

ORDINANCE NO. 19-3385

AN ORDINANCE AUTHORIZING THE EXECUTION OF A TRANSIENT GUEST TAX AGREEMENT BETWEEN THE CITY OF ABILENE, KANSAS AND NARAYAN, INC., AS DEVELOPER; AND AUTHORIZING THE EXECUTION OF OTHER DOCUMENTS RELATED THERETO.

WHEREAS, the City of Abilene, Kansas (the “City”) is a municipal corporation duly organized and validly existing under the laws of the State of Kansas as a city of the second class; and

WHEREAS, the City and Narayan, Inc., a Kansas corporation (the “Developer”) have negotiated the terms of a Development Agreement, dated as of January 13, 2020 relating to the construction, furnishing and equipping of a new hotel facility (the “Project”) to be located in the City; and

WHEREAS, to facilitate the construction of the Project, the City and the Developer have also negotiated a Transient Guest Tax Agreement, under which the City will agree to rebate a portion of the transient guest tax collected at the Project equal to three percent (3%) of the gross receipts collected by Developer at the Project for a period of 10 years; and

WHEREAS, the construction of the Project will stimulate and foster economic development in the City and its environs in order to enhance and provide for the general and economic development and welfare of the City and its citizens; and

WHEREAS, pursuant to the Constitution, particularly Article 12, Section 5 thereof, and statutes of the State of Kansas, particularly of K.S.A. 12-101 *et seq.*, as amended (collectively, the “Home Rule Act”), the Governing Body hereby finds and determines that it is necessary and desirable and in the interest and for the general economic welfare of the City and its inhabitants, that the City enter into the Transient Guest Tax Agreement; and

WHEREAS, the Governing Body hereby further finds and determines that it is necessary and advisable and in the interest of the public health, safety and welfare, including economic development, of the City, to authorize by home rule ordinance the execution of the Transient Guest Tax Agreement.

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

Section 1. Economic Development. The Governing Body hereby finds and determines that the Project will stimulate and foster economic development in the City and its environs in order to enhance and provide for the general and economic development and welfare of the City and its citizens.

Section 2. Transient Guest Tax Agreement. The Transient Guest Tax Agreement is hereby approved in substantially the form presented to the Governing Body. The Mayor or Vice Mayor of the City is hereby authorized and directed to execute the Transient Guest Tax Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance, with such alterations, changes or additions in the foregoing agreements, statements, instruments and other documents herein approved, authorized and confirmed which as may be approved by the City Manager and as are approved as to form by the City Attorney, and the execution or taking of such actions shall be conclusive evidence of such necessity or advisability. The City Clerk or any Deputy City Clerk is

hereby authorized to attest to and affix the seal of the City to the Transient Guest Tax Agreement and such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance.

Section 3. Further Authority. The City shall, and the officers, employees and agents of the City, including Gilmore & Bell, P.C., the City's bond counsel, are hereby authorized and directed to, take such action, expend such funds and execute such other documents, certificates and instruments, as may be necessary or desirable to carry out and comply with the intent of this Ordinance and to carry out, comply with and perform the duties of the City with respect to the Transient Guest Tax Agreement.

Section 4. Effective Date. This Ordinance shall take effect and be in force from and after its passage and publication of a summary thereof one time in the official City newspaper.

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PASSED by the governing body of the City of Abilene, Kansas, on January 13, 2020, and **SIGNED** by the Mayor.

(SEAL)


Mayor

ATTEST:



Penny Soukup, City Clerk

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