dissolving the redevelopment district hereby created. As of this date, the City has not received a copy of any such resolution and is not aware of the adoption of any such resolution by the governing body of Thomas County or Unified School District No. 315.

Section 5. Reimbursement. The Act authorizes the issuance by the City to issue special obligation bonds (the "Bonds") to finance all or a portion of the costs of implementing the District Plan. The Bonds may be issued to reimburse expenditures made on or after the date which is 60 days before the date of passage of this Ordinance, pursuant to Treasury Regulation §1.150-2.

Section 6. Further Action. The Mayor, City Manager, City Clerk and other officials and employees of the City, including the City Attorney, the City's Financial Advisor, and Gilmore & Bell, P.C., 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 Ordinance.

Section 7. Effective Date. This Ordinance shall be effective upon its passage by the governing body of the City of Colby, Kansas and publication one time in the official City newspaper.

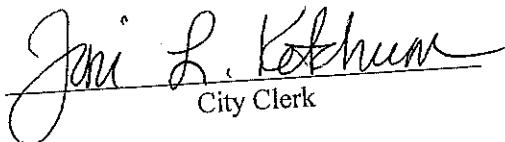
PASSED by the City Council and **APPROVED** by the Mayor of the City of Colby, Kansas on November 18, 2008.

[SEAL]:



Mayor

Attest:



City Clerk

BOSELMAN ADDITION

