ORDINANCE NO. 18541

AN ORDINANCE introduced by City Manager Neil Dobler approving a redevelopment project plan for Heartland Park of Topeka, a major motorsports complex and redevelopment project area, within the Heartland Park Topeka Redevelopment District as more specifically described herein and authorizing the issuance of full faith and credit tax increment bonds payable from certain sales tax revenues collected by any taxpayer doing business at Heartland Park of Topeka, all pursuant to K.S.A. 12-1770 et seq. and amendments thereto.

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

WHEREAS, the City of Topeka, Kansas ("City") has duly established the Heartland Park Topeka Redevelopment District, which consists of all real estate owned by the City at Heartland Park Topeka in the vicinity of 7530 S.W. Topeka Boulevard, Topeka, Kansas, to promote the general and economic welfare of the City;

WHEREAS, the Planning Commission of the City of Topeka, Kansas has found and determined that the redevelopment project plan ("Project Plan") is consistent with the intent of the comprehensive plan for the development of the City;

WHEREAS, the Governing Body of the City duly adopted Resolution No. 7707 ("Resolution") and scheduled a public hearing to consider the adoption of the Project Plan on October 25, 2005, all in accordance with the provisions of 2005 Kan. Sess. Laws, ch. 132, §§ 4(b), 4(c)(1), 10(b) and 10(c)(1);
WHEREAS, within ten days following the date of the adoption of the Resolution, a copy of the Resolution was sent by certified mail, return receipt requested, to the Board of Commissioners of Shawnee County, Kansas and Shawnee Heights U.S.D. No. 450;

WHEREAS, pursuant to the provisions of K.S.A. 12-1780c, as amended, notice of the public hearing was published in the official city newspaper on November 25, 2005, which date is not less than one (1) week nor more than two (2) weeks preceding the date fixed for the public hearing;

WHEREAS, at the public hearing held on December 6, 2005, a representative of the City presented the proposed Project Plan and all interested persons were given an opportunity to be heard;

WHEREAS, a feasibility study demonstrates that the redevelopment project's benefits and tax increment revenue and other available revenues under 2005 Kan. Sess. Laws, ch. 132, § 6(a)(1) are expected to exceed or be sufficient to pay for the redevelopment project costs, that no outstanding special obligation bonds are payable from revenues described in subsections (a)(1)(D) or (a)(1)(G) of 2005 Kan. Sess. Laws, ch. 132, § 6, and that the benefits derived from the project will exceed the cost and that the income therefrom will be sufficient to pay the costs of the project;

WHEREAS, following the completion of the public hearing, the Council of the City of Topeka, Kansas decided, upon a 2/3 vote, to pass this Ordinance approving and adopting the proposed Project Plan.
Section 1. Pursuant to the provisions of 2005 Kan. Sess. Laws, ch. 132, it is hereby deemed necessary and advisable to approve and adopt the Project Plan to facilitate the redevelopment of Heartland Park of Topeka as a major motorsports complex within the Heartland Park Topeka Redevelopment District:

A. PROJECT PLAN IMPROVEMENTS:

The Project Plan involves capital improvements to the infrastructure and facilities at Heartland Park of Topeka that are directly related and necessary to the operation of the motorsports complex, including, but not limited to, racetracks, parking lots, grandstands, suites and viewing areas, concessions, souvenir facilities, catering facilities, visitor and retail centers, signage and temporary hospitality facilities. The Project Plan contemplates that the redevelopment project shall proceed in two phases consisting of the following public improvements, the order of which may be subject to change:

Phase I: Repairing and resurfacing the road course; resurfacing the drag strip shutdown area; repairing and resurfacing all paddock areas; constructing timing, scoring, race control and steward’s facilities; constructing technical inspection and dressing/showering facilities, garages for competitors, and consolidated concession, souvenir and dining facilities; constructing a maintenance and credentials building; constructing a tire building; constructing a covered pavilion for patrons; reconfiguring, reconstructing and installing a system of street and area lighting; constructing, reconstructing and installing a modern public address system for racing and spectator areas; constructing buildings and related facilities, including water and electrical hookups, to support the SCCS National Solo Championships and other events utilizing the large asphalt pad each season; and

Phase II: Constructing additional seating for 4,000 spectators; constructing a credentials and security building at tunnel entrance; reconstructing and converting an existing building to a medical facility; repairing public access streets and roads on the premises; construction of spectator entrance walkover bridge and two covered pavilions, with water and electrical hookups, for spectators behind the main grandstands; construction of a brick walkway with lighting behind the main grandstands; improving water and waste disposal systems; constructing an area for camping and recreational vehicles with water and electrical hookups, playground and campfire facilities, security...
building, and restroom and concession or convenience facilities; constructing and installing perimeter fencing, parking lot lighting and public address system additions for parking lot facilities; constructing a second covered pavilion for patrons; constructing a Top Eliminator Club building; provision of landscaping, trees and green space in entry and viewing areas; constructing and installing additional electrical hookups for competitors in paddock area; constructing a covered pavilion in the staging area with misting, concession and buyback or event registration facilities; improvements to the tower, including an elevator for access by disabled persons and a separate walkway for ingress and egress; and constructing a multi-building complex for racing-related support activities in a commerce park environment.

B. **ESTIMATED OR PROBABLE COST:**

   $22,520,000.00 (Phase I: $13,520,000.00; Phase II: $9,000,000.00)

C. **APPORTIONMENT OF COSTS:**

   47% ($10,520,000.00) Sales Tax Reimbursement Bonds;

   31% ($7,000,000.00) Private Sources; and

   22% ($5,000,000.00) General Obligation Bonds (previously authorized by Ordinance Nos. 18318 and 18319).

D. **PURSUIT AND COMPLETION OF PROJECT:**

   This redevelopment project shall be completed within 20 years from the date of the approval of the project plan and Kansas resident employees shall be given priority consideration for employment in connection with the construction project herein.

Section 2. The City is hereby authorized to issue full faith and credit tax increment bonds in the amount of $10,520,000.00 to finance the undertaking of this redevelopment project in accordance with the provisions of K.S.A. 12-1770 et seq. and amendments thereto; provided however, that such financing shall not exceed 50% of the redevelopment project costs. Such full faith and credit tax increment bonds shall be issued in accordance with the general bond law, shall
be made payable, both as to principal and interest: from a pledge of all of the
revenue sources identified in subsections (a)(1)(C), (a)(1)(D), (a)(1)(F) and
(a)(1)(G) of 2005 Kan. Sess. Laws, ch. 132, § 6; and from a pledge of the City's
full faith and credit to use its ad valorem taxing authority for repayment thereof in
the event all other authorized sources of revenue are not sufficient, and shall
have a maximum maturity that does not exceed 20 years. These bonds shall be
known and referred to as sales tax reimbursement ("STAR") bonds.

Section 3. The City may issue such STAR bonds pursuant to the
Redevelopment Project Plan unless, pursuant to the provisions of K.S.A. 12-
1774, within sixty (60) days following the date of the public hearing on the
proposed project plan a protest petition signed by three percent (3%) of the
qualified voters of the city is filed with the city clerk in accordance with the
provisions of K.S.A. 25-3601 et seq., and amendments thereto.

Section 4. 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 December 6, 2005

William W. Bunten, Mayor

ATTEST:

Iris E. Walker, City Clerk