

(First Published in the Columbus Daily Advocate 26th day of February, 2008)

ORDINANCE NO. 1237

AN ORDINANCE AMENDING ORDINANCE NO. 1182, EXEMPTING CERTAIN PROPERTY IN THE CITY OF COLUMBUS, CHEROKEE COUNTY, KANSAS, FROM AD VALOREM TAXATION FOR ECONOMIC DEVELOPMENT PURPOSES

WHEREAS, Article 11, Section 13 of the Kansas Constitution permits the governing body of any city, by ordinance, to exempt from all ad valorem taxation all or any portion of the appraised valuation of all buildings, together with the land upon which such buildings were located, and all tangible personal property associated therewith, used exclusively by a business for the purpose of manufacturing articles of commerce for not more than ten (10) calendar years after the calendar year in which the business commences its operations, or in which expansion of an existing business is completed; and

WHEREAS, Ordinance No. 1182, adopted by the City of Columbus, Kansas, on April 17, 2006, shall be amended to reflect the correct ten (10) year period that the exemption from ad valorem taxation is effective as to the real estate and personal property owned and operated by Prestige Cabinets, Inc., and its parent company, RSI Holding Corporation, said property being located in Columbus, Cherokee County, Kansas.

WHEREAS, the Governing Body of the City of Columbus, Kansas, has adopted a Statement of Policy and Procedures Tax Exemptions and Incentives for Economic Development in Resolution No. 144, adopted September 16, 1991.

WHEREAS, a cost benefit analysis was prepared March 14, 2006, showing the beneficial impact of the new business project owned by Prestige Cabinets, Inc, and its parent company, RSI Holding Corporation, in Columbus, Kansas, on State, County, School District and City revenues, including the number of new jobs:

	<u>New Hires</u>	<u>Average Annual Salaries</u>
Year 1:	150	\$20,800
Year 2:	75	\$20,800
Year 3:	50	\$20,800
Year 4:	75	\$22,880
Year 5:	50	\$22,800
Year 6:	50	\$22,880
Year 7:	125	\$24,960
Year 8:	25	\$24,960
Year 9:	50	\$27,040
Year 10:	50	\$27,040

WHEREAS, the Governing Body of the City of Columbus, Kansas, after conducting a public hearing pursuant to published notice as provided by law, has determined that property belonging to Prestige Cabinets, Inc., and its parent company, RSI Holding Corporation, and used exclusively for the

purpose of manufacturing articles of commerce, should be granted tax exemption for economic development purposes;

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF COLUMBUS, KANSAS.

Section 1: Grant of Exemption. In accordance with Article 11, Section 13 of the Kansas Constitution, and pursuant to K.S.A. 79-251, Resolution No. 144 and this Ordinance, the following described real estate and personal property owned by Prestige Cabinets, Inc., and its parent company, RSI Holding Corporation, is hereby exempted from ad valorem taxation for a term of ten (10) calendar years, commencing with the calendar year 2007 through 2016:

- Approximately 187,000 s.f. facility situated on real property located at 501 Southeast Avenue, Columbus, Kansas (legal description attached)
- Improvements including electrical, office modification/construction, production area modification/retrofit
- Manufacturing and distribution equipment, furniture and fixtures and computer equipment

Section 2: Exemption of Minimum Payment in Lieu of Taxes. In accordance with Resolution No. 144, Section 8, the Minimum Payment in Lieu of Taxes shall be waived due to the acquisition of the vacant building for a new business.

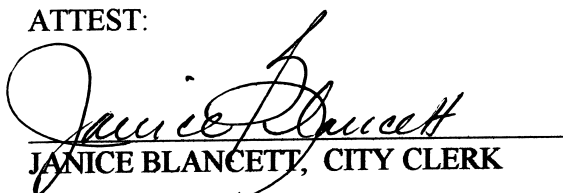
Section 3: Annual Renewal Subject to Review. Pursuant to Resolution No. 144, Section 22, the tax exemption-incentive shall be subject to annual review by the Governing Body to insure that the ownership, expansion and use of the property, and the number and quality of jobs created continue to meet the criteria.

Section 4. Effective Date. This ordinance shall take effect and be in force from and after its publication in the official City newspaper.

PASSED and APPROVED by the Governing body this 19th day of February, 2008


HARLEY MCDANIEL, MAYOR

ATTEST:


JANICE BLANCETT, CITY CLERK

(SEAL)