

DEVELOPMENT AGREEMENT

between

THE CITY OF TOPEKA, KANSAS

and

29 FAIRLAWN LLC

for implementation of the

**WHEATFIELD VILLAGE
COMMUNITY IMPROVEMENT DISTRICT
&
TAX INCREMENT FINANCE REDEVELOPMENT
DISTRICT (PROJECT PLAN 1)**

DATED AS OF _____, 2017

**DEVELOPMENT AGREEMENT
WHEATFIELD VILLAGE COMMUNITY IMPROVEMENT DISTRICT
&
TAX INCREMENT FINANCE REDEVELOPMENT
DISTRICT (PROJECT PLAN 1)**

This Development Agreement dated as of _____, 2017, for implementation of the Wheatfield Village Community Improvement District and Project Plan 1 of the Wheatfield Village Tax Increment Finance Redevelopment District (the "Agreement") is entered into by and between the **CITY OF TOPEKA, KANSAS**, a municipal corporation (the "City"), and **29 FAIRLAWN, LLC**, a Kansas limited liability company (the "Developer") (collectively referred to as the "Parties").

WHEREAS, the Developer has proposed to engage in a mixed-use development project to be known as the Wheatfield Village Development, which is anticipated to include retail/restaurant uses, multi-family residential uses, parking garage, surface parking, landscaping, lighting, storm water retention/detention improvements, sidewalks/walkways, streets/drives, ingress/egress, signalization and other associated infrastructure improvements, with a total investment of approximately \$93,000,000, all upon approximately 14.67 acres of land located at 5235 SW 28th Court plus adjacent right-of-way; and

WHEREAS, the Developer has filed a petition and an amended petition with the City to establish the Wheatfield Village Community Improvement District to impose a special Two Percent (2%) sales tax within the boundaries of the CID to assist with funding the costs of development within the Project Area; and

WHEREAS, the City, following a properly noticed public hearing, established the CID District by adoption of the CID Ordinance on _____, 2017; and

WHEREAS, the City, following a properly noticed public hearing, established the Wheatfield Village Redevelopment District by adoption of the TIF Ordinance on _____, 2017, which set a base value for property tax within the boundaries of the TIF District, to assist with funding the costs of development within the Project Area; and

WHEREAS, the City, following a properly noticed public hearing, adopted TIF Project Plan 1 pursuant to Ordinance No. _____ passed by the Governing Body on _____, 2017; and

WHEREAS, the Developer and the City anticipate that the Project will provide significant economic benefits to the City and other political subdivisions, including paying real property taxes to the City and other taxing subdivisions and generating retail sales tax revenues for the City and other entities collecting retail sales taxes; and

WHEREAS, entering into this Agreement serves the public purpose of enabling the Developer to proceed with the Project, thereby increasing economic development in the City and adding to the existing tax base within the City; and

WHEREAS, the City and the Developer desire to enter into this Agreement for the Project to provide the terms and conditions for payment and/or reimbursement of the Project Costs.

NOW THEREFORE, to improve, maintain and revitalize commercial activity in the City by assuring opportunities for redevelopment and attracting sound and stable commercial growth, to promote the public interest, to create new jobs in the City, to enhance the tax base of the City and to induce the Developer to undertake the Project, and in consideration of the premises and mutual covenants and agreement herein set forth, the City and the Developer do hereby covenant and agree as follows:

Section 1 Definitions of Words and Terms

In addition to words and terms defined elsewhere herein, capitalized terms not otherwise defined herein shall have the meanings ascribed thereto in the hereinafter defined Act. Unless the context shall otherwise indicate, words importing the singular number shall include the plural, and vice versa, and words importing persons shall include firms, associations and corporations, including public bodies, as well as natural persons.

“Affiliate” means an entity in which management authority or majority ownership is possessed by Jim Klausman or Floyd Eaton, whether individually or through a trust or other entity in which either of these individuals possesses majority ownership or management authority.

“Captured City Sales Tax” means of the receipts of the City under KSA 12-187 et seq., as amended, and KSA 12-198, as amended, during the TIF Term, from retail sales and compensating use taxes generated in the Project Area equal to One and a Half Percent (1.5%) of any taxable retail sales in any calendar year above the Taxable Retail Sales Base, less any fees charged to the City by the Department of Revenue for its collection of such taxes. The Half-Cent City Sales Tax is part of the Captured City Sales Tax.

“CID Act” means the Constitution and statutes of the State including K.S.A. 12-6a26 *et seq.* as amended and supplemented from time to time.

“CID Commencement Date” means January 1, 2019.

“CID District” means the Wheatfield Village Community Improvement District established by the City pursuant to the CID Ordinance, which contains within its boundaries the real property legally described and generally depicted in *Exhibit A*.

“CID Eligible Project Cost” means the costs of the Project described in the column labeled “CID Eligible Project Costs” on *Exhibit H*, which are eligible to be paid or reimbursed pursuant to the CID Act and in accordance with this Agreement; provided, however: (i) land acquisition costs shall be CID Eligible Project Costs only to the extent they are limited to actual, documented costs for bona fide arm’s length purchase transactions with unrelated parties; (ii) costs described in KSA 12-6a27(m)(2) through and including KSA 12-6a27(m)(8) shall not be CID Eligible Project Costs; and (iii) Developer fees and legal costs shall not be CID Eligible

Project Costs. In addition to the costs described on *Exhibit H*, interest on Developer financing is a CID Eligible Project Cost and shall be reimbursable at the rate of 5.5% per annum on any CID Eligible Project Costs, approved by the City but unreimbursed. Interest shall begin to accrue upon any CID Eligible Project Cost, other than interest costs, commencing on the first day of the month next succeeding the City's approval of the same.

“CID Ordinance” means Ordinance No. _____ passed by the Governing Body of the City on _____, 2017, authorizing the creation of the Community Improvement District and levying the CID Sales Tax, as amended from time to time.

“CID Sales Tax” means the Two Percent (2%) special Community Improvement District Sales Tax levied within the District and collected pursuant to K.S.A. 12-6a31, as amended.

“CID Sales Tax Fund” means that fund held in the City's treasury into which proceeds of the CID Sales Tax are deposited. The City may designate a name for such fund on its books and records at its discretion.

“CID Taxpayers” means any individual or business located in the CID District and required to remit sales and use tax to the Kansas Department of Revenue (and its successors).

“CID Term” means a term commencing on the CID Commencement Date and ending on the date twenty-two (22) years following the CID Commencement Date. In no event shall any deposits be made to the CID Sales Tax Fund after the expiration of the CID Term.

“City” means the City of Topeka, Kansas.

“City Clerk” means the duly appointed City Clerk of the City of Topeka, Kansas.

“Department of Revenue” means the Department of Revenue of the State of Kansas and any successor.

“Developer” means 29 FAIRLAWN, LLC, a Kansas limited liability Company, and its successors and assigns.

“Developer Road Improvement Cost Obligation” means the estimated amounts described in *Exhibit H* under the subheadings “Fairlawn Roadway Improvements” and “29th Street Roadway Improvements which cumulatively equal \$1,113,483.

“Excess Public Road Improvements Costs” means any costs in excess of the Developer Road Improvement Cost Obligation to design and construct the Public Road Improvements, but excluding costs for that certain Wheatfield Village Traffic Impact Study prepared by Transystems and dated July 2017.

“Excusable Delays” means the delays for performance set forth in Section 14(f) herein.

“Governing Body” means the governing body of the City.

“Half-Cent City Sales Tax” means One-Half Cent of the Captured City Sales Tax which was approved pursuant to the City of Topeka Ordinance No. 19257 “exclusively for costs of maintenance and improvements of existing city streets, gutters, curbs, sidewalks, alleys and street lighting”, which may be renewed, supplemented, or altered from time to time by separate ordinance during the TIF Term.

“Half-Cent City Sales Tax Sub-Account” means the subaccount of the TIF Fund into which the proceeds of the Half-Cent City Sales Tax are deposited. The City may designate a name for such fund on its books and records at its discretion.

“Half-Cent Eligible Project Cost” means the costs of the Project described in the column labeled “Half-Cent Sales Tax Eligible Expenses” on *Exhibit H*, which are eligible to be paid or reimbursed in accordance with this Agreement; provided, however, that (i) if the Half-Cent City Sales Tax is not renewed by the voters of the City of Topeka at any point during the TIF Term, there will be no obligation on the part of the City regarding any payments set to be funded by such Half-Cent City Sales Tax (unless the Half-Cent City Sales Tax is later reapproved by ordinance during the TIF Term, at which point the same shall be collected and administered pursuant to the terms of this Agreement); and, provided further, that (ii) any payments made from the Half-Cent City Sales Tax Fund shall be restricted by the specific uses identified in the corresponding ballot language authorizing such Half-Cent City Sales Tax. In addition to the costs described on *Exhibit H*, interest on Developer financing is a Half-Cent Eligible Project Cost and shall be reimbursable at the rate of 5.5% per annum on any Half-Cent Eligible Project Costs. Interest shall begin to accrue upon any Half-Cent Eligible Project Cost, other than interest costs, commencing on the first day of the month next succeeding the City’s approval of the same.

“Parties” means, collectively, the City and the Developer.

“Petition” means the petition, and any amended petitions, requesting the creation of the Wheatfield Village Community Improvement District filed with the City Clerk on August 9, 2017 and August 31, 2017.

“Placed in Service Date” means the date, certified by the Developer’s architect in writing to the City’s Director of Financial and Administrative Services, on which all components of the Project are complete and able to be occupied by the Developer or its tenants.

“Project” means a mixed-use project to be known as the Wheatfield Village Development, which is anticipated to include retail/restaurant uses, multi-family residential uses, parking garage, surface parking, landscaping, lighting, storm water retention/detention improvements, sidewalks/walkways, streets/drives, ingress/egress, signalization and other associated infrastructure improvements, with a capital investment of approximately \$93,000,000.

“Project Area” means Project Area 1 within the TIF District as described in the TIF Project Plan and as further described in the legal description and boundary map attached hereto as *Exhibit C*.

“Project Costs” means all the costs and expenses of the Project expended by the Developer, as more specifically described in *Exhibit H*, which are attached hereto and incorporated herein by this reference.

“Public Finance Proceeds” means the CID Sales Tax, the TIF Captured City Sales Tax, and the TIF Property Tax.

“Public Road Improvements” means those improvements to the public rights-of-way, and any improvements to private property required to effectuate such public improvements, to be constructed by requirement of the Planned Unit Development Plan approved by the Governing Body on _____, 2017.

“Public Road Improvements Costs” means those costs to design and construct the Public Road Improvements.

“Reimbursement Funds” means the CID Sales Tax Fund and the TIF Fund.

“Site Plan” means the site plan for the Project contained within the Planned Unit Development Plan for the Project approved by the Governing Body on <month/day>, 2017, and as amended from time to time through the City’s planning process, which is attached hereto and incorporated herein by this reference as *Exhibit D*.

“State” means the State of Kansas.

“Taxable Retail Sales Base” means One Hundred Ninety-Thousand Dollars (\$190,000.00) for a full year, prorated by month (including any partial month) for any partial year.

“TIF Act” means K.S.A. 12-1770 *et. seq.*, as amended and supplemented from time to time.

“TIF Commencement Date” means January 1, 2019.

“TIF District” means the Wheatfield Village Redevelopment District established by the City pursuant to the TIF Ordinance, which contains within its boundaries the real property legally described and generally depicted in *Exhibit B*.

“TIF Eligible Project Cost” means the costs of the Project described on *Exhibit H*, which are eligible to be paid or reimbursed pursuant to the Act and in accordance with this Agreement; provided, however: (i) land acquisition costs shall be TIF Eligible Project Costs only to the extent they are limited to actual, documented costs for bona fide arm’s length purchase transactions with unrelated parties; and (ii) Developer fees and legal costs shall not be TIF Eligible Project Costs. In addition to the costs described on *Exhibit H*, interest on Developer financing is a TIF Eligible Project Cost and shall be reimbursable at the rate of 5.5% per annum on any TIF Eligible Project Costs. Interest shall begin to accrue upon any TIF Eligible Project

Cost, other than interest costs, commencing on the first day of the month next succeeding the City's approval of the same.

"TIF Fund" means that fund held in the City's treasury as required by KSA 12-1775(b)(2) into which proceeds of the TIF Property Tax and Captured City Sales Tax are deposited. The City may designate a name for such fund on its books and records at its discretion.

"TIF Ordinance" means Ordinance No. _____ passed by the Governing Body of the City on _____, 2017, authorizing the creation of the Tax Increment Finance District, as amended from time to time.

"TIF Project Plan" means that project plan conforming to KSA 12-1772 and adopted by Ordinance No. _____ passed by the Governing Body on _____ and included as *Exhibit I*.

"TIF Project Plan Ordinance" means Ordinance No. _____ passed by the Governing Body of the City on _____, 2017, approving the TIF Project Plan, as amended from time to time.

"TIF Property Tax" means the real property taxes attributable to the increase in the current assessed valuation over the base assessed valuation of the real property from the Project Area during the TIF Term, as determined in accordance with the TIF Act. The base assessed valuation of only the real property within the Project Area shall be utilized to calculate the TIF Property Tax increment available to reimburse the Developer for TIF Eligible Project Costs.

"TIF Taxpayers" means any individual or business located in the TIF District and required to remit sales and use tax to the Kansas Department of Revenue (and its successors).

"TIF Term" means a term commencing on the TIF Commencement Date and ending on the date twenty (20) years following the TIF Commencement Date. In no event shall any deposits be made to the TIF Fund or after the expiration of the TIF Term.

Section 2 District Formation and Purpose

Pursuant to the CID Act and TIF Act, as well as the proceedings of the City, including the CID Ordinance, the TIF Ordinance, and the TIF Project Plan Ordinance, the City has authorized the creation of the CID District and TIF District and has approved the TIF Project Plan. The purpose of creating the CID District and TIF District and approving the TIF Project Plan is to provide the Developer with an economic incentive to undertake the Project and to provide for further economic development of the City. The purpose of this Agreement is to outline the rights, duties and obligations of the Parties as they relate to the CID District and TIF District and to provide for the reimbursement to the Developer of the CID Eligible Project Costs from the proceeds of the CID Sales Tax and TIF Eligible Project Costs from the TIF Property Tax and the Captured City Sales Tax, in accordance with the further terms of this Agreement.

Section 3 Representations of the Parties

(a) The City is a municipal corporation organized under the laws of the State. The City is authorized pursuant to the CID Act to create the CID District and levy the CID Sales Tax and the TIF Act to create the TIF District and approve the TIF Project Plan; to enter into this Agreement and to perform the duties and obligations of the City contained herein. The Governing Body has taken all requisite action to pass the CID Ordinance, the TIF Ordinance, and the TIF Project Plan Ordinance, which, when they each become effective: 1) create the CID District and levy the CID Sales Tax and 2) create the TIF District and approve the TIF Project Plan. This Agreement constitutes a valid and binding obligation of the City in accordance with its terms and conditions.

(b) The Developer is a limited liability company duly organized and existing under the laws of the State. The Developer has taken all requisite action under its organizational documents to authorize the execution of this Agreement and to perform the duties and obligations of the Developer contained herein. The Agreement constitutes a valid and binding obligation of the Developer in accordance with its terms. Throughout the term of this Agreement, the Developer agrees to maintain its status as such an entity, in good standing and authorized to do business in the State.

Section 4 Project Costs

(a) A description of the scope of the Project, the estimated Project Costs, the estimated CID Eligible Project Costs and the estimated TIF Eligible Project Costs, as submitted by the Developer, are set forth on *Exhibit H*.

(b) The Parties agree that the amount of the Project Costs may be adjusted by the Developer among any of the stated categories, without the consent of the City, except for as follows:

(1) The Parties agree that the amounts of CID Eligible Project Costs as shown on *Exhibit H* may not be increased by the Developer for the following categories: land acquisition, developer fees, and legal/lease concession.

(2) The Parties agree that the amounts of TIF Eligible Project Costs as shown on *Exhibit H* may not be increased by the Developer for the following categories: land acquisition, developer fees, and legal/lease concession.

Section 5 Funding of Project

(a) The Project Costs will be paid by, or on behalf of, the Developer and reimbursed as a pay-as-you-go-financing under the CID Act and TIF Act. The City will not advance any

City funds for the payment of any Project Costs, except as provided in Section 5(b) and 5(c) herein, and will not provide any financing, including the issuance of any bonds or notes. Reimbursement to the Developer shall be made in accordance with Section 7 of this Agreement.

(b) In the event the cost to design and construct the Public Road Improvements exceeds the estimated amounts described in *Exhibit H* under the subheadings “Fairlawn Roadway Improvements” and “29th Street Roadway Improvements,” which cumulatively equal \$1,113,483 (the “Developer Road Improvement Cost Obligation”), the City shall be solely responsible for payment of any such Excess Public Road Improvements Costs from funds other than the Public Finance Proceeds. Funds for any Excess Public Road Improvements Costs will not be advanced by the Developer, but will rather be paid by the City directly. If the Developer has expended funds in the amount of the Developer Road Improvement Obligation in order to construct the Public Road Improvements, the Developer shall certify the same in writing to the City.

(c) The City shall be responsible for acquiring any private property required to construct the Public Road Improvements, whether by eminent domain or otherwise, and shall complete such acquisition within a reasonable time frame to facilitate said Public Road Improvements; provided, however, that the Developer agrees to donate (at no cost) any and all Developer-owned property to facilitate said Public Road Improvements as identified in the construction drawings for such Public Road Improvements as jointly approved by the Parties. Any costs for any such right of way acquisition qualify as Excess Public Road Improvements Costs and are the responsibility of the City.

Section 6
Reimbursement of City Costs; Administration of CID Sales Tax,
Administration of CID Sales Tax TIF Sales and Property Tax, and Half-Cent City Sales
Tax

(a) As required by City policy, the Developer shall be responsible for paying all costs necessary to comply with state law, including but not limited to: costs of legal publication notices, resolutions and ordinances. The Developer shall also reimburse the City for reasonable expenses associated with review and evaluation of the Petition and this Agreement by the City’s financial advisor. Developer payments under this Section 6(a) shall be considered to be CID Eligible Project Costs or TIF Eligible Project Costs. The Developer shall pay such costs as required under this Section 6(a) within thirty (30) days of invoice by the City; but shall not be required to make such payments more than once per calendar month.

(b) Subject to, and as specified by, the terms and conditions of this Agreement, the City agrees to perform, or provide for the performance of, the administration of the reimbursement of the CID Eligible Project Costs. On or before September 30, 2018, the City shall provide notification to the Department of Revenue to commence the collection and reporting of the CID Sales Tax within the District in accordance with the provisions of the CID Act. The imposition of the CID Sales Tax shall commence on January 1, 2019, or as soon thereafter as the Department of Revenue begins the collection of the CID Sales Tax, and shall expire at the end of the CID Term. Notwithstanding this subsection (b), if no CID Eligible

Project Costs remain unreimbursed, the City may repeal the CID Ordinance prior to the expiration of the CID Term if the Governing Body determines that the CID Sales Tax is no longer required to pay for such CID Eligible Project Costs.

(c) Pursuant to the CID Act, the City shall establish the CID Sales Tax Fund as a segregated fund within the treasury of the City, which shall be held and administered by the City in accordance with this Agreement and the Act. Revenues collected from the CID Sales Tax, and received by the City from the Department of Revenue during the CID Term, shall be deposited periodically in the CID Sales Tax Fund, but not less than monthly.

(d) The City shall impose and collect a fee for the administration of the CID Sales Tax. On the 15th day of each month (or the next business day if such day shall not be a normal business day of the City) of each year during the term of this Agreement, the City shall withdraw from the CID Sales Tax Fund an amount equal to Two Percent (2%) of the aggregate deposits to the CID Sales Tax Fund.

(e) Subject to, and as specified by, the terms and conditions of this Agreement, the City agrees to perform, or provide for the performance of, the administration of the reimbursement of the TIF Eligible Project Costs. The commencement of the TIF Property Tax collections and the segregation of the TIF Captured City Sales Tax shall commence on January 1, 2019, or as soon thereafter as the Shawnee County Treasurer begins the collection of the TIF Property Tax, and shall expire at the end of the TIF Term. Notwithstanding this subsection (e), if no TIF Eligible Project Costs remain unreimbursed, the City may repeal the TIF Project Plan Ordinance prior to the expiration of the TIF Term if the Governing Body determines that the TIF Project Plan is no longer required to pay for the TIF Eligible Project Costs.

(f) Pursuant to the TIF Act, the City shall establish the TIF Fund as a segregated fund within the treasury of the City, which shall be held and administered by the City in accordance with this Agreement and the TIF Act. Proceeds of the TIF Property Tax received by the City from the Shawnee County Treasurer and the TIF Captured City Sales Tax received by the City from the Department of Revenue during the TIF Term shall be deposited periodically in the TIF Fund, but not less than monthly. The Half-Cent City Sales Tax Subaccount shall be utilized to reimburse the Developer “exclusively for costs of maintenance and improvements of existing city streets, gutters, curbs, sidewalks, alleys and street lighting” pursuant to City of Topeka Ordinance No. 19257.

(g) The City shall impose and collect a fee for the administration of the TIF Property and the Captured City Sales Tax. On the 15th day of each month (or the next business day if such day shall not be a normal business day of the City) of each year during the term of this Agreement, the City shall withdraw from the TIF Fund an amount equal to Two Percent (2%) of the aggregate deposits to the TIF Fund.

(h) Subject to, and as specified by, the terms and conditions of this Agreement, the City agrees to perform, or provide for the performance of, the administration of the reimbursement of the Half-Cent Eligible Project Costs from the Half-Cent City Sales Tax Subaccount. Notwithstanding this subsection (h), if no Half-Cent Eligible Project Costs remain unreimbursed, the City shall discontinue capture of the Half-Cent Sales Tax.

Section 7 Reimbursement Procedures

Reimbursement of CID Eligible Project Costs, TIF Eligible Project Costs, and Half-Cent Eligible Project Costs is conditioned upon the following:

(a) Not more frequently than once per calendar month, the Developer may submit to the Director of Financial and Administrative Services (“Director”) a Certification of Expenditures (in substantially the form attached to this Agreement as *Exhibit E, Exhibit F and Exhibit G*, which are attached hereto and incorporated herein by this reference) signed by the Developer, with supporting documentation identifying the CID Eligible Project Costs, TIF Eligible Project Costs, and/or Half-Cent Eligible Project Costs for which the Developer seeks reimbursement. The supporting documentation shall include: copies of invoices reflecting amounts billed, copies of checks, evidence of wire transfers or other cash payments by the Developer for Project Costs, lien waivers or other evidence that no mechanic’s liens exist with respect to the construction of the Project for which reimbursement is sought and such other documentation as the City shall reasonably request.

(b) Each Certificate of Expenditures shall contain a certification by the Developer that each Project Cost submitted for reimbursement is a CID Eligible Project Cost, a TIF Eligible Project Cost, or a Half-Cent Eligible Project Cost, that such expense has been incurred by the Developer, and that such expense has not been previously submitted for reimbursement from the same fund or subaccount, as applicable, hereunder. The City reserves the right to have its engineer or other agents or employees inspect all work associated with a submitted Certification of Expenditure, to retain an outside accountant, engineer or attorney to evaluate and assist with processing Certifications of Expenditures for compliance with this Agreement (with the reasonable costs of such outside accountant, engineer or attorney paid from the TIF Fund, so long as the City provides notice to the Developer of the expense to be incurred at least fifteen (15) days prior to such expenditure), to examine the Developer’s records relating to all CID Eligible Project Costs, TIF Eligible Project Costs, and/or Half-Cent Eligible Project Cost to be paid and to obtain from such parties such other information as is reasonably necessary for the City to evaluate compliance with the terms hereof.

(c) The City shall have fifteen (15) calendar days after receipt of any completed and executed Certification of Expenditure to review and respond by written notice to the Developer; provided, however, that the City may, prior to the end of such fifteen (15) day period, advise the Developer if additional time is needed to review and respond to such Certificate, in which event the City shall respond by the extended date so indicated, which date shall not be more than thirty (30) days after the date of such notice. If, in the reasonable judgment of the officer or agent of the City charged with reviewing each Certification of Expenditure, the submitted documentation demonstrates that: (1) the payments requested in the Certification of Expenditure are for CID Eligible Project Costs, TIF Eligible Project Costs, and/or Half-Cent Eligible Project Costs; (2) the expense was incurred; (3) the Developer is not in default under this Agreement; (4) the ad valorem property taxes for property owned by the Developer within the CID District and the TIF District are current; and (5) there is no fraud on the part of the Developer, then the City shall

approve the Certification of Expenditure, and, if there are sufficient funds available in the Reimbursement Funds as set forth herein, make, or cause to be made, reimbursement to the Developer at the time set forth in subsection (d) of this Section. If the City disapproves the Certification of Expenditure, the City shall notify the Developer, in writing, of the reason(s) for such disapproval within such fifteen (15) calendar-day period (or such extended period as provided herein). The City will provide reasonable assistance to the Developer so that the Developer can take the steps necessary to rectify the reason for the City's disapproval and resubmit such Certificate of Expenditure for approval by the City. However, if only certain line items on the Certification of Expenditure are disapproved and others are approved, if there are sufficient funds available in the Reimbursement Funds as set forth herein, the City shall make, or cause to be made, reimbursement for the line items of the Certification of Expenditure approved by the City from Reimbursement Funds. The Developer agrees to make a good faith effort to submit thorough and complete Certifications of Expenditures. The Developer may appeal a denial of one or more items of a Certification of Expenditure in accordance with the administrative appeal process defined in the Topeka Municipal Code.

(d) Subject to the further terms of this Agreement, and to the extent moneys are available in the CID Sales Tax Fund, TIF Fund, or Half-Cent City Sales Tax Subaccount, any requested reimbursement approved by the City pursuant to this Section 7 shall be paid to the Developer through the City's regular accounts payable process from the CID Sales Tax Fund, TIF Fund, and Half-Cent City Sales Tax Subaccount; provided, however, that no deposits shall be made to the CID Sales Tax Fund and TIF Fund after the expiration of the CID Term or the TIF Term, respectively. All amounts deposited in the CID Sales Tax Fund and TIF Fund prior to the expiration of the CID Term and TIF Term, respectively, shall be used to reimburse the Developer for CID Eligible Project Costs and TIF Eligible Project Costs, regardless if the reimbursement occurs after the expiration of the CID Term or TIF Term.

(e) Notwithstanding any other provision herein, the City shall not make any payments to the Developer for reimbursement of any cost pursuant to this Section until the first Certificate of Occupancy is issued for a building within the Project Area.

Section 8 City and Other Governmental Permits

Before beginning construction of any aspect of the Project, the Developer shall, at its expense, obtain or cause to be obtained any necessary planning documents, permits or licenses that may be required by the City, Shawnee County or any other governmental agency having jurisdiction over the Project.

Section 9 Reporting

(a) From and after the commencement of this Agreement, the Developer shall make commercially reasonable efforts to ensure that all CID Taxpayers, at the request of the Director, not later than the 15th day of each month, to provide copies of any sales tax filings required to be submitted to the Department of Revenue for the next preceding month (or the next preceding

quarter if such taxpayer is a quarterly filer). Provided the Developer can demonstrate that it made commercially reasonable efforts to ensure CID Taxpayer compliance with this Section 9(a), failure to obtain such compliance will not be considered a default of the Development under this Agreement. The Developer shall demonstrate it has made commercially reasonable efforts to ensure CID Taxpayers provide copies of such filings to the Director by imposing a requirement in any lease of property located within the CID District that if the tenant is a CID Taxpayer it shall provide this information to the Director not later than the 15th day of each month for the next preceding month (or the next preceding quarter if such taxpayer is a quarterly filer).

(b) Not later than January 25th of each year, commencing January 25, 2018, and ending January 25, 2041, the Developer shall provide to the Director a reporting, as of December 31st of the next preceding year, of: (i) annual and cumulative Project Costs; (ii) Project Costs funded with sources other than reimbursements from the Reimbursement Funds; (iii) the remaining amount of unreimbursed CID Eligible Project Costs; and (iv) proof of insurance as provided in Section 11 herein. Such reporting shall be in the form of the Project Budget attached hereto as *Exhibit H*. The Developer shall make every reasonable effort to file all such reports with the City, but failure of the Developer to timely file such reporting shall not be a default of the Developer under this Agreement.

(c) From and after the commencement of this Agreement, the Developer shall make commercially reasonable efforts to ensure that all TIF Taxpayers, at the request of the Director, not later than the 15th day of each month, to provide copies of any sales tax filings required to be submitted to the Department of Revenue for the next preceding month (or the next preceding quarter if such taxpayer is a quarterly filer). Provided the Developer can demonstrate that it made commercially reasonable efforts to ensure TIF Taxpayer compliance with this Section 9(a), failure to obtain such compliance will not be considered a default of the Development under this Agreement. The Developer shall demonstrate it has made commercially reasonable efforts to ensure TIF Taxpayers provide copies of such filings to the Director by imposing a requirement in any lease of property located within the TIF District that if the tenant is a TIF Taxpayer it shall provide this information to the Director not later than the 15th day of each month for the next preceding month (or the next preceding quarter if such taxpayer is a quarterly filer).

(d) Not later than January 25th of each year, commencing January 25, 2018, and ending January 25, 2039, the Developer shall provide to the Director a reporting, as of December 31st of the next preceding year, of: (i) annual and cumulative Project Costs; (ii) Project Costs funded with sources other than reimbursements from the Reimbursement Funds; (iii) the remaining amount of unreimbursed TIF Eligible Project Costs; and (iv) proof of insurance as provided in Section 11 herein. Such reporting shall be in the form of the Project Budget attached hereto as *Exhibit H*. The Developer shall make every reasonable effort to file all such reports with the City, but failure of the Developer to timely file such reporting shall not be a default of the Developer under this Agreement.

(e) If the boundaries of the CID District and TIF Project Area are coterminous, information provided to the City by Developer or its tenants in accordance with Section 9(a)-(d) above shall not be duplicated.

(f) The City shall be responsible for collecting, accounting for and remitting CID Sales Tax to the CID Sales Tax Fund and the Captured City Sales Tax to the TIF Fund upon receipt of such amounts from the Kansas Department of Revenue.

Section 10 Rights of Access

For purposes of insuring compliance with this Agreement, representatives of the City shall have rights of access to the Project, without charges or fees, during normal business hours during the period of Project construction, to inspect work performed or being performed in the construction of the Project. City representatives shall carry proper identification, insure their own safety and shall not interfere with construction activity unless such activity is apparently in violation of this Agreement, City codes, state or federal regulations, statutes or other law. The right of access granted by this Section shall be in addition to the City's rights to access the Project in the exercise of its proper authority to regulate, and provide for, public safety and to issue and enforce required licenses and permits.

Section 11 Insurance and Indemnification

(a) The Developer agrees to defend, indemnify and hold the City, its officers, agents and employees, harmless from and against all liability for damages, costs and expenses, including attorney fees, arising out of any claim, suit, judgment or demand arising from the negligent and/or intentional acts or omissions of the Developer, its contractors, subcontractors, agents or employees in the performance of this Agreement. The Developer shall give the City immediate written notice of any claim, suit or demand that may be subject to this provision. The City shall also give prompt notice to the Developer of any such claim, suit, or demand, and the City hereby agrees that it shall not defend, settle or otherwise resolve any such claim, suit, or demand without prior notice to the Developer. After receipt of such notice, the Developer shall defend, contest, or otherwise protect the City against any such matter, at the cost and expense of the Developer, utilizing counsel selected by the Developer. This section shall not apply to negligence or willful misconduct of the City or its officers, employees, or agents.

(b) Not in derogation of the indemnification provisions set forth herein, the Developer shall, at its sole cost and expense, throughout the term of this Agreement and during all phases of the development described herein, to the extent Developer holds fee title to property within the District, insure and keep insured any vertical structures built in the District against direct loss or damage occasioned by fire, flood and extended coverage perils through insurers with an AM Best rating of no less than "A" and/or a rating that is acceptable to the City without co-insurance. The insurance shall be for an amount that is not less than the full replacement cost of such structures.

(c) In the event of destruction or damage to any vertical structure owned by the Developer, the Developer shall restore the Project to a clean, safe, and sanitary condition within the time parameters and other terms or provisions identified in any lease agreement with any CID Taxpayer or TIF Taxpayer; provided, however, that in all events the Developer shall cause

all damaged or destroyed property within the Project to be restored to a clean, safe and sanitary condition within a reasonable period of time after such damage or destruction, not to exceed Ninety (90) days. If the Developer has commenced work associated with restoring the damaged or destroyed property within the Project to a clean, safe, and sanitary condition within such 90 day period, but has been unable to complete this work, the Developer may request a 90-day extension from the City to continue and ultimately complete all restoration efforts within One Hundred Eighty (180) days. Further reasonable extensions may be requested by the Developer which may be approved by the City in its reasonable discretion, not to be unreasonably withheld. Notwithstanding the foregoing, nothing in this Section shall require the Developer to rebuild or reconstruct any component of the Project damaged or destroyed by casualty or other causes, so long as the Developer restores the Project to a clean, safe, and sanitary condition.

Section 12 Local, State and Federal Laws

The Developer agrees that it shall abide by, and the Project shall be completed in conformity with, all applicable federal, state and local laws and regulations.

Section 13 Nondiscrimination During Construction

The Developer, for itself and its successors and assigns, agrees that in the construction of the Project, the Developer shall not discriminate against any employee or applicant for employment because of race, color, creed, religion, age, sex, marital status, handicap, national origin or ancestry.

Section 14 Default and Remedies

(a) The failure or delay by either of the Parties to this Agreement to perform any term or provision of this Agreement required of such Party, shall constitute an event of default under this Agreement, subject to rights of cure, as specified below.

(b) Notice of an event of default shall be given by the Party claiming such default to the other Party and shall contain the basis of the claimed default.

(c) No legal proceedings against the claimed defaulting Party shall be instituted nor shall the claiming Party be entitled to damages if, within fourteen (14) days from the receipt of a notice of claimed default, the claimed defaulting Party undertakes acts to cure, correct or remedy such claimed default, proceeds with due diligence to complete such cure, correction or remedy and such cure, correction or remedy is completed within thirty (30) days of the date such claimed defaulting Party received a notice of default. If the Party claimed to be in default cannot reasonably cure such claimed default within thirty (30) days, the claimed defaulting Party shall notify the other Party of such assertion with a proposed date to complete the cure; and default shall be suspended if the claimed defaulting Party commences curing the default within fourteen (14) days after receipt of written notice thereof and diligently prosecutes the cure to completion within the time period set forth in the notice to the Party claiming the default.

(d) In the event the defaulting Party does not cure the event of default as set forth in this Section, the non-defaulting Party shall have the right:

(1) by mandamus or other suit, action or proceedings at law or in equity, to enforce the rights of the non-defaulting Party against the defaulting Party and to require and compel duties and obligations required by the provisions of the Agreement or by the laws of the State;

(2) by suit, action or other proceedings at law or in equity, to enjoin any acts or things that may be unlawful or in violation of the rights of the non-defaulting Party; or

(3) to take such other action as necessary to protect the interests of the City, including suspending reimbursements to the Developer from the CID Sales Tax Fund and TIF Fund, which reimbursements may be reinstated following cure of the default.

(e) Notwithstanding any other provision of this Agreement to the contrary, in no event shall the Developer or the City ever be liable for any punitive, special, incidental, or consequential damages in connection with this Agreement, or otherwise. For the purposes of this Section, consequential damages shall include, but not be limited to, lost tax revenue or other similar losses which are not direct out-of-pocket costs incurred by the non-defaulting Party. Further, specific performance shall not be available to the City to require the Developer to construct any component of the Project.

(f) In addition to specific provisions of this Agreement, performance by a Party hereunder shall not be deemed to be in default, and all performance and other dates specified in this Agreement shall be extended, where the Party seeking the extension has acted diligently and delays or defaults are due to events beyond the reasonable control of the Party such as, but not limited to: default of other Party; war; insurrection; strikes; labor shortages; market conditions; lockouts; riots; floods; earthquakes; fires; casualties; acts of God; epidemics; quarantine restrictions; freight embargoes; unusually severe weather; government delays or prohibitions; administrative or permitting delays; or any other causes beyond the control or without the fault of the Party claiming an extension of time to perform (“Excusable Delays”). The time of performance hereunder shall be extended for the period of any delay or delays caused or resulting from any Excusable Delay of the foregoing causes. The Developer shall provide notice to the City if and when any such Excusable Delays occur and the Developer may be granted such extensions based upon the period of such Excusable Delays.

(g) Specific Events of Default. In addition to other defaults that might occur pursuant to this Section, the Developer shall be considered to be in default if any of the following occurs:

(1) The Developer commences a voluntary case under any chapter of the Bankruptcy Code (Title 11, United States Code), as now or hereafter in effect, or if the Developer takes any equivalent or similar action by filing a petition or otherwise under any other federal or state law in effect at such time relating to the bankruptcy or insolvency.

(2) If a petition is filed against the Developer under any chapter of the Bankruptcy Code as now or hereafter in effect at the time of filing, or if a petition is filed seeking any such equivalent or similar relief against the Developer under any other federal or state law in effect at the time relating to bankruptcy or insolvency, unless lacking in foundation.

(3) The Developer makes a general assignment for the benefit of creditors.

(4) If a trustee, receiver, custodian or agent of the Developer is appointed under applicable law or under contract, whose appointment or authority to take charge of property of the Developer is for the purpose of enforcing a lien against property in the CID District and TIF District or for the purpose of general administration of such property for the benefit of the Developer's creditors.

(6) The Developer fails to spend at least a minimum of Forty Million Dollars (\$40,000,000) of Project Costs on the Project (including any Project Costs certified for reimbursement from Public Finance Proceeds) on or before the Placed in Service Date, to be attested to in writing by the Developer not later than the Placed in Service Date.

(7) The Developer does not commence construction of the Project by December 31, 2018. Commencement of construction shall mean the issuance of a building permit or site construction permit for purposes of commencing the Project.

(8) The Developer fails to construct the following Project components by the Placed in Service Date:

- a. A multi-story 150-180 unit, upscale, market rate apartment complex "wrapped" around a parking garage;
- b. A seven to nine-screen, state-of-the-art movie theater with bar and food service;
- c. A multi-story 70 to 90-room hotel with a national flag;
- d. A family dining restaurant at the southeast corner of the site;
- e. A fast food restaurant building with two tenants, and including one operating a drive-through window at east end of the site;
- f. An open-space area at the southeast corner of the site; and
- g. Land acquisition, site preparation and horizontal improvements required to support the Project.

The description of the Project contained herein shall be subject to the provisions of the Planned Unit Development plan and final plans for each Project component approved by the City for the Project, as amended from time to time.

(9) The Developer shall provide notice of all proposed initial tenants and third party operators of any Project component to the City, through its City Manager, ten (10) days prior to execution of a lease or agreement for same, respectively. The City Manager

may then have an opportunity to provide his or her written objection to such tenant or third party operator to Developer within such ten (10) day period, including a detailed description of the basis for such objection. If the City Manager does not issue such objection within the ten (10) day period, the City Manager's opportunity to object shall be deemed waived. In the event the City Manager issues such a notice of objection, the Parties shall meet to discuss such objection in order to reach resolution as to the proposed tenant or third party operator. In the event such resolution cannot be reached within ten (10) days following the City Manager's notice of objection to the Developer, the City Manager shall have the opportunity to place the issue as a discussion item on the next proceeding agenda of a regular meeting of the Governing Body, at which time the City Manager and the Developer shall appear before the Governing Body to discuss such objection in order to reach resolution regarding the same.

(10) The Developer fails to restore the Project to a clean, safe, and sanitary condition as required by Section 11 of this Agreement within One-Hundred Eighty (180) days of any damage or destruction of all or a portion of the Project (or within the period as extended by the terms of Section 11).

(11) The Developer fails to make payments required by Section 6(a) of this Agreement in a timely manner.

(12) The Developer authorizes or permits to be included in the Project any of the impermissible end users included in *Exhibit J* hereto, unless approved by the City.

Section 15 Governing Law, Jurisdiction

(a) This Agreement shall be governed by, interpreted and enforced pursuant to the laws of the State.

(b) The Parties agree that any legal actions arising out of this Agreement will be instituted in the District Court of Shawnee County, Kansas or, in the case of federal jurisdiction, in the Federal District Court for the District of Kansas.

Section 16 Rights and Remedies Cumulative, Waivers

Except as otherwise expressly provided in this Agreement, the rights and remedies of the Parties shall be cumulative, and the exercise by one party of one or more such rights shall not preclude the exercise by it, at the same or different times, of any other rights or remedies specified herein. Any failure or delay by either party in asserting any of its rights and remedies as to any default hereunder shall not operate as a waiver of such default or of any rights or remedies specified hereunder, or deprive either party of its right to assert and enforce any such right or remedy.

Section 17
Amendments

This Agreement may be amended by the parties, which amendment shall be in writing and shall not cause the Agreement to be in violation of the Act.

Section 18
Transfer and Assignment

The Parties acknowledge that the Developer's expertise in constructing and managing like projects and its commitment to Topeka were material inducements to the City undertaking this Agreement. As such:

(a) The Developer may not assign this Agreement, or the rights, duties, and obligations hereunder without the prior written consent of the City. In determining whether to approve such an assignment, the City will similarly assess the proposed assignee's expertise in constructing and managing like projects and its commitment to Topeka; provided, however, that it shall be unreasonable to disapprove any such assignee if such assignee possesses the requisite financial qualifications and capabilities to perform the duties and obligations contained within this Agreement. The City's consent to any proposed assignment may not be unreasonably withheld.

(b) Notwithstanding the foregoing, the Developer may:

(1) assign or pledge its rights under this Agreement to any Affiliate by giving thirty (30) days' prior written notice to the City of its intent to proceed with such assignment or pledge; and/or

(2) collaterally assign or pledge its rights to payments due hereunder to its lender. The Developer shall provide written notice to the City of such assignment or pledge within one month of execution of the same, addressed to the Topeka City Manager, including a copy of any agreement evidencing such collateral assignment or pledge to such third party.

(c) Nothing herein shall prohibit (or require City approval to allow) the Developer from forming additional development or ownership entities to replace or joint venture with the Developer for the purpose of business and/or income tax planning; provided, however, that such additional development or ownership entities or joint ventures shall be an Affiliate.

Section 19
Notices, Demands, Communications Among Parties

Any notice, request, complaint, demand or other communication required or desired to be given or filed under this Agreement shall be in writing, addressed to the following:

(a) To the City at:

CITY OF TOPEKA, KANSAS
City Hall, Room 355
215 SE 7th Street
Topeka, Kansas 66603
Attn: City Manager

With a copy to:

City Clerk
City Hall, Room 166
215 SE 7th Street
Topeka, Kansas 66603

and

City Attorney
City Hall, Room 353
215 SE 7th Street
Topeka, Kansas 66603

(b) To the Developer at:

Jim Klausman
Jennifer Sourk
29 Fairlawn LLC
3024 SW Wanamaker Road, Suite 300
Topeka, Kansas 66614

With a copy to:

Bob Johnson
Polsinelli PC
6201 College Boulevard
Overland Park, Kansas 66201

Such notice shall be deemed duly given or filed if the same shall be: (i) duly mailed by certified or registered mail, postage prepaid; or (ii) communicated via facsimile, with electronic or telephonic confirmation of receipt. All notices given by: (i) certified or registered mail, postage prepaid, shall be deemed duly given as of the date they are so mailed; and (ii) facsimile, with electronic or telephonic confirmation of receipt, shall be deemed duly given as of the date of confirmation of receipt. The Parties may from time to time designate, by giving notice as set forth above, such other address to which subsequent notices, certificates or other communications shall be sent.

Section 20
Entire Agreement

This Agreement is executed in duplicate originals, each of which shall be considered an original. This Agreement, including the Exhibits hereto, constitutes the entire agreement and understanding of the Parties. This Agreement supersedes all negotiations or previous agreements between the parties or their predecessors in interest with respect to all or any part of the subject matter of this Agreement.

Section 21
Electronic Transactions

The transactions related thereto and described herein may be conducted and documents may be stored by electronic means.

Section 22
Severability

The invalidity or inability to enforce any one or more phrases, sentences, clauses or sections of this Agreement shall not affect the validity or enforceability of the remaining portions of this Agreement.

Section 23
No Liability of City Officials or Employees

All liabilities under this Agreement on the part of the City and the Developer are solely corporate liabilities of the City and the Developer and no officer, director, employee, or agent of the City or the Developer shall have any personal or individual liability under this Agreement for anything done or omitted to be done by the City or the Developer hereunder.

[page intentionally blank]

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed as the dates set forth opposite the signatures and represent that the individuals executing this Agreement on behalf of the Parties have the express authority to do so.

CITY OF TOPEKA, KANSAS

(SEAL)

By: _____
Doug Gerber, Interim City Manager

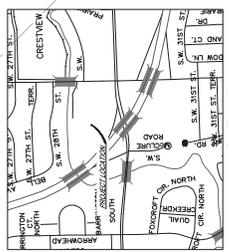
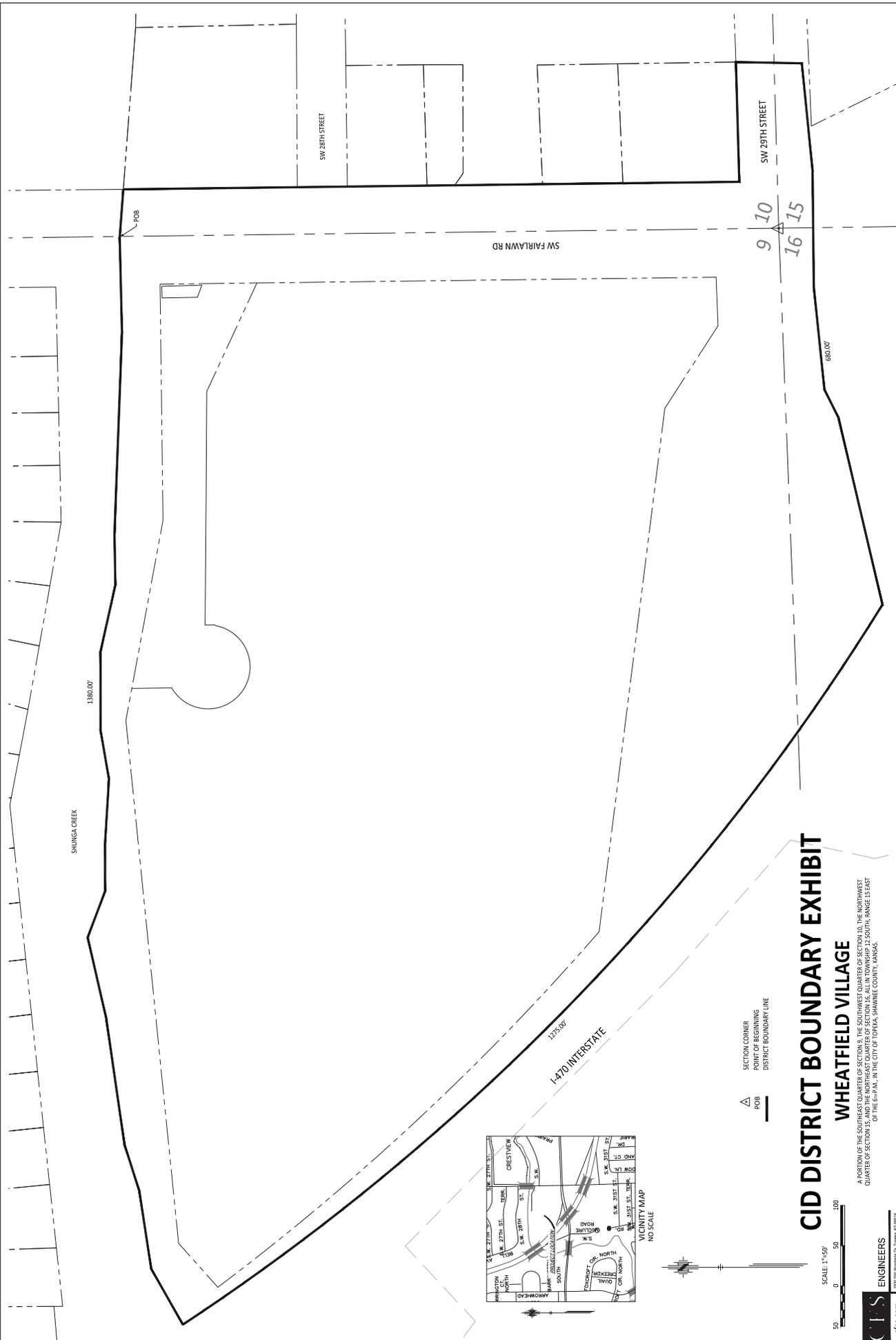
ATTEST:

By: _____
Brenda Younger, City Clerk

**29 FAIRLAWN, LLC,
a Kansas limited liability company**

By: _____
Jim Klausman, Member

EXHIBIT A
Legal Description and Boundary Map of CID District



VICINITY MAP
NO SCALE

- △ SECTION CORNER
- POB POINT OF BEGINNING
- DISTRICT BOUNDARY LINE

CID DISTRICT BOUNDARY EXHIBIT

WHEATFIELD VILLAGE

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 9, THE SOUTHWEST QUARTER OF SECTION 10, THE NORTHWEST QUARTER OF SECTION 15, AND THE EAST HALF OF SECTION 16, TOWNSHIP 15 NORTH, RANGE 15 EAST OF THE MERIDIAN, IN THE CITY OF TOPSAIL, SHAWNEE COUNTY, KANSAS.



WHEATFIELD VILLAGE

Project 14-5195

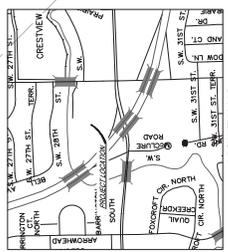
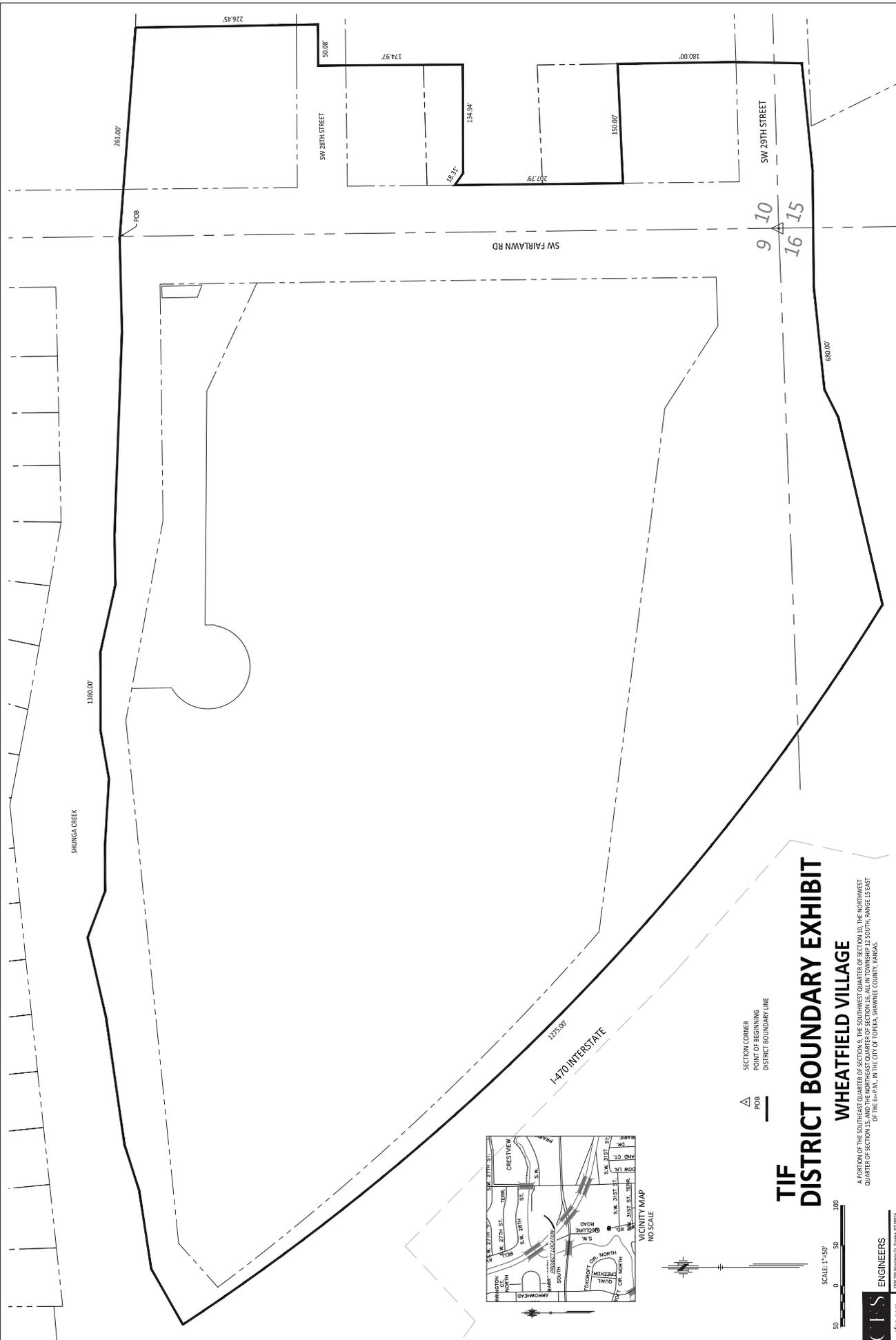
July 26, 2017

CID DISTRICT BOUNDARY

A portion on the Southeast Quarter of Section 9, the Southwest Quarter of Section 10, the Northwest Quarter of Section 15, and the Northeast Quarter of Section 16, all in Township 12 South, Range 15 East of the 6th P.M., in the City of Topeka, Shawnee County, Kansas described as follows:

Beginning at a point on the West line of said Southwest Quarter of Section 10, at a point 813.39 feet North of the Southwest corner of said Quarter Section, said point being on the extension of the North line of Shunga Plaza Subdivision and in the center of Shunga Creek; thence Southeasterly on the extension of the North line of said Shunga Plaza Subdivision to the East Right of Way line of Southwest Fairlawn Road; thence Southerly on said East Right of Way line to the intersection with the North Right of Way line of Southwest 29th Street; thence Easterly on the North Right of Way of Southwest 29th Street a distance of 150 feet more or less; thence Southerly to a point 20 feet South of the South curb line of Southwest 29th Street; thence Westerly and Southwesterly parallel with said South curb line and its extension a distance of 680 feet more or less to a point 100 feet measured at right angles to the center of the west-bound lanes of Interstate-470; thence Northwesterly and Northerly along a line being parallel with of 100 feet Northeasterly of said center of the west-bound lanes, a distance of 1,275 feet more or less to the center of Shunga Creek; thence Easterly on the center of said Shunga Creek a distance of 1,380 feet more or less to the point of beginning.

EXHIBIT B
Legal Description and Boundary Map of TIF District



- △ SECTION CORNER
- POB POINT OF BEGINNING
- DISTRICT BOUNDARY LINE

TIF DISTRICT BOUNDARY EXHIBIT

WHEATFIELD VILLAGE

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 9, THE SOUTHWEST QUARTER OF SECTION 10, THE NORTHWEST QUARTER OF SECTION 15, AND THE EAST HALF OF SECTION 16, TOWNSHIP 15 SOUTH, RANGE 15 EAST OF THE 6TH MAIN, IN THE CITY OF TOPSAIL, SHAWNEE COUNTY, KANSAS.



CIS ENGINEERS
200 West 10th Street, Topeka, Kansas
781.863.1111
ciseng.com

WHEATFIELD VILLAGE

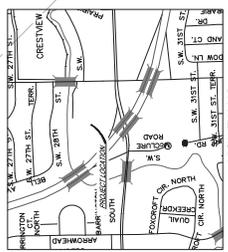
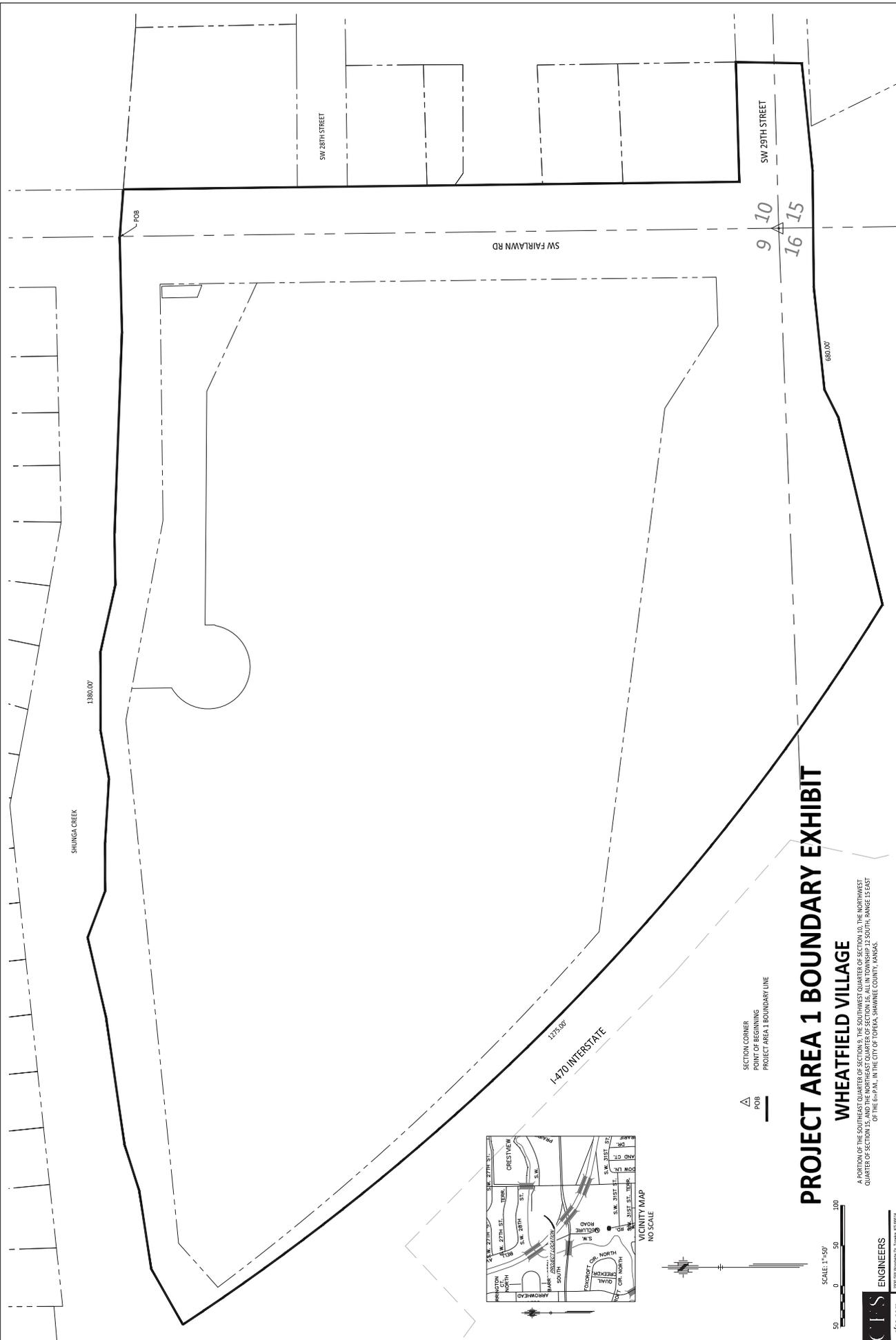
Project 14-5195
Revised June 21, 2017

DISTRICT BOUNDARY

A portion on the Southeast Quarter of Section 9, the Southwest Quarter of Section 10, the Northwest Quarter of Section 15, and the Northeast Quarter of Section 16, all in Township 12 South, Range 15 East of the 6th P.M., in the City of Topeka, Shawnee County, Kansas described as follows:

Beginning at a point on the West line of said Southwest Quarter of Section 10 at a point 813.39 feet North of the Southwest corner of said Quarter Section, said point being on the extension of the North line of Shunga Plaza Subdivision and in the center of Shunga Creek; thence Southeasterly on the North line of said Shunga Plaza Subdivision a distance of 261.00 feet more or less, to a point 50-feet easterly of the West line of Lot 2, Block D of said Shunga Plaza Subdivision; thence South on a line parallel with and 50-feet easterly of the West line of said Lot 2, Block D a distance of 226.45 feet more or less, to the center of Southwest 28th Street as shown on the Plat of said Shunga Plaza Subdivision; thence West on the center of said Southwest 28th Street a distance of 50.08 feet, more or less to the East lines of Lots 5 and 6, Block B, Shunga Plaza Subdivision extended; thence South on the East lines of Lots 5 and 6, Block B of said Shunga Plaza Subdivision a distance of 174.97 feet more or less; thence West on the North line of Lot 2, Block A, Butler Plaza Subdivision No.2, a distance of 134.94 feet; thence Northwesterly, continuing on said North line a distance of 18.31 feet to the West line of said Lot 2; thence South on the West line of said Lot 2 and Lot 1, Block A and the extension thereof, said line also being the East Right of Way line of Southwest Fairlawn Road, a distance of 207.79 feet to the Northwest corner of Lot 1, Block A, Phillips 66 Subdivision No.2; thence East on the North line of said Lot 1, Block A Phillips 66 Subdivision No.2, a distance of 150.00 feet; thence South on the East line of said Lot 1, Block A, of Phillips 66 Subdivision No.2 and its extension thereof a distance of 180 feet more or less to the South curb line of Southwest 29th Street; thence Westerly and Southwesterly on said South curb line and its extension a distance of 680 feet more or less to a point 100 feet measured at right angles to the center of the west-bound lanes of Interstate-470; thence Northwesterly and Northerly along a line being parallel with of 100 feet Northeasterly of said center of the west-bound lanes, a distance of 1,275 feet more or less to the center of Shunga Creek; thence Easterly on the center of said Shunga Creek a distance of 1,380 feet more or less to the point of beginning.

EXHIBIT C
Legal Description and Boundary Map of TIF Project Area



SECTION CORNER
 POB
 PROJECT AREA 1 BOUNDARY LINE

PROJECT AREA 1 BOUNDARY EXHIBIT

WHEATFIELD VILLAGE

A PORTION OF THE SOUTHEAST QUARTER OF SECTION 9, THE SOUTHWEST QUARTER OF SECTION 10, THE NORTHWEST QUARTER OF SECTION 15, OF THE RANGE 15 NORTH, RANGE 15 WEST, TOWNSHIP 15 NORTH, RANGE 15 WEST, COUNTY OF TOPEKA, SHAWNEE COUNTY, KANSAS.

SCALE: 1"=50'
 0 50 100



WHEATFIELD VILLAGE

Project 14-5195

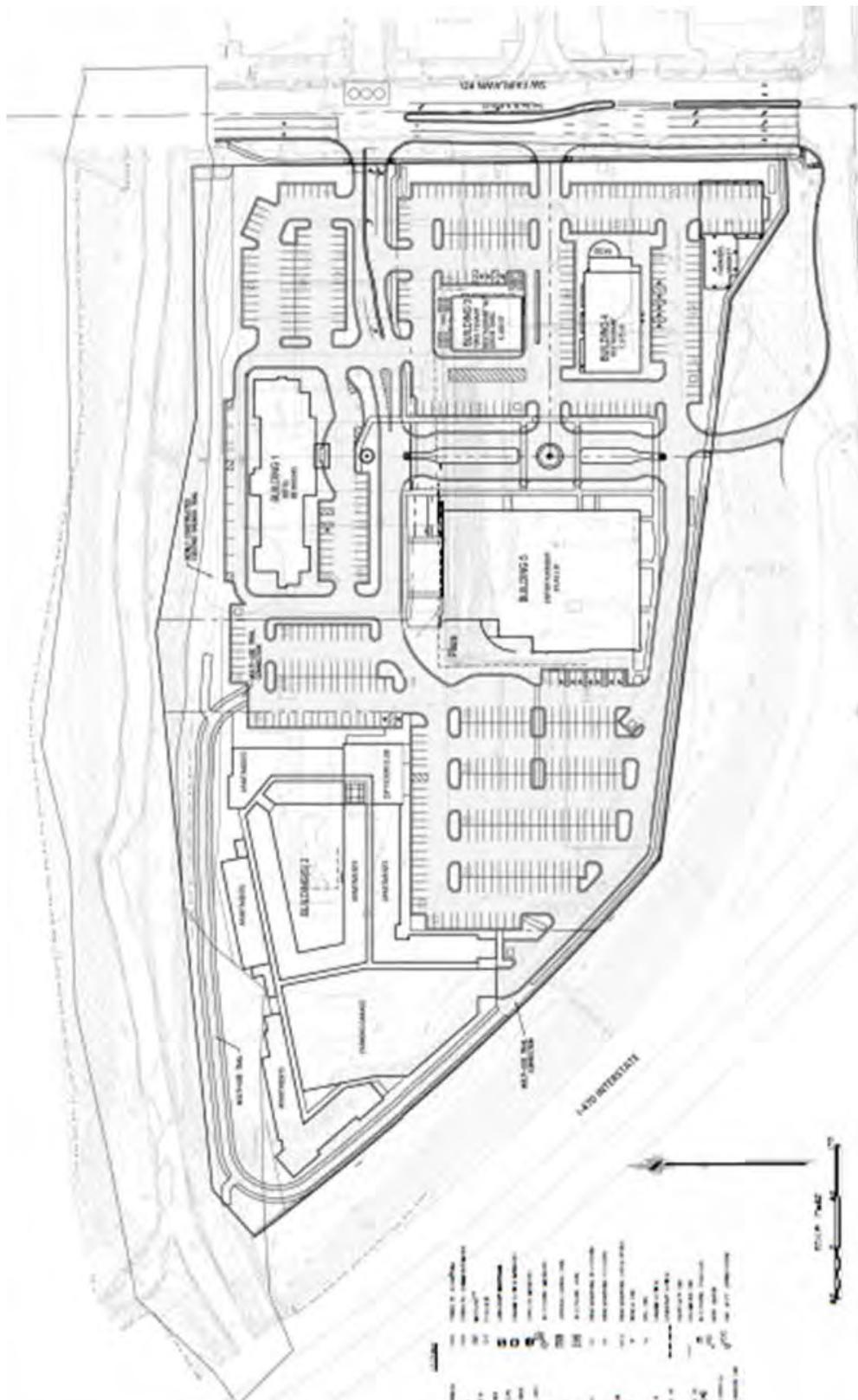
July 26, 2017

TIF PROJECT AREA 1 BOUNDARY

A portion on the Southeast Quarter of Section 9, the Southwest Quarter of Section 10, the Northwest Quarter of Section 15, and the Northeast Quarter of Section 16, all in Township 12 South, Range 15 East of the 6th P.M., in the City of Topeka, Shawnee County, Kansas described as follows:

Beginning at a point on the West line of said Southwest Quarter of Section 10, at a point 813.39 feet North of the Southwest corner of said Quarter Section, said point being on the extension of the North line of Shunga Plaza Subdivision and in the center of Shunga Creek; thence Southeasterly on the extension of the North line of said Shunga Plaza Subdivision to the East Right of Way line of Southwest Fairlawn Road; thence Southerly on said East Right of Way line to the intersection with the North Right of Way line of Southwest 29th Street; thence Easterly on the North Right of Way of Southwest 29th Street a distance of 150 feet more or less; thence Southerly to a point 20 feet South of the South curb line of Southwest 29th Street; thence Westerly and Southwesterly parallel with said South curb line and its extension a distance of 680 feet more or less to a point 100 feet measured at right angles to the center of the west-bound lanes of Interstate-470; thence Northwesterly and Northerly along a line being parallel with of 100 feet Northeasterly of said center of the west-bound lanes, a distance of 1,275 feet more or less to the center of Shunga Creek; thence Easterly on the center of said Shunga Creek a distance of 1,380 feet more or less to the point of beginning.

EXHIBIT D
Proposed Project Site Plan



LEGEND

1	EXISTING BUILDING
2	NEW BUILDING
3	EXISTING PARKING
4	NEW PARKING
5	EXISTING DRIVEWAY
6	NEW DRIVEWAY
7	EXISTING ROAD
8	NEW ROAD
9	EXISTING UTILITY
10	NEW UTILITY
11	EXISTING FENCE
12	NEW FENCE
13	EXISTING LANDSCAPE
14	NEW LANDSCAPE
15	EXISTING SIGNAGE
16	NEW SIGNAGE
17	EXISTING LIGHTING
18	NEW LIGHTING
19	EXISTING SECURITY
20	NEW SECURITY
21	EXISTING ACCESS
22	NEW ACCESS
23	EXISTING DRIVE
24	NEW DRIVE
25	EXISTING SIDEWALK
26	NEW SIDEWALK
27	EXISTING CURB
28	NEW CURB
29	EXISTING DRIVEWAY
30	NEW DRIVEWAY
31	EXISTING DRIVEWAY
32	NEW DRIVEWAY
33	EXISTING DRIVEWAY
34	NEW DRIVEWAY
35	EXISTING DRIVEWAY
36	NEW DRIVEWAY
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41	EXISTING DRIVEWAY
42	NEW DRIVEWAY
43	EXISTING DRIVEWAY
44	NEW DRIVEWAY
45	EXISTING DRIVEWAY
46	NEW DRIVEWAY
47	EXISTING DRIVEWAY
48	NEW DRIVEWAY
49	EXISTING DRIVEWAY
50	NEW DRIVEWAY

EXHIBIT E
CID Certificate of Expenditures

**CERTIFICATION OF EXPENDITURES
WHEATFIELD VILLAGE PROJECT**

Date: _____

Certification # _____

City Clerk of the
City of Topeka, Kansas

In accordance with the Development Agreement for the Wheatfield Development Project dated _____, 2017, (the "Agreement"), between the City of Topeka, Kansas, (the "City"), and 29 Fairlawn, LLC, (the "Developer"), the Developer hereby certifies, with respect to all payment amounts requested pursuant to this Certificate to be reimbursed to the Developer, as follows:

1. All amounts are CID Eligible Project Costs (as defined in the Agreement) that are reimbursable to the Developer pursuant to the Agreement and the CID Act, (as defined in the Agreement).
2. All amounts have been advanced by the Developer for CID Eligible Project Costs (as defined in the Agreement) in accordance with the Agreement and represent the fair value of work, materials or expenses.
3. No part of such amounts has been the basis for any previous reimbursement under the Agreement from the Reimbursement Funds or request for reimbursement from the CID Fund (as defined in the Agreement).
4. All taxes and assessments currently due on any property owned by the Developer in the CID District have been paid.
5. No uncured Events of Default under the Agreement currently exist.

The Developer further certifies that all insurance policies required to be in force under the Agreement are in full force and effect and that the Developer is in compliance, in all material respects, with all further terms of the Agreement.

The total amount of reimbursement requested by this Certificate is \$_____, which amount is itemized on Attachment E-1 attached hereto and which Attachment E-1 includes ____ page(s), is incorporated herein by reference and has been initialed by the authorized representative of the Developer who signed this Certificate. Attached to Attachment E-1 are copies of the contract, invoice or other billing for the CID Eligible Project Costs or which the Developer seeks reimbursement, along with copies of checks, evidence of wire transfers or other evidence of payment by the Developer of such CID Eligible Project Costs and hereby certify that such copies are true and accurate copies of the original documents.

**29 FAIRLAWN, LLC,
a Kansas limited liability company**

By: _____
Name

Title

ATTACHMENT E-1
TO CERTIFICATION OF ELIGIBLE CID PROJECT COSTS
(29 FAIRLAWN, LLC)



CITY OF TOPEKA

FINANCIAL SERVICES
 Nickie Lee
 Director of Finance and Administrative Services
 City Hall, 215 SE 7th Street, Suite 358
 Topeka, KS 66603-3914
 Tel: (785) 368-1653

Community Improvement District Reimbursement Request

Submit requests to: City of Topeka Director of Finance and Administrative Services
 215 SE 7th Street, Suite 358
 Topeka, KS 66603 or fax to: 785-368-3975

Submission Date:	_____
City Project Number:	_____
Request Number:	_____

Please visit the following link for CID policies and procedures:

<https://www.topeka.org/for-businesses/economic-development/community-improvement-districts>

Reimbursement is contingent upon sales tax revenue received.

Minimum reimbursement is \$1,000.00.

Please include supporting documentation (copies of invoices and checks).

Type *	Vendor Name	Invoice #	Invoice Date	Payment Date	Time period of work	Requested Amount
Page 1 Total						\$ -

* Note

Please use page 2 for additional items.

- | | |
|---------------------------|-----------------------------------|
| 1 = Land Acquisition | 4 = Demolition |
| 2 = Public Infrastructure | 5 = Site Prep |
| 3 = Relocation Costs | 6 = Legal and Third Party Reports |

Certification: I certify that the above listed costs are eligible CID costs and were incurred as part of the CID project listed above. Costs have not previously been submitted and they reflect actual costs expended. There are also no outstanding or anticipated liens for the work.

<p><u>Office Use Only:</u></p> <p>Finance Approval: _____</p> <p>Engineering Approval: _____</p>
--

Signature: _____

Date: _____

Phone number: _____

EXHIBIT F
TIF Certificate of Expenditures

**CERTIFICATION OF EXPENDITURES
WHEATFIELD VILLAGE PROJECT**

Date: _____

Certification # _____

City Clerk of the
City of Topeka, Kansas

In accordance with the Development Agreement for the Wheatfield Development Project dated _____, 2017 (the "Agreement"), between the City of Topeka, Kansas, (the "City"), and 29 FAIRLAWN, LLC, (the "Developer"), the Developer hereby certifies, with respect to all payment amounts requested pursuant to this Certificate to be reimbursed to the Developer, as follows:

1. All amounts are TIF Eligible Project Costs (as defined in the Agreement) that are reimbursable to the Developer pursuant to the Agreement and the TIF Act, (as defined in the Agreement).
2. All amounts have been advanced by the Developer for TIF Eligible Project Costs (as defined in the Agreement) in accordance with the Agreement and represent the fair value of work, materials or expenses.
3. No part of such amounts has been the basis for any previous reimbursement under the Agreement from the Reimbursement Funds or request for reimbursement from the TIF Fund (as defined in the Agreement).
4. All taxes and assessments currently due on any property owned by the Developer in the TIF District have been paid.
5. No uncured Events of Default under the Agreement currently exist.

The Developer further certifies that all insurance policies required to be in force under the Agreement are in full force and effect and that the Developer is in compliance, in all material respects, with all further terms of the Agreement.

The total amount of reimbursement requested by this Certificate is \$_____, which amount is itemized on Attachment F-1 attached hereto and which Attachment F-1 includes _____ page(s), is incorporated herein by reference and has been initialed by the authorized representative of the Developer who signed this Certificate. Attached to Attachment F-1 are copies of the contract, invoice or other billing for the TIF Eligible Project Costs for which the Developer seeks reimbursement, along with copies of checks, evidence of wire transfers or other evidence of payment by the Developer of such TIF Eligible Project Costs and hereby certify that such copies are true and accurate copies of the original documents.

**29 FAIRLAWN, LLC,
a Kansas limited liability company**

By: _____
Name

Title

ATTACHMENT F-1
TO CERTIFICATION OF ELIGIBLE TIF PROJECT COSTS
(29 FAIRLAWN, LLC)

CITY OF TOPEKA



Tax Increment Financing Reimbursement Request

General City Sales Tax

Nickie Lee
 Director of Finance and Administrative Services
 City Hall, 215 SE 7th Street, Suite 358
 Topeka, KS 66603-3914
 Tel: (785) 368-1653
nlee@topeka.org

Submission Date:	_____
City Project Number:	_____
Request Number:	_____

Submit Requests to Address above.
 Reimbursement is contingent upon sales tax revenue received.
 Minimum reimbursement is \$1,000.00.
 Please include supporting documentation (copies of invoices and checks).

Project Cost Breakdown:

	Total	Amount of Draw Request	Budget Remaining
LAND ACQUISITION COSTS			
Land Acquisition	\$ 2,375,000.00		
Total Land Acquisition Costs	\$ 2,375,000.00		

SITework COSTS

Site Work

Demolition	\$384,998	_____	
Earthwork	\$1,602,842	_____	
Concrete Curb	\$277,400	_____	
Asphalt & Concrete Paving	\$1,509,661	_____	
Storm Water Management	\$1,117,290	_____	
Water & Sanitary Sewer	\$627,250	_____	
Street Lighting	\$308,917	_____	
Landscape & Irrigation	\$275,000	_____	
Electrical, Gas, Telephone Service	\$503,950	_____	
Geotech, Erosion Control, Staking, Roadway Signage, Environmental Mitigation	\$543,200	_____	
Total Site Costs	\$7,150,508	_____	

Fairlawn Road Improvements

Entrance & Signal	\$371,900	_____	
Asphalt & Concrete Paving	\$133,770	_____	
Storm Water Management	\$58,730	_____	
Street Lighting	\$37,000	_____	
Geotech / Materials Testing	\$30,000	_____	
Earthwork Roadway Only	\$21,333	_____	
Concrete Curb	\$13,300	_____	
Roadway Demo, Utility Demo, Staking, Traffic Control, Erosion Control, Mobilization	\$70,200	_____	
Total Fairlawn Costs	\$736,233	_____	

29th Street Roadway Improvements

Entrance & Signal	\$2,000	_____	
Utility Relocation	\$20,000	_____	
Asphalt & Concrete Paving	\$118,000	_____	
Storm Water Management	\$25,000	_____	
Street Signage and Striping	\$3,000	_____	

Geotech / Materials Testing	\$20,000	
Earthwork Roadway Only	\$25,750	
Concrete Curb	\$17,500	
Retaining Walls	\$110,000	
Roadway Demo, Utility		
Demo, Staking, Traffic		
Control, Erosion Control,		
Mobilization	\$35,000	
<i>Total 29th St Costs</i>	<i>\$376,250</i>	
<i>Interest Carry on Site Work</i>	<i>\$1,197,307</i>	
<i>Contingency</i>	<i>\$662,221</i>	
<i>Site Monuments and Features</i>	<i>\$150,000</i>	
Total Sitework Costs	\$10,272,519	

BUILDING COSTS

<i>Parking Deck for Multi Family</i>	<i>\$5,940,000</i>	
<i>Construction Interest Carry</i>	<i>\$860,706</i>	
<i>Contingency</i>	<i>\$476,049</i>	
Total Building Costs	\$7,276,755	

SOFT COSTS

<i>Site Work A&E</i>		
Survey	\$5,000	
Preliminary Plat / Preliminary Development Plan	\$10,000	
Final Plan / Plat	\$5,000	
Sanitary Sewer & Storm Water Detention	\$50,000	
Public Improvements & Access Ways	\$175,000	
Civil Construction Plans	\$65,000	
29th Street Roadway Design and Inspection	\$112,500	
Design and Construction Administration	\$300,000	
Development Fee (3.00%)	\$2,715,228	
<i>Total Professional Fees</i>	<i>\$3,437,728</i>	
<i>Legal</i>		
General Legal	\$50,000	
TIF and CID Legal Fees	\$100,000	
Lease Commissions	\$621,753	
<i>Legal Subtotal</i>	<i>\$771,753</i>	
<i>Site Permit/Fees</i>		
Site Plan review fee	\$5,000	
Civil Engineering review fee	\$7,500	
Miscellaneous Fees	\$10,000	
<i>Site Permit/Fees Subtotal</i>	<i>\$22,500</i>	
Total Soft Costs	\$4,231,981	

TOTAL REIMBURSEABLE PROJECT COSTS \$ 24,156,255.00

TOTAL AMOUNT FOR THIS REQUEST

EXHIBIT G
Half-Cent City Sales Tax Certificate of Expenditures

**CERTIFICATION OF EXPENDITURES
WHEATFIELD VILLAGE PROJECT**

Date: _____

Certification # _____

City Clerk of the
City of Topeka, Kansas

In accordance with the Development Agreement for the Wheatfield Development Project dated _____, 2017 (the "Agreement"), between the City of Topeka, Kansas, (the "City"), and 29 FAIRLAWN, LLC, (the "Developer"), the Developer hereby certifies, with respect to all payment amounts requested pursuant to this Certificate to be reimbursed to the Developer, as follows:

1. All amounts are Half-Cent Eligible Project Costs (as defined in the Agreement) that are reimbursable to the Developer pursuant to the Agreement.

- 2 All amounts have been advanced by the Developer for Half-Cent Eligible Project Costs (as defined in the Agreement) in accordance with the Agreement and represent the fair value of work, materials or expenses.

3. No part of such amounts has been the basis for any previous reimbursement under the Agreement from the Reimbursement Funds or request for reimbursement from the Half-Cent City Sales Tax Subaccount (as defined in the Agreement).

4. No uncured Events of Default under the Agreement currently exist.

The Developer further certifies that all insurance policies required to be in force under the Agreement are in full force and effect and that the Developer is in compliance, in all material respects, with all further terms of the Agreement.

The total amount of reimbursement requested by this Certificate is \$_____, which amount is itemized on Attachment G-1 attached hereto and which Attachment G-1 includes _____ page(s), is incorporated herein by reference and has been initialed by the authorized representative of the Developer who signed this Certificate. Attached to Attachment G-1 are copies of the contract, invoice or other billing for the Half-Cent Eligible Project Costs for which the Developer seeks reimbursement, along with copies of checks, evidence of wire transfers or other evidence of payment by the Developer of such Half-Cent Eligible Project Costs and hereby certify that such copies are true and accurate copies of the original documents.

**29 FAIRLAWN, LLC,
a Kansas limited liability company**

By: _____

Name

Title

ATTACHMENT G-1
TO CERTIFICATION OF ELIGIBLE PROJECT COSTS
(29 FAIRLAWN, LLC)

CITY OF TOPEKA



Tax Increment Financing Reimbursement Request

Half-Cent Citywide Sales Tax

Nickie Lee
 Director of Finance and Administrative Services
 City Hall, 215 SE 7th Street, Suite 358
 Topeka, KS 66603-3914
 Tel: (785) 368-1653
nlee@topeka.org

Submission Date:	_____
City Project Number:	_____
Request Number:	_____

Submit Requests to Address above.
 Reimbursement is contingent upon sales tax revenue received.
 Minimum reimbursement is \$1,000.00.
 Please include supporting documentation (copies of invoices and checks).

Project Cost Breakdown:

	Total	Amount of Draw Request	Budget Remaining
SITWORK COSTS			
<i>Fairlawn Road Improvements</i>			
Entrance & Signal	\$371,900	_____	_____
Asphalt & Concrete Paving	\$133,770	_____	_____
Storm Water Management	\$58,730	_____	_____
Street Lighting	\$37,000	_____	_____
Geotech / Materials Testing	\$30,000	_____	_____
Earthwork Roadway Only	\$21,333	_____	_____
Concrete Curb	\$13,300	_____	_____
Roadway Demo, Utility			
Demo, Staking, Traffic			
Control, Erosion Control,			
Mobilization	\$70,200	_____	_____
Total Fairlawn Costs	\$736,233	_____	_____
<i>29th Street Roadway Improvements</i>			
Entrance & Signal	\$2,000	_____	_____
Utility Relocation	\$20,000	_____	_____
Asphalt & Concrete Paving	\$118,000	_____	_____
Storm Water Management	\$25,000	_____	_____
Street Signage and Striping	\$3,000	_____	_____
Geotech / Materials Testing	\$20,000	_____	_____
Earthwork Roadway Only	\$25,750	_____	_____
Concrete Curb	\$17,500	_____	_____
Retaining Walls	\$110,000	_____	_____
Roadway Demo, Utility			
Demo, Staking, Traffic			
Control, Erosion Control,			
Mobilization	\$35,000	_____	_____
Total 29th St Costs	\$376,250	_____	_____
<i>Interest Carry on Site Work</i>	<i>\$161,199</i>	_____	_____
<i>Contingency</i>	<i>\$89,158</i>	_____	_____
Total Sitework Costs	\$1,362,840	_____	_____
SOFT COSTS			
<i>Site Work A&E</i>			
Public Improvements & Access Ways	\$175,000	_____	_____
29th Street Roadway Design and Inspection	\$112,500	_____	_____
Total Professional Fees	\$287,500	_____	_____
<i>Site Permit/Fees</i>			
Civil Engineering review fee	\$7,500	_____	_____
Site Permit/Fees Subtotal	\$7,500	_____	_____
Total Soft Costs	\$295,000	_____	_____
TOTAL REIMBURSEABLE PROJECT COSTS	\$1,657,840	_____	_____

TOTAL AMOUNT FOR THIS REQUEST _____

EXHIBIT H
TIF Project Costs
(including CID Eligible Project Costs, TIF Eligible Project Costs, and Half-Cent Eligible Project Costs)

				TOTAL PROJECT COST	TIF ELIGIBLE EXPENSES	CID ELIGIBLE EXPENSES	HALF-CENT SALES TAX ELIGIBLE EXPENSES	
Land Acquisition								
Land Acquisition	Land Acquisition Subtotal			\$2,375,000 \$2,375,000	\$2,375,000 \$2,375,000	\$2,375,000 \$2,375,000	\$0 \$0	
Sitework								
Site Work Improvements								
Demolition				\$384,998	\$384,998	\$384,998	\$0	
Earthwork				\$1,602,842	\$1,602,842	\$1,602,842	\$0	
Concrete Curb				\$277,400	\$277,400	\$277,400	\$0	
Asphalt & Concrete Paving				\$1,509,661	\$1,509,661	\$1,509,661	\$0	
Storm Water Management				\$1,117,290	\$1,117,290	\$1,117,290	\$0	
Water & Sanitary Sewer				\$627,250	\$627,250	\$627,250	\$0	
Street Lighting				\$308,917	\$308,917	\$308,917	\$0	
Landscape & Irrigation				\$275,000	\$275,000	\$275,000	\$0	
Electrical, Gas, Telephone Service				\$503,950	\$503,950	\$503,950	\$0	
Geotech, Erosion Control, Staking, Roadway Signage, Environmental Mitigation				\$543,200	\$543,200	\$543,200	\$0	
			Subtotal	\$7,150,508				
Fairlawn Roadway Improvements								
Entrance & Signal				\$371,900	\$371,900	\$371,900	\$371,900	
Asphalt & Concrete Paving				\$133,770	\$133,770	\$133,770	\$133,770	
Storm Water Management				\$58,730	\$58,730	\$58,730	\$58,730	
Street Lighting				\$37,000	\$37,000	\$37,000	\$37,000	
Geotech / Materials Testing				\$30,000	\$30,000	\$30,000	\$30,000	
Earthwork Roadway Only				\$21,333	\$21,333	\$21,333	\$21,333	
Concrete Curb				\$13,300	\$13,300	\$13,300	\$13,300	
Roadway Demo, Utility Demo, Staking, Traffic Control, Erosion Control, Mobilization				\$70,200	\$70,200	\$70,200	\$70,200	
			Subtotal	\$736,233				
29th Street Roadway Improvements								
Entrance & Signal				\$2,000	\$2,000	\$2,000	\$2,000	
Utility Relocation				\$20,000	\$20,000	\$20,000	\$20,000	
Asphalt & Concrete Paving				\$118,000	\$118,000	\$118,000	\$118,000	
Storm Water Management				\$25,000	\$25,000	\$25,000	\$25,000	
Street Signage and Striping				\$3,000	\$3,000	\$3,000	\$3,000	
Geotech / Materials Testing				\$20,000	\$20,000	\$20,000	\$20,000	
Earthwork Roadway Only				\$25,750	\$25,750	\$25,750	\$25,750	
Concrete Curb				\$17,500	\$17,500	\$17,500	\$17,500	
Retaining Walls				\$110,000	\$110,000	\$110,000	\$110,000	
Roadway Demo, Staking, Traffic Control, Erosion Control, Mobilization				\$35,000	\$35,000	\$35,000	\$35,000	
			Subtotal	\$376,250				
Interest Carry on Site Work (24 months; Interest Only; 7.00%)				\$1,197,307	\$1,197,307	\$1,197,307	\$161,199	
Contingency				\$662,221	\$662,221	\$662,221	\$89,158	
			Site Work Subtotal	\$10,122,519	\$10,122,519	\$10,122,519	\$1,362,840	
Site Monuments And Features								
Pylon Signs				\$150,000	\$150,000	\$150,000	\$0	
			Site Monuments Subtotal	\$150,000	\$150,000	\$150,000	\$0	
Building								
Building Improvements (Permits, Water & Sewer Tap Fee)								
Multi-Family	Cost per Door	\$180,000	\$176	Number of Doors	\$31,680,000	\$0	\$31,680,000	\$0
Parking Deck for Multi-Family	Cost per Stall	\$22,500	\$2	Stalls per Door	\$5,940,000	\$5,940,000	\$5,940,000	\$0
Building 1: Hotel	Cost per Door	\$140,000	\$88	Number of Doors	\$12,320,000	\$0	\$12,320,000	\$0
Building 3: Restaurant	Cost per SF	\$215	\$3,500	Square Feet	\$752,500	\$0	\$752,500	\$0
Building 3: Coffee Shop	Cost per SF	\$215	\$1,600	Square Feet	\$344,000	\$0	\$344,000	\$0
Building 4: Restaurant	Cost per SF	\$165	\$7,375	Square Feet	\$1,216,875	\$0	\$1,216,875	\$0
Building 5: Movie Theater	Cost per SF	\$205	\$34,355	Square Feet	\$7,042,775	\$0	\$7,042,775	\$0
Tenant Improvement Allowance								
Building 3: Restaurant	Cost per SF	\$50	\$3,500	Square Feet	\$175,000	\$0	\$175,000	\$0
Building 3: Coffee Shop	Cost per SF	\$40	\$1,600	Square Feet	\$64,000	\$0	\$64,000	\$0
Building 4: Restaurant	Cost per SF	\$50	\$7,375	Square Feet	\$368,750	\$0	\$368,750	\$0
Building 5: Movie Theater	Cost per SF	\$50	\$34,355	Square Feet	\$1,717,750	\$0	\$1,717,750	\$0
			\$46,830	Square Feet				
Construction Interest Carry - Multi-Family & Parking Deck (24 months; Interest Only; 7.00%)				\$5,451,138	\$860,706	\$5,451,138	\$0	
Construction Interest Carry - Buildings 1-6 (24 months; Interest Only; 7.00%)				\$3,140,874	\$0	\$3,140,874	\$0	
Contingency				\$4,752,171	\$476,049	\$4,752,171	\$0	
			Building Improvement Subtotal	\$74,965,833	\$7,276,755	\$74,965,833	\$0	
Soft Costs								
Site Work A&E - Construction Management								
Survey				\$5,000	\$5,000	\$5,000	\$0	
Preliminary Plat / Preliminary Development Plan				\$10,000	\$10,000	\$10,000	\$0	
Final Plan / Plat				\$5,000	\$5,000	\$5,000	\$0	
Sanitary Sewer & Storm Water Detention				\$50,000	\$50,000	\$50,000	\$0	
Public Improvements & Access Ways				\$175,000	\$175,000	\$175,000	\$175,000	
Civil Construction Plans				\$65,000	\$65,000	\$65,000	\$0	
29th Street Roadway Design and Inspection				\$112,500	\$112,500	\$112,500	\$112,500	
A&E: Buildings 1-6				\$875,000	\$0	\$875,000	\$0	
A&E: Multi-Family				\$500,000	\$0	\$500,000	\$0	
Design and Construction Administration				\$300,000	\$300,000	\$300,000	\$0	
Development Fee (3.00%)				\$2,715,228	\$2,715,228	\$2,715,228	\$0	
			A&E / Development Fee Subtotal	\$4,812,728	\$3,437,728	\$4,812,728	\$287,500	
Legal								
General Legal				\$50,000	\$50,000	\$50,000	\$0	
TIF and CID Legal Fees				\$100,000	\$100,000	\$100,000	\$0	
Lease Commissions				\$621,753	\$621,753	\$621,753	\$0	
			Legal Subtotal	\$771,753	\$771,753	\$771,753	\$0	
Site Permit / Fees								
Site Plan review fee				\$5,000	\$5,000	\$5,000	\$0	
Civil Engineering review fee				\$7,500	\$7,500	\$7,500	\$7,500	
Master Comprehensive Signage Plan Package (estimated review & fee)				\$2,500	\$0	\$2,500	\$0	
Miscellaneous Fees				\$10,000	\$10,000	\$10,000	\$0	
			Permit / Fees Subtotal	\$25,000	\$22,500	\$25,000	\$7,500	
Total Project Cost				\$93,222,834	\$24,156,256	\$93,222,834	\$1,657,840	

Note 1: All certified eligible costs will be subject to 5.50% interest as additional reimbursement as provided in the Development Agreement.

Note 2: The amount for any given line item shall not act as a cap on the reimbursable amount for such line item from Public Finance Proceeds nor a requirement to spend a specific amount for a particular line item, but rather all Project Costs eligible to be reimbursed from Public Finance Proceeds pursuant to Kansas statutes may be reimbursed pursuant to the terms of the Development Agreement.

EXHIBIT I
TIF Project Plan

**TAX INCREMENT FINANCING
REDEVELOPMENT PROJECT PLAN
(WHEATFIELD VILLAGE REDEVELOPMENT PROJECT)**

The Tax Increment Financing Act, K.S.A. 12-1770, et seq., as amended (the “**TIF Act**”), permits the City of Topeka, Kansas (the “**City**”) to undertake one or more redevelopment projects within an established redevelopment district. In order to pursue such redevelopment projects, the City is obligated to create, in consultation with the City’s Planning Commission, a “project plan.”

At the request of 29 Fairlawn, LLC (the “**Developer**”), developer of the Wheatfield Village Redevelopment Project (the “**Development**”), the City presents the following information as required by the TIF Act related to the project plan for the Development (“**Redevelopment Project Plan**”). Except as otherwise noted herein, the information included in this Redevelopment Project Plan was submitted by the Developer.

TABLE OF CONTENTS

I. INTRODUCTION1

II. THE REDEVELOPMENT PROJECT PLAN.....1

 A) Description of the TIF District and Project Area.....1

 B) Established TIF District2

 C) Redevelopment Project2

 D) Feasibility Study4

 E) Relocation Plan5

Exhibit A-1 – TIF District Legal Description

Exhibit A-2 – TIF District Boundary Map

Exhibit B-1 – Project Area 1 Legal Description

Exhibit B-2 – Project Area 1 Boundary Map

I. INTRODUCTION

The subject of this project plan, as defined by the TIF Act (as hereinafter defined) is the initial project area of the Wheatfield Village mixed-use development (the “**Development**”) located in the northwest corner of Southwest 29th Street and Fairlawn Road in Topeka, Kansas (the “**City**”). The Development will be constructed by 29 Fairlawn, LLC (the “**Developer**”), a special-purpose entity affiliated with Midwest Health, Inc. and led by its principals Jim Klausman and Floyd Eaton. The Development spans approximately 15 acres in total, including rights-of-way, and is planned to include approximately 13 acres of multi-family, restaurant, movie theater and hotel uses, plus infrastructure and site improvements. The Development is planned to transform a highly visible and long-deteriorating site bordering I-470 into a vibrant mixed-use setting currently unavailable within the City.

Pursuant to the Kansas Tax Increment Financing Act, K.S.A. 12-1770 et seq., as amended (the “**TIF Act**”), Kansas municipalities are authorized to establish redevelopment districts and redevelopment project plans for property within their jurisdiction. Redevelopment districts may be created based upon certain findings by the municipality, including that property within a proposed district is an “eligible area” pursuant to the TIF Act.

On June 26, 2017, the City, after conducting a duly noticed public hearing, found that the property within the boundaries described in **Exhibit A-1** and depicted in **Exhibit A-2** hereto qualifies as a “conservation area” and is therefore an “eligible area” pursuant to the TIF Act. Based in part upon said finding, the City adopted Ordinance No. 20072 creating a redevelopment district encompassing the subject property (the “**TIF District**”) and approving a plan for redevelopment of the TIF District established under K.S.A. 12-1771 and amendments thereto (the “**District Plan**” as further described herein).

This redevelopment project plan (the “**Redevelopment Project Plan**”) for the first redevelopment project area established within the TIF District (“**Redevelopment Project Area 1**”) is presented to the City for its consideration and approval, with the maximum twenty (20) year term of the Redevelopment Project Plan to commence upon the effective date as specified in the ordinance adopting this Redevelopment Project Plan. The boundaries of Redevelopment Project Area 1 are legally described in **Exhibit B-1** and generally depicted in **Exhibit B-2** attached hereto.

II. THE PROJECT PLAN

A. Description of the TIF District

The property comprising the TIF District consists of approximately 15 acres generally located in the northwest and northeast quadrants of Southwest 29th Street and Fairlawn Road within the City, plus right-of-way also included within the TIF District boundaries. A legal description and boundary map of the TIF District are attached hereto as **Exhibits A-1** and **A-2**, respectively.

B. Established TIF District

Redevelopment Project Area 1 is located within an established TIF District approved by the City on June 26, 2017 pursuant to Ordinance No. 20072. The approved District Plan contained within the Ordinance provides for certain redevelopment projects within the TIF District:

The District shall consist of one (1) or more redevelopment project areas, which are anticipated to include a mix of uses including retail, restaurant, and other commercial uses and residential uses with associated amenities, along with associated infrastructure including but not limited to structured and/or surface parking, landscaping, lighting, utilities, storm water improvements, sidewalks/walkways, streets/drives, ingress/egress improvements, green space, signalization and other infrastructure improvements.

C. Redevelopment Project

This Project Plan proposes the use of tax increment financing revenues generated by Redevelopment Project Area 1 (“**TIF Revenues**”) to pay for or reimburse the costs of a redevelopment project as generally described in the District Plan (the “**Redevelopment Project**” or “**Project**”). Consistent with the approved District Plan, the following Redevelopment Project Plan for the Redevelopment Project is anticipated to include a mix of commercial and residential uses including:

Residential

A multi-story 150-180 unit, upscale, market rate apartment complex “wrapped” around a parking garage.

Movie Theater

A seven to nine-screen, state-of-the-art movie theater with bar and food service.

Hotel

A multi-story 70 to 90-room hotel with a national flag.

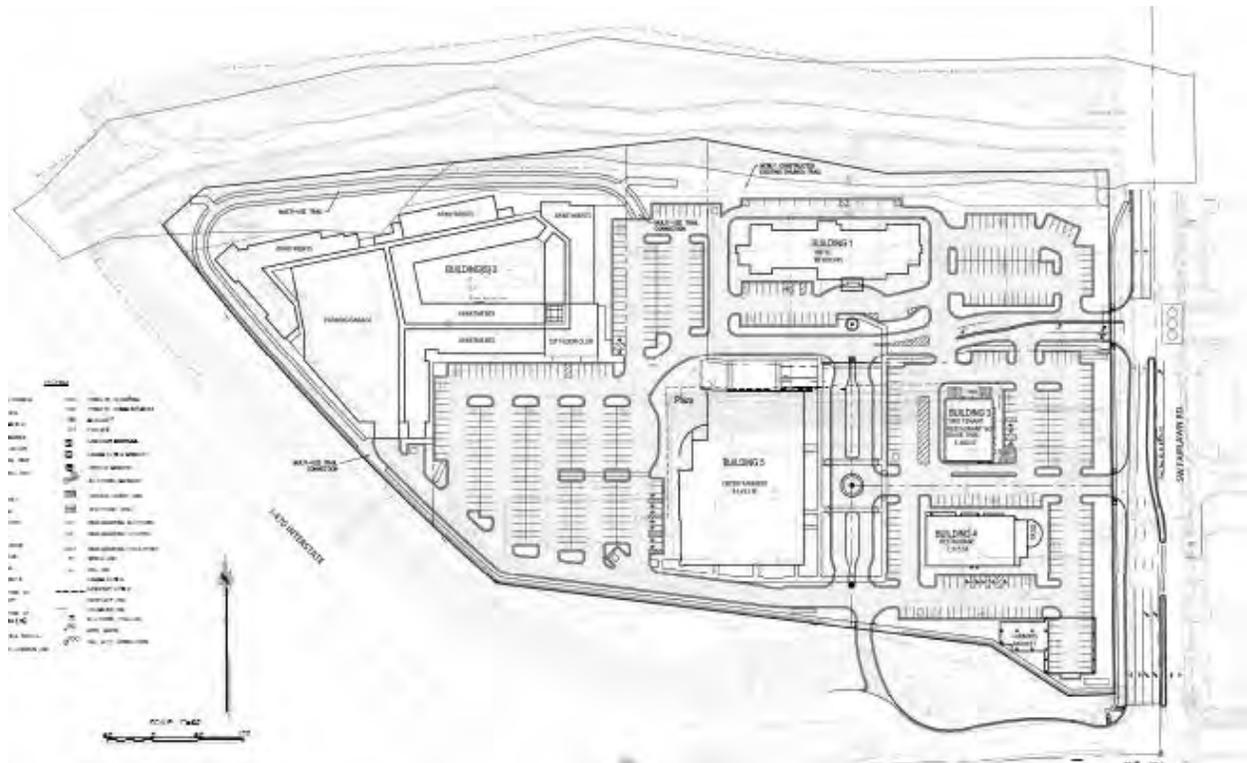
Restaurants

A family dining restaurant at the southeast corner of the site and a fast food restaurant building with two tenants, and including one operating a drive-through window at east end of the site.

Related Costs

Related costs include property acquisition, site preparation (including demolition of existing structures), the construction of infrastructure including a multi-story parking deck associated with the residential component and the development of open space at the southeast corner of the site which is anticipated to include a small “farmers’ market” concept.

The current site plan depicting the Development, which may be amended as approved by the City from time to time, is as follows:



In addition to TIF Revenue, the Developer plans separately to petition the City for the creation of a community improvement district (“CID”) and to request that Shawnee County issue industrial revenue bonds (“IRBs”) for the purpose of providing the Project with a sales tax exemption on construction labor and materials.

The Developer expects that the Project contemplated in the Redevelopment Project Plan will produce a significant economic impact for the City by redeveloping a significantly deteriorated and highly visible site fronting I-470, remediating blighting conditions and economic obsolescence within Project site, enhancing existing businesses and attracting new businesses within the vicinity of the Redevelopment Project Area, and spurring increased commerce, employment, and general improvement within the Redevelopment Project Area.

The Developer anticipates that redevelopment of the Redevelopment Project Area will attract visitation to the Project site from members of the City community and from visitors outside the City because of the location of the Redevelopment Project Area adjacent to a major interstate. As described in the Traffic Study prepared in connection with the Planned Unit Development plan for the Project, the Project will include construction of improvements to Fairlawn Road and Southwest 29th Street to service traffic generated by the Project (the “**Traffic Improvements**”). In connection with the proposed Traffic Improvements, the Developer and the City have requested a break in access from 29th Street to an on-ramp leading to I-470. The

Traffic Study describes the Traffic Improvements to 29th Street that will be constructed as part of the Project (a) in the event the break in access request is approved by the Federal Highway Administration and (b) in the event the break in access request is denied by the Federal Highway Administration. Although the scope of the Traffic Improvements to 29th Street differs depending upon whether the break in access request is approved or denied by the Kansas Department of Transportation and the Federal Highway Administration, the Traffic Study establishes that the scope of improvements in each circumstance adequately accounts for the traffic anticipated to be generated by the Project as quantified in the Traffic Study.

D. Feasibility Study

The table below summarizes the Project’s expected sources and uses of funds:



CITY OF TOPEKA
Wheatfield Village Redevelopment District
Sources and Uses of Funds

SOURCES OF FUNDS	TOTAL
Developer Loans	65,255,984
Developer Equity	27,966,850
TOTAL SOURCES	93,222,834
USES OF FUNDS	
Land Acquisition	2,375,000
Site Work Improvements	7,150,508
Fairlawn Improvements	736,233
29th Street Improvements	376,250
Site Monuments/Features	150,000
Multi-Family Building	31,680,000
Parking Deck/MF Building	5,940,000
Hotel	12,320,000
Fast Casual Restaurant	927,500
Coffee Shop	408,000
Sit Down Restaurant	1,585,625
Movie Theater	8,760,525
Design/Const Mgt	4,812,728
Legal/Lease Concessions	771,753
Site Permit/Fees	25,000
Construction Interest	9,789,320
Contingency	5,414,392
TOTAL USES	93,222,834

The Developer requests a “pay-as-you-go” method for implementing the TIF. As a result, no TIF Revenues will be available to the Developer at financial close on the Project by virtue of the issuance of bonds. Instead, as the Project generates TIF Revenues, the City will reimburse the Developer for actual, eligible Project costs certified by the Developer to the City. The Developer expects reimbursements from the proceeds of the CID, if approved by the City, to work similarly. The Developer may also benefit from a sales tax exemption on construction materials resulting from the IRB issue it has requested be issued by Shawnee County.

The City’s obligation to reimburse the Developer for TIF-eligible Project costs will be detailed by a redevelopment agreement to be entered into by and between the City and the Developer concurrently with the Topeka City Council’s approval of this Redevelopment Project Plan.

The Developer represents that it is able to secure the private financing required to bridge the availability of TIF Revenues and CID proceeds and that it has the resources necessary to make the required equity contributions necessary to complete the Project, as shown in the sources and uses above. The Developer further represents that, based upon the advice of its architects, engineers and contractors, the construction costs projected for the Project are reasonable.

Based upon the foregoing, the Project's benefits and TIF Revenues and other available revenues are expected to exceed or be sufficient to pay for the costs of the Project. Further, there are no special obligation bonds outstanding relying on revenues described K.S.A. 12-1774(a)(1)(D).

E. Relocation Plan

In the event the City acquires any real property within the Redevelopment Project Area in carrying out the provisions of the TIF Act, and that, as a result, any persons, families and businesses move from real property located in the Redevelopment Project Area or move personal property from real property located in the Redevelopment Project Area, a \$500 payment will be made to such persons, families and businesses as provided in the TIF Act. No persons or families reside in the TIF District and thus no such persons shall be displaced nor require suitable alternate housing. Any retailers, as defined in K.S.A. 79-3702, which are or have been located within the TIF District and which will move or have moved from the TIF District will or have moved on their own accord pursuant to arm's-length transactions with the Developer and thus no payment of damages for liquidation of inventories shall be required to be made to such parties.

[No further text on this page.]

EXHIBIT A-1

TIF DISTRICT LEGAL DESCRIPTION

WHEATFIELD VILLAGE

Project 14-5195
Revised June 21, 2017

DISTRICT BOUNDARY

A portion on the Southeast Quarter of Section 9, the Southwest Quarter of Section 10, the Northwest Quarter of Section 15, and the Northeast Quarter of Section 16, all in Township 12 South, Range 15 East of the 6th P.M., in the City of Topeka, Shawnee County, Kansas described as follows:

Beginning at a point on the West line of said Southwest Quarter of Section 10 at a point 813.39 feet North of the Southwest corner of said Quarter Section, said point being on the extension of the North line of Shunga Plaza Subdivision and in the center of Shunga Creek; thence Southeasterly on the North line of said Shunga Plaza Subdivision a distance of 261.00 feet more or less, to a point 50-feet easterly of the West line of Lot 2, Block D of said Shunga Plaza Subdivision; thence South on a line parallel with and 50-feet easterly of the West line of said Lot 2, Block D a distance of 226.45 feet more or less, to the center of Southwest 28th Street as shown on the Plat of said Shunga Plaza Subdivision; thence West on the center of said Southwest 28th Street a distance of 50.08 feet, more or less to the East lines of Lots 5 and 6, Block B, Shunga Plaza Subdivision extended; thence South on the East lines of Lots 5 and 6, Block B of said Shunga Plaza Subdivision a distance of 174.97 feet more or less; thence West on the North line of Lot 2, Block A, Butler Plaza Subdivision No.2, a distance of 134.94 feet; thence Northwesterly, continuing on said North line a distance of 18.31 feet to the West line of said Lot 2; thence South on the West line of said Lot 2 and Lot 1, Block A and the extension thereof, said line also being the East Right of Way line of Southwest Fairlawn Road, a distance of 207.79 feet to the Northwest corner of Lot 1, Block A, Phillips 66 Subdivision No.2; thence East on the North line of said Lot 1, Block A Phillips 66 Subdivision No.2, a distance of 150.00 feet; thence South on the East line of said Lot 1, Block A, of Phillips 66 Subdivision No.2 and its extension thereof a distance of 180 feet more or less to the South curb line of Southwest 29th Street; thence Westerly and Southwesterly on said South curb line and its extension a distance of 680 feet more or less to a point 100 feet measured at right angles to the center of the west-bound lanes of Interstate-470; thence Northwesterly and Northerly along a line being parallel with of 100 feet Northeasterly of said center of the west-bound lanes, a distance of 1,275 feet more or less to the center of Shunga Creek; thence Easterly on the center of said Shunga Creek a distance of 1,380 feet more or less to the point of beginning.

EXHIBIT B-1

PROJECT AREA 1 LEGAL DESCRIPTION



WHEATFIELD VILLAGE

Project 14-5195
July 26, 2017

TIF PROJECT AREA 1 BOUNDARY

A portion on the Southeast Quarter of Section 9, the Southwest Quarter of Section 10, the Northwest Quarter of Section 15, and the Northeast Quarter of Section 16, all in Township 12 South, Range 15 East of the 6th P.M., in the City of Topeka, Shawnee County, Kansas described as follows:

Beginning at a point on the West line of said Southwest Quarter of Section 10, at a point 813.39 feet North of the Southwest corner of said Quarter Section, said point being on the extension of the North line of Shunga Plaza Subdivision and in the center of Shunga Creek; thence Southeasterly on the extension of the North line of said Shunga Plaza Subdivision to the East Right of Way line of Southwest Fairlawn Road; thence Southerly on said East Right of Way line to the intersection with the North Right of Way line of Southwest 29th Street; thence Easterly on the North Right of Way of Southwest 29th Street a distance of 150 feet more or less; thence Southerly to a point 20 feet South of the South curb line of Southwest 29th Street; thence Westerly and Southwesterly parallel with said South curb line and its extension a distance of 680 feet more or less to a point 100 feet measured at right angles to the center of the west-bound lanes of Interstate-470; thence Northwesterly and Northerly along a line being parallel with of 100 feet Northeasterly of said center of the west-bound lanes, a distance of 1,275 feet more or less to the center of Shunga Creek; thence Easterly on the center of said Shunga Creek a distance of 1,380 feet more or less to the point of beginning.

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EXHIBIT J
Prohibited Tenants/End Users

Adult entertainment
Adult bookstore
Arcade*
Body piercing, other than ears
Car repair
Car wash***
Cellular or other telecommunications towers or facilities which are not stealth or fully integrated
Day care*
Mobile home park
Mobile home sales
Pawn shop
Pay-day loan services
Permanent rooftop signage, except for any signage approved by the City**
Satellite dishes that are not fully integrated
Tattoo parlor

* This land use may be allowed as an accessory use if approved pursuant to City approval and such use is a subordinate use that is customarily and incidentally associated with the primary use, is located entirely within the structure of a primary use, and is not visible from and cannot be directly accessed from the exterior of the structure that contains the primary use.

** Temporary roof top signage may be allowed pursuant to the Topeka Municipal Code.

*** Unless such use is incidental to the operation of an automobile sales facility or a convenience store.