ORDINANCE NO. 179D1

AN ORDINANCE introduced by Mayor Felker, exempting certain property, more specifically property owned by H.J. Heinz, Inc. from ad valorem taxation for economic development purposes, pursuant to the provisions of the Code of the City of Topeka, Chapter 138, Article III, and located at approximately 2200 N.W. Brickyard Road, Topeka, Shawnee County, Kansas.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TOPEKA, KANSAS:

Section 1. In accordance with § 13 of Article 11 of the Kansas Constitution, and pursuant to the Code of the City of Topeka chapter 138 Article III, a percentage of the assessed valuation of the following property, owned by H.J. Heinz, Inc., more specifically tangible real and personal property as listed in Attachment A, attached hereto and incorporated by reference as if fully set forth herein, is used by H.J. Heinz, Inc. exclusively for exempt purposes and is therefore exempt from ad valorem taxation for a maximum term of ten (10) calendar years. Said tangible personal property is owned by H.J. Heinz, Inc., a Delaware Corporation, and operating a pet food manufacturing facility at 2200 N.W. Brickyard Road, Topeka, Shawnee County, Kansas.

Section 2. The annual amount of the tax payment required of the owners of said property shall not be less than the amount that is determined under Topeka City Code §§ 138-84 and 138-86 and such additional amount that may be set forth in any other ordinance or resolution. Said amounts shall be paid to the County Treasurer at the same time as any ad valorem taxes on such property would be payable.

Section 3. Eligibility for successive years shall be redetermined annually. If the company fails to meet eligibility requirements for any one (1) year, no exemption shall be
granted for that year. However, this will not jeopardize eligibility for the remaining years.

In order to continue eligibility for the exemption granted herein, the following criteria shall be met by the company:

(a) Continuation of at least one (1) of the new jobs created.

(b) Continue to be a manufacturer.

(c) Continuation of original ownership (exemption is not transferable).

(d) The company remains current on tax payments.

(e) Exemption is contingent upon approval from State Board of Tax Appeals.

(f) Eligibility for successive years shall be redetermined annually.

(g) If the company fails to meet eligibility requirements in any one (1) year, no exemption shall be granted for that year. However, this would not jeopardize eligibility for the remaining years.

Section 4. Determination of Exemption.

(a) The actual percentage of assessed valuation exempted shall be determined by the City according to the Code of the City of Topeka, Chapter 138, Article III.

(b) In determining the actual percentage exemption, the City shall require H.J. Heinz, Inc. to provide the following:

(1) Certification as to the number of new full time equivalent jobs created.

(2) Certification as to the overall wage rate for the new full time equivalent jobs created.

(3) Any other documentation the City may deem necessary.

Section 5. Responsibilities of H.J. Heinz, Inc.:
Section 6. Responsibilities of City.

Review and make determination of renewal application by February 1 of each year.

Section 7. Disclaimer.

City does not guarantee H.J. Heinz, Inc. will receive an exemption of any amount for any or all years that it is eligible.

Section 8. No tax exemption shall be granted by the City unless the property for which the exemption is being sought is sued exclusively for the purposes specified in § 13 of Article 11 of the Kansas Constitution.

Section 9. This Ordinance shall take effect and be in force from and after its passage, approval and publication in the official city newspaper.

PASSED and APPROVED by the City Council

OCT 08 2002

Harry Felker, Mayor

ATTEST:

Iris E. Walker, City Clerk