

**RESOLUTION NO. 030926-1**

**A RESOLUTION ADOPTING AN AMENDED AND RESTATED COMMUNITY IMPROVEMENT DISTRICT POLICY FOR THE CITY OF ABILENE, KANSAS**

**WHEREAS**, the City of Abilene, Kansas (the “City”), is authorized by K.S.A. 12-6a26 through K.S.A. 12-6a36, inclusive, as amended, to create a Community Improvement District for economic development purposes and any other purpose for which public money may be expended;

**WHEREAS**, on April 8, 2024, the Governing Body approved Resolution No. 040824-1, which adopted a Community Improvement District Policy for the City;

**WHEREAS**, the Governing Body desires to make certain updates and amendments to the Community Improvement District Policy; and

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

**SECTION ONE. Adoption.** The attached amended and restated Community Improvement District Policy (the “Policy”) is hereby approved and adopted by reference.

**SECTION TWO. Modifications.** The City Manager is authorized from time to time to amend or modify the Policy as needed to conform with all pertinent state and federal regulations, and to clarify wording within the Policy to fit the interpretation, intent and practical aspects of implementing the Policy, all with the acknowledgement that any substantive changes or amendments will come first before the Governing Body for review and formal action.

**SECTION THREE. Severability.** If any provision of the Policy is declared unconstitutional, or the application to any person or circumstance is held to be invalid, the validity of the remainder of the Policy and its applicability to other persons and circumstances shall not be affected.

**SECTION FOUR. Effective Date.** This Resolution shall be in full force and effect after its adoption by the Governing Body.

**SECTION FIVE. Repeal of Existing Policy.** The Community Improvement District Policy adopted by Resolution No. 040824-1 is repealed and replaced in its entirety with the Policy approved by this Resolution.

**PASSED AND APPROVED** by the Governing Body of the City of Abilene, Kansas this 9th day of March, 2026.

{Signature Page Follows}

**CITY OF ABILENE, KANSAS**  
**Community Improvement District Policy**

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**I. SCOPE.**

The Governing Body of the City of Abilene, Kansas (“Governing Body”) is responsible for encouraging and promoting the City’s economic health. The Community Improvement District Act (the “Act”), K.S.A. 12-6a26 through K.S.A. 12-6a36, inclusive, as amended, authorizes the City to create Community Improvement Districts (“CIDs” and individually a “CID”) for the purpose of financing CID Projects.

**II. AUTHORITY OF GOVERNING BODY; DISCLAIMER.**

The authority and decision to approve the establishment of a CID is within the sole discretion of the Governing Body of the City. The Governing Body, by its inherent authority, reserves the right to reject any petition for the creation of a CID at any time in the review process when it considers such action to be in the best interest of the City. The City does not relinquish its authority to initiate projects by whatever other financing means it deems necessary to promote the general health and welfare of the City.

The City shall not be bound by any advice, action, agreement, statement or other communication made by City staff or consultants, or the Governing Body, including the information contained herein, until after the Governing Body’s approval of an ordinance or resolution creating a CID.

This policy statement does not constitute legal advice regarding the application or petition to create a CID. Those persons or entities considering making application to the City under the Act to create a CID are strongly encouraged to consult private legal counsel.

**III. DEFINITIONS.**

- (a) “Applicant” means the person or entity that submits materials to the City in support of the creation of a CID under this Policy. The Applicant may, but is not required to, be a landowner or a signatory to the petition..
- (b) “City Administrative Fee” means a fee payable from CID Funds or, if applicable, bond proceeds, of not to exceed 2% of the total cost of the CID Project to reimburse the City for services rendered by the City in the administration and supervision of the CID Project by its general officers. In exceptional circumstances, the Governing Body may approve a higher percentage upon making specific findings that such increase is justified based on the administrative burden of the CID Project. The \$1,500 application fee shall be applied as a credit against the percentage charged for the City Administrative Fee.

- (c) “CID Funds” means money collected from Revenue Sources for the purpose of paying CID Project costs through either the issuance of bonds or pay-as-you-go financing.
- (d) “CID Project” means (1) any project whether within the CID, to acquire, improve, construct, demolish, remove, renovate, reconstruct, rehabilitate, maintain, restore, replace, renew, repair, install, relocate, furnish, equip or extend: (i) buildings, structures and facilities; (ii) sidewalks, streets, roads, interchanges, highway access roads, intersections, alleys, parking lots, bridges, ramps, tunnels, overpasses and underpasses, traffic signs and signals, utilities, pedestrian amenities, abandoned cemeteries, drainage systems, water systems, storm systems, sewer systems, lift stations, underground gas, heading and electrical services and connections located within or without the public right-of-way, water mains and extensions, and other site improvements; (iii) parking garages; (iv) streetscape, lighting, street light fixtures, street light connections, street light facilities, benches or other seating furniture, trash receptacles, marquees, awnings, canopies, walls and barriers; (v) parks, lawns, trees and other landscape; (vi) communication and information booths, bus stops and other shelters, stations, terminals, hangars, rest rooms and kiosks; (vii) paintings, murals, display cases, sculptures, fountains and other cultural amenities; (viii) airports, railroads, light rail and other mass transit facilities; and (ix) lakes, dams, docks, wharfs, lake or river ports, channels and levies, waterways and drainage conduits; (2) within the CID, to operate or to contract for the provision of music, news, child care, or parking lots or garages, and buses, minibuses or other modes of transportation; (3) within the CID, to provide or contract for the provision of security personnel, equipment or facilities for the protection of property and persons; (4) within the CID, to provide or contract for cleaning, maintenance and other services to public or private property; (5) within the CID, to produce and promote any tourism, recreational or cultural activity or special event, including, but not limited to, advertising, decoration of any public place in the CID, promotion of such activity and special events and furnishing music in any public place; (6) within the CID, to support business activity and economic development, including but not limited to, the promotion of business activity, development and retention and the recruitment of developers and business; (7) within the CID, to provide or support training programs for employees of businesses; (8) to contract for or conduct economic impact, planning, marketing or other studies; and within or without the CID, costs for infrastructure located outside the CID but contiguous to any portion of the CID and such infrastructure is related to a project within the CID or substantially for the benefit of the CID.
- (e) “CID Sales Tax” means the community improvement district sales tax on the selling of tangible personal property at retail or rendering or furnishing services taxable pursuant to the provisions of the Kansas retailers’ sales tax, and amendments thereto, authorized by K.S.A. 12-6a31 as amended from time to time.

- (f) “City” means the City of Abilene, Kansas.
- (g) “Development” means the proposed development or redevelopment project including the CID Project to be paid in whole or in part with CID Funds and all other capital costs of improvements related to the CID Project to be paid from sources other than the Revenue Sources.
- (h) “Development Agreement” means a written agreement between the City and the Petitioner or its assigns for the completion of a CID Project. Such agreement shall address issues involved in the CID Project, including but not limited to the following: schedule of construction; acquisition of land; eligible CID expenses; scope of development (including development criteria); indemnity of the City and insurance requirements; reimbursement of City costs; financing (private and/or public); transfer restrictions prior to completion; maintenance and restrictive covenants; City inspection and information access rights; reporting requirements; remedies upon default; performance requirements; termination rights; obligation on behalf of the Petitioner to comply with applicable law, including remaining current on all taxes, and the disbursement of CID Funds to pay the City Administrative Fee.
- (i) “Petitioner” means the owners of record of real property who sign and submit a petition to create a CID pursuant to K.S.A. 12-6a29, as amended.
- (j) “Project Costs” means all categories of costs authorized by the Act to be paid for with CID Funds, but excluding the Applicant’s attorneys’ fees.
- (k) “Revenue Sources” means all of or any portion of the following: (1) a pledge of special assessments, if any, imposed in the CID pursuant to the Act which have been paid in full prior to the date set aside by the Governing Body of the City as provided in K.S.A. 12-6a10 and amendments thereto; (2) a pledge of special assessments, if any, imposed in the CID pursuant to the Act, to be paid in installments; (3) a pledge of all of the revenue received from the CID Sales Tax, if any; (4) a pledge of the City’s full faith and credit to use its ad valorem taxing authority for the repayment of full faith and credit bonds issued pursuant to K.S.A. 12-6a36 and amendments thereto; and (5) any other funds appropriated by the City for the purpose of paying project costs including the principal and interest of bonds issued pursuant to the Act.
- (l) All other terms shall have the same meaning as defined in the Act.

**IV. GENERAL EVALUATION CRITERIA.**

The decision to establish a CID is within the sole discretion of the Governing Body. In determining whether to approve a petition to establish a CID, the Governing Body will evaluate whether the

creation of the CID is in the City's best interest, by considering one or more of the following criteria:

- (a) Attracts retail development to positively enhance the economic climate of and benefit the City;
- (b) Results in the building of infrastructure beyond what the City would require or would otherwise build; and
- (c) Promotes new development, rejuvenation, and/or redevelopment within the City.

## **V. BOND ISSUANCE.**

The City typically expects to utilize pay-as-you-go financing for CID Projects rather than the issuance of bonds or notes under the Act. If due to exceptional circumstances, the Governing Body elects to consider the issuance of bonds or notes for a CID Project, the following guidelines will apply to such issues unless an exception is approved by the Governing Body:

- (a) The minimum principal amount of a special obligation bond or note issue will be \$3 million.
- (b) The minimum denominations of special obligation bonds or notes shall be not less than \$100,000. Minimum denominations may be reduced when one or more of the following are met:
  - 1. The project(s) being bond financed are substantially leased;
  - 2. The estimated revenue stream yields significant debt service coverage on the bonds;
  - 3. Construction of the project(s) being bond financed is 100% complete;
  - 4. The repayment term is less than or equal to 60% of the maximum permitted repayment term; and/or
  - 5. Waiver of the minimum denomination requirement by the Governing Body.
- (c) The special obligation bonds or notes will be placed with qualified institutional investors.
- (d) The City will select the underwriter/placement agent for the special obligation bonds or notes.

- (e) The City may require that an independent feasibility study of future CID Sales Tax or special assessment revenues be performed and the cost of such study shall be borne by the Applicant.
- (f) The City may establish other conditions relating to the security for the special obligation bonds or notes such as minimum projected coverage ratios, minimum equity investment, completion of construction, execution of lease agreements for leased parcels, etc.
- (g) The issuance of bonds or notes with the City's full faith and credit or annual appropriation backing will primarily be reserved for public improvements. The Governing Body may also elect to issue General Obligation Bonds for a CID Project if it may be demonstrated by the petitioner to the satisfaction of the Governing Body that "but for" the issuance of General Obligation Bonds the project would not otherwise be feasible. The issuance of bonds or notes with the City's full faith and credit or annual appropriation backing must demonstrate to the satisfaction of the Governing Body an at-large benefit to the City and that such issuance of bonds or notes will not negatively impact the City's credit rating.

## **VI. APPLICATION PROCESS.**

The CID application procedure shall be administered by the City Manager and the City Clerk. The applicant shall submit to the City Manager and City Clerk a complete submission, which shall consist of a cover letter, a petition, and the required application fee. The applicant is strongly encouraged to participate in a pre-application meeting with the City Manager to review the proposed petition and supporting materials and discuss the proposed Development project, before submission of the petition and supporting materials.

- (a) Cover Letter. The cover letter shall be presented in a form and manner satisfactory to the City Manager, and shall contain the following information, which is not required to be included in the statutory petition:
  - i. A detailed description that identifies the proposed buildings, facilities, and other improvements to be constructed or improved in the CID and outside the CID, including architectural and/or engineering renderings, and the estimated date on which construction of the improvements will be commenced and completed;
  - ii. If a CID Sales Tax is being proposed, the current and projected taxable retail sales within the CID;
  - iii. Evidence of the applicant's financial participation in the Development project, and the proposed methods of funding or financing the privately-funded or privately-financed components of the project.

- iv. The current and proposed uses of facilities within the CID, including the status of any lease arrangements; and
  - v. Identification of the current owners of property within the CID and any existing rights of the Applicant to acquire property within the CID.
- (b) CID Petition. The petition for the creation of the CID shall be in such form and contain all such information as is required by the Act. No petition will be accepted by the City Clerk or without the minimum signatures required by the Act. As of the date of this Policy, the minimum signatures required by the Act are: (i) for a CID that is financed in whole or in part with a CID Sales Tax, the petition must be signed by the owners of more than 55% of the land area within the proposed district and the owners collectively owning more than 55% by assessed value of the land area within the proposed district, and (ii) for a CID that is financed by special assessments with no CID Sales Tax, the petition must be signed by the owners of 100% of the land area within the proposed district. No person or entity shall be able to remove such person's or entity's name from the petition after the Governing Body has commenced consideration thereof, or after seven days from the date it is filed with the City Clerk, whichever is sooner.
- (c) Required Fees and Potential Funding Agreement.
- i. At the time of application, the Applicant shall pay an initial non-refundable application fee of \$1,500.
  - ii. Following preliminary review of the petition and supporting materials, the Governing Body may, as a condition to calling a public hearing on the proposed CID, require the Applicant to enter into a written Funding Agreement with the City to reimburse the City for out-of-pocket expenses, including fees of outside legal counsel, bond counsel, financial advisors, and other third-party professional services providers incurred in connection with the review, establishment, financing, and administration of the CID. The requirement of a Funding Agreement, and the amount of any required deposit, shall be determined by the City Commission on a case-by-case basis depending on the size, complexity, and scope of the proposed CID Project. If required, no further action toward calling a public hearing shall occur until such Funding Agreement is executed and any required deposit is received by the City.

Upon receipt of a complete application packet, the City Manager, in consultation with other City staff, legal counsel, bond counsel, and other third-party professionals, as applicable, shall review the application packet and make a determination whether the application complies with the requirements of this Policy and the Act. The City Manager may request, at any time during the preliminary review process, additional information, or corrections or additions to the application and accompanying materials, to assist in the determination of whether the creation of the proposed CID is in the City's best interest. If the application packet is complete and complies with the

requirements of this Policy and the Act, the City Manager shall submit the application packet to the Governing Body.

## **VII. FINAL APPROVAL PROCESS.**

The information provided below is a summary of the procedures for the Governing Body's consideration of a CID petition. Because this Policy does not set forth all the statutory requirements, Applicants are encouraged to read the Act prior to petitioning the City for a CID and consult their own legal counsel with any questions regarding interpretation of the Act.

- (a) Initial Resolution. Following the submission of a complete application and valid petition, the Governing Body may, but is not required to, adopt a resolution giving notice of a public hearing to consider the advisability of creating the CID. The Governing Body may condition the adoption of a resolution calling a public hearing on execution of a Funding Agreement as provided in Section VI(c). If the resolution calling a public hearing is adopted, it shall proceed as follows:
- i. Such resolution shall be published once each week for two consecutive weeks in the City's official newspaper and shall be sent by certified mail to all owners and occupants of property within the proposed CID.
  - ii. The second publication of such resolution shall occur at least seven (7) days prior to the date of the hearing and the certified mailed notice shall be sent at least ten (10) days prior to the hearing.
  - iii. Such resolution shall contain the following information:
    1. Time and place of the hearing;
    2. General nature of the proposed district;
    3. Estimated cost of the project;
    4. Proposed method of financing the project, including, if applicable, the issuance of full-faith and credit bonds;
    5. The proposed amount of the CID sales tax, if any;
    6. The proposed amount and method of assessment, if any;
    7. A map of the proposed district; and
    8. A legal description of the proposed district.
- (b) Ordinance. Following the hearing, the Governing Body may, by majority vote, approve the CID by ordinance. The ordinance shall:
- i. Authorize the project;
  - ii. Approve the estimated costs of the project;

- iii. Contain a legal description and map of the proposed district;
  - iv. Levy the CID sales tax, if any;
  - v. Approve the maximum amount and method of assessment, if any; and
- (c) Development Agreement. Concurrently with, or prior to, the creation of a CID by the Governing Body, the City and the petitioner shall enter into a Development Agreement governing the conduct of the respective parties in relation to the proposed CID.

#### **VIII. COMPLIANCE WITH STATE STATUTE.**

All procedures regarding final approval of a petition as herein set forth are intended to follow the procedures and authority as outlined in the Act for the creation of a CID. Any conflict between this Policy and the Act shall be interpreted in favor of the provisions set forth in the Act.

#### **IX. GOVERNING BODY ACTIONS.**

No elected or appointed officer, employee or committee of the City, or other public or private body or individual, shall be authorized to speak for or commit the Governing Body of the City to the establishment of a CID. The establishment of a CID is in the sole discretion of the Governing Body and until the Governing Body has completed all statutorily prescribed steps necessary to establish a CID, any actions by the Governing Body or its officers or representatives shall be an expression of good faith intent, but shall not in any way bind the City to establish a CID.

Approval of the creation of a CID based on the information presented does not constitute an implied or other approval of a site plan, special use permit, plat, rezoning or other land development application. All proposals for Development are subject to land use approvals by the appropriate body.

#### **X. WAIVER OF REQUIREMENTS.**

The Governing Body reserves the right to grant or deny a CID under circumstances beyond the scope of this Policy or to waive provisions herein. However, no such action or waiver shall be taken or made except upon a finding by the Governing Body that a compelling or imperative reason or emergency exists, and that such action or waiver is found and declared to be in the public interest. The Governing Body shall not waive any statutory requirement of State law.

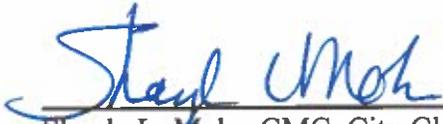
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**CITY OF ABILENE, KANSAS**

By:   
Brandon Rein, Mayor

**ATTEST:**

  
Shayla L. Mohr, CMC, City Clerk