#### ANNEXATION AGREEMENT

THIS AGREEMENT is made effective and entered into this 15th day of April, 2025 ("Effective Date"), by and among COMMERCIAL REPOSITION PARTNERS 17, LLC, a Colorado limited liability company ("Developer") and the CITY OF OLATHE, Johnson County, Kansas, a municipal corporation duly organized under the laws of the State of Kansas ("City") (collectively, the "Parties", and each, individually, a "Party").

WHEREAS, Developer is the owner of record of a parcel of real estate (Parcel No. 6F231423-2001) containing approximately 146± acres of land situated in Johnson County, Kansas, as more particularly described on **Exhibit A**, which is attached hereto and made a part of this Agreement (collectively, the "**Property**"); and

WHEREAS, the Property is located adjacent to the city limits of the City, but is not otherwise situated within the limits of any other municipality; and

WHEREAS, Developer (or its designee or a future grantee) desire to develop the Property, which may include commercial, office, manufacturing, warehouse/distribution, business park, and other appropriate purposes approved by the City, and further desire to submit to the City applications for the issuance of industrial revenue bonds for the purpose of real property tax abatement and sales tax exemption on building materials and equipment associated with such development, rezoning, site plans, plats, and other related documents for these purposes; and

WHEREAS, City desires to annex the Property and to ensure that the development of the Property is compatible with surrounding land uses; and that, subject to the provisions of this Agreement, adequate public facilities exist concurrent with the impact of such development; and that development of the Property will be consistent with the City's Comprehensive Plan, if applicable; and

WHEREAS, subject to and in accordance with the provisions of this Agreement, including all the conditions herein contained, Developer consents to having the Property annexed into the City and acknowledges that adequate public services must be available at the time the development is being constructed and occupied for use; and

**WHEREAS**, this annexation is anticipated to provide significant benefits to the City that might otherwise be unattainable, increasing the vitality of the City's economy, and expanding the local tax base; and

**WHEREAS**, the Parties desire to enter into an agreement to set the conditions of annexation of the Property pursuant to K.S.A. 12-534, prior to the act of annexation; and

**WHEREAS**, this Agreement sets forth the understandings and agreements of annexation between the Parties hereto, which are in accord with the annexation policy of the City; and

**NOW, THEREFORE**, the parties hereto agree to the annexation of the Property, subject to the following terms and conditions:

- 1. **Acknowledgement**. The above recitals are true and correct, are incorporated in this Agreement by reference thereto, and form a material part of this Agreement upon which the Parties have relied, including, but not limited to the assertions that the Developer owns the Property, and that the respective Parties are each empowered to enter into this Agreement and make binding commitments.
- 2. **Project Approvals**. City understands that Developer intends to submit applications for:

#### A. Land Use Approvals.

- i. Rezoning, preliminary and final development plans, and preliminary and final plats, and any changes that may be needed to the City's comprehensive plan, to develop the Property as an industrial and logistics business park, which may include commercial, office, manufacturing, warehouse/distribution, and other appropriate uses approved by the City, and for other general commercial or mixed-use purposes, as generally depicted on the concept plan attached hereto as **Exhibit B** (the "**Project**").
- ii. The Parties agree to work together to agree on design specifications for the primary roads constructed by Developer or its assigns as part of the Project so that such roads, if and as requested by Developer or its assigns, can be dedicated to the City as public streets owned and maintained by the City.
- iii. City will approve full access points ##1-4 generally identified on the attached concept plan attached hereto as **Exhibit B**, as well as right-in, right-out access for the commercial area on Lone Elm. (If the residential properties at access point #2 are not acquired, that access point would be adjusted to accommodate the residential properties.)
- iv. Developer's land use approvals will not be conditioned upon construction of any public streets on the Property connecting Lone Elm, 175<sup>th</sup> Street, and/or the Property's east property line. At the request of the owners of the properties immediately east of the Property, Developer will work with the adjacent property owners to provide access to Lone Elm and/or 175<sup>th</sup> Street (the design/configuration of which will be in Developer's sole discretion) at such adjacent property owners' sole cost and expense.

v. The Parties agree that the City will review the Project under the design guidelines set forth in the City's UDO; however, the City understands and acknowledges that Developer will seek waivers to the UDO design guidelines as applicable to the Project. The City will consider such waiver requests in good faith so long as the Project's general building design and exterior detailing is as depicted in the attached exterior building renderings attached hereto as **Exhibit C**.

#### B. Public Incentives.

- i. Issuance of industrial revenue bonds ("IRBs") for—
  - 1. Entire Project: Sales tax exemption on construction materials and furniture, fixtures, and equipment; and
  - 2. Industrial Portion of the Project: Real property tax abatement
  - 3. A master resolution of intent to issue separate IRBs over time for each of the industrial buildings constructed on the Property; and
  - 4. 80% real estate tax abatement in the form of a 10-year fixed-PILOT payment for each phased building over time (escalating annually by 2.0%), with a methodology in accordance with the valuation process used to determine other IRB fixed PILOT schedules within the City.
- ii. Community Improvement District sales tax of up to two percent (2%) for the non-industrial portion of the Project.
- iii. Transfer/Assignment. Land and completed buildings on the Property, along with the IRB/CID rights, can be transferred, leased, and assigned, as applicable, to third parties without City consent.

Collectively, Paragraphs 2(A) and (B) above are referred to herein as the "Project Approvals".

#### 3. Extension of Sanitary Sewer Service.

- A. No later than eighteen (18) months after the Effective Date hereof, at City's sole cost and expense, City will extend sanitary sewers to the Property to provide sufficient sewer service for the entire Project (the "Sewer Extension"). All easements on the Property required for the City to complete the Sewer Extension will be dedicated by Developer at no cost to the City.
- B. City will complete full design of such sanitary sewers within four (4) months after the Effective Date hereof.

- C. City will commence a continuous program of construction for such sanitary sewers no later than six (6) months after the Effective Date hereof.
- D. City will have up to an additional ninety (90) days to deliver such sewer service in the event of Acts of God (e.g., unusual weather events) or other events outside of City's reasonable control (e.g., delayed KDHE approvals).
- E. For ongoing sanitary sewer usage fees for the Project, City will charge rates consistent with service rates charged across the City.
- 4. Off-Site Public Improvements--Construction Obligations; Assessments/Charges. Unless Developer consents in Developer's sole discretion, no (a) assessments against the Property during the term of the IRB master resolution of intent (which shall last at least until the expiration of the ten year real property tax abatement for the last industrial building constructed on the Property); or (b) required off-site public improvements (including, without limitation, improvements to the 175<sup>th</sup> and Lone Elm intersection, reimbursement for sanitary sewer extension costs, etc.) or payments for such off-site public improvements, as conditions to land use approvals for the Property or in any other context.
- 5. City Authority & Developer Authority. Developer acknowledges that the Project Approvals are subject to the plenary legislative and quasi-judicial discretion of the Governing Body of the City. No assurances of Project Approvals have been made or relied upon by the Developer, and this Agreement shall in no way inhibit or affect the ability of the City or its officials from properly performing their legislative and quasi-judicial functions, including but not limited to, the outright denial of the annexation petition described herein, or the land use approvals described herein. City acknowledges that should the Project Approvals not be obtained by Developer in accordance with the provisions of this Agreement, Developer may cause the Property to be de-annexed in accordance with the provisions of Paragraph 25 below.
- 6. **Petition**. In accordance with K.S.A. 12-520 (a)(7), because the Property adjoins the City and Developer desires to voluntarily annex the Property into the City, Developer will file a written petition for annexation of the Property with the City, on a form substantially similar to **Exhibit D** (attached hereto and incorporated herein by reference). Developer agrees to prepare, at Developer's sole expense, all materials necessary for the annexation, including, without limitation, the annexation petition, associated legal description, and associated map for annexation.
- 7. **Annexation Procedure**. The City agrees to take any and all appropriate actions, at City's expense, as are required by the annexation laws of the state of Kansas applicable to annexing cities which are necessary with respect to the subject annexation petition, including, but not limited to, the publication of all required notices and the holding of all required hearings regarding the same.
- 8. City Services. Upon annexation, the Property shall utilize all applicable City services except as otherwise provided herein or agreed to by the Parties. If the aforementioned

Public Incentives are approved for the Project, the owner of the Property will use its best efforts to comply with the City's IRB and CID policies (but any specific terms set forth in this Agreement will control over such policies) and make use of the City's solid waste and recycling services to serve the Property (but will not be required to use such City services (at such owner's sole discretion) by this agreement.

- 9. **Applicable City Laws & Regulations.** Upon annexation the Property shall be subject to all laws, codes, ordinances, fees, assessments, taxes, usage charges, rules, policies and regulations of the City, now existing or as may hereinafter be amended, enacted, and/or enforced, as applicable to all other property presently situated within the corporate limits of the City, and nothing herein shall be interpreted to limit the enforceability or application of such, except as provided herein. The anticipated fees, assessments and taxes applicable to the Property are specified as follows:
  - A. Park Excise Tax of \$0.07 per square foot of gross floor area payable upon building permit issuance.
  - B. Intermediate Traffic Signal Excise Tax pursuant to Olathe Municipal Code, Section 3.35.030 payable upon plat recording.
  - C. Transportation Improvement (Street Excise) Tax of \$0.215 per square foot of platted land payable upon plat recording.
  - D. Sanitary Sewer System Development Fee as determined by water meter size, payable upon building permit issuance.
  - E. Building Permit fees as set forth in Olathe Municipal Code 15.02.180.
  - F. Plan Review fees as set forth in Olathe Municipal Code 15.02.180..
  - G. Stormwater Permit fee as set forth in Olathe Municipal Code 17.12.050.
- 10. **Stormwater Management.** The Parties agree and acknowledge that upon annexation the Property shall be subject to the provisions of Title 17 of the Olathe Municipal Code, any amendments thereto, relating to stormwater management and the development or improvement of lands within a designated stream or stream corridor but only to the extent the Property would be subject thereto by the terms of said Title 17.
- 11. Annexation Ordinance. This Agreement is expressly contingent on the passage of annexation ordinances covering all of the Property by the City's Governing Body and conformance with Kansas annexation laws. The City will not undertake annexation of only a portion of the Property. If for any reason annexation ordinances covering the Property are not passed by the City's governing body within forty-five (45) days following the filing of the petition for annexation, any annexation application for the Property shall be considered withdrawn and this Agreement shall be terminated and shall be of no force and effect thereafter except for those provisions which by their terms survive termination. If the City does not annex all of the Property, no party will be liable to any other for any costs that the other party has incurred in the negotiation of this Agreement, or in any other matter related to the potential annexation of the Property and this provision shall survive termination of this Agreement. This Agreement is intended to be recorded, by the City, in the land records of Johnson County, Kansas at Developer's expense, but not until after the passage of the annexation ordinance.

- 12. Cooperation. The Parties agree that the development of the Property is in the best interests of both Parties and requires their ongoing cooperation. Developer hereby agrees to fully comply with all City requirements and to assist the City to the fullest extent possible. The City hereby states its intent to cooperate with the Developer in the resolution of mutual problems and its willingness to facilitate the development of the Property, as contemplated by the provisions of this Agreement, including obtaining necessary off-site easements to extend any public infrastructure needed for the development of the Property, unless prohibited by law. The City shall assist the development of the Property by expeditiously processing the submission of proper plans, complete applications, and plats (to the extent applicable) as may be uniformly required under any City ordinance, resolution, regulation, or policy and not unduly hinder or delay the development of the Property. Such intention does not preclude City staff from making professional recommendations regarding the Project Approvals which are in conflict with Developer's requests and/or desires pertaining to any of the Project Approvals.
- 13. Entire Agreement. This Agreement reflects an understanding between the Parties concerning the major points of development of the Property after annexation. Any prior negotiations, comments, plans or understandings not expressly set forth herein are of no further force and effect to the extent they may be inconsistent with the terms hereof. However, it is intended and expected that additional details will be addressed from time to time as part of the ordinary development review and permitting processes. This Agreement is not intended to modify, limit or restrict the ordinary review authority of the City and its staff, commissions, committees, and/or governing body to impose conditions on, or deny, certain aspects of the proposed development of the Property as deemed appropriate in the City's sole discretion.
- 14. **Limited Beneficiaries**. This Agreement is solely for the benefit of the Parties hereto, and no right or cause of action shall accrue by reason hereof to or for the benefit of any third party which is not a Party hereto, except as set forth below and in Paragraph 15 hereof. Nothing in this Agreement, expressed or implied, is intended or shall be construed to confer upon or give any person or entity any right, remedy or claim under or by reason of this Agreement or any provisions or conditions hereof, other than the Parties hereto and their respective designates, representatives, successors and/or assigns pursuant to Paragraph 15 hereof.
- 15. **Authority; Successors & Assigns**. Each Party hereby stipulates that it is duly authorized to enter into this Agreement and be bound by the terms and conditions set forth herein. The terms of this Agreement shall be binding upon the successors and assigns and legal representatives of the Parties hereto.
- 16. **Exhibits**. The exhibits to this Agreement are hereby incorporated into this Agreement and are an integral part of this Agreement.
- 17. **Breach & Enforcement**. The Parties agree and hereby stipulate that any Party may, by civil action, mandamus, injunction, specific performance, or other proceedings, enforce and compel performance of this Agreement, or declare this Agreement null and void, in

addition to other remedies available. Upon breach by Developer, the City may refuse the issuance of any permits or other approvals or authorizations relating to development of the Property.

- 18. **Applicable Law**. The laws of the State of Kansas shall govern the interpretation and enforcement of this Agreement. In any action to enforce or interpret the terms of this Agreement, venue shall be in Johnson County, Kansas.
- 19. Severability. If any provision of this Agreement, the deletion of which would not adversely affect the receipt of any material benefit by any Party to the Agreement or substantially increase the burden of any Party to the Agreement, shall be held to be unconstitutional, invalid or unenforceable to any extent by a court of competent jurisdiction, such portion shall be deemed a separate, distinct, and independent provision and the same shall not affect in any respect whatsoever the validity or enforceability of the remainder of the Agreement.
- 20. Compliance with Applicable Laws. If State or Federal laws are enacted after execution of this Agreement which are applicable to and preclude the Parties' compliance with the terms of this Agreement, this Agreement shall be modified or revoked as is necessary to comply with the relevant State or Federal laws and the intent of the Parties hereto; provided, however, that the City agrees that it shall not modify this Agreement in any manner which would in any way be inconsistent with the intent of the Parties to provide for development of the property in accordance with the terms and conditions hereof.
- 21. **Mutual Assent**. This Agreement is the result of bona fide arms' length negotiations between the Parties and the Parties contributed substantially and materially to the preparation of the Agreement. Accordingly, this Agreement shall not be construed or interpreted more strictly against any one Party than against any other Party.
- 22. **Waivers**. No waiver by either Party of any term or condition of this Agreement shall be deemed to be or construed as a waiver of any other term or condition, nor shall a waiver of any breach be deemed to constitute a waiver of any subsequent breach of the same provision of this Agreement.
- 23. **Amendments**. This Agreement may not be amended, changed or modified, and material provisions hereunder may not be waived, except by a written document approved and executed by all Parties.
- 24. **Counterparts**. This Agreement may be executed in any number of counterparts, each of which shall be deemed an original, but all of which, taken together, shall constitute one and the same document.

#### 25. De-Annexation.

A. For any Project Approvals submitted to the City in substantial conformance with this Agreement for formal review and approval no later than one hundred eighty (180) days after the Effective Date hereof, if the City fails to approve any of such

Project Approvals under terms and conditions satisfactory to both Parties within 300 days after the Effective Date hereof, or

- B. In the event City does not timely satisfy the Sewer Extension deadlines in Paragraph 3 hereof (as may be extended thereunder), then
- C. Developer shall have the right to make demand upon the City in writing requesting de-annexation of either part or all of the Property, whereby the City shall take all steps necessary to de-annex such Property; except that, Developer shall have no such right with respect to any Project Approval for which Developer withdrew the relevant application before the City could formally consider it. If the City shall have failed to de-annex such property within one hundred twenty (120) days of the City's receipt of Developer's written request for de-annexation pursuant hereto, Developer shall have the right to obtain from the District Court of Johnson County, Kansas, such orders and judgments as may be required to enforce City's agreement to de-annex such property in accordance herewith, including recovery of the costs and expenses of said litigation including reasonable attorney's fees. All provisions of this Paragraph 25 shall survive termination of this Agreement.

[SIGNATURE PAGES BELOW]

**IN WITNESS WHEREOF**, the above parties have signed as of the date written above.

TITY OF OLATHE, KANSAS		
ohn W. Bacon, Mayor		
renda D. Swearingian, City Clerk		
SEAL)		
ACKNOWLEDGMENT		
TATE OF KANSAS ) ) ss:		
OUNTY OF JOHNSON )		
BE IT REMEMBERED, that on this day of, 2025, before, the undersigned, a Notary Public in and for the County and State aforesaid, came <b>JOHN WACON</b> , Mayor of the City of Olathe, Kansas, and <b>BRENDA D. SWEARINGIAN</b> , City Clerk f said City, who are personally known to me to be the same persons who executed, as such fficers, the within instrument on behalf of said City, and such persons duly acknowledged the execution of the same to be the act and deed of said City.		
IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and ear first above written.		
Note we Deskille		
Notary Public		
Iy Appointment Expires:		

#### **DEVELOPER**

**COMMERCIAL REPOSITION PARTNERS 17,** 

LLC, a Colorado limited liability company

By:

Mark Connor, Authorized Signatory

STATE OF <u>Colorado</u> ) ss. COUNTY OF <u>ARAFANOL</u> )

On this 24th day of April, 2025 before me appeared Mark Connor, to me personally known, who being by me duly sworn, did say that he is the authorized signatory of COMMERCIAL REPOSITION PARTNERS 17, LLC, a Colorado limited liability company, and that he, as such and being authorized so to do, executed the foregoing instrument for the purposes therein contained on behalf of said entity.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

My Appointment Expires:

4 DEC ODES

NORMAN K SOLOMON NOTARY PUBLIC STATE OF COLORADO NOTARY ID 20014036968

MY COMMISSION EXPIRES DECEMBER 04, 2025

#### **EXHIBIT A**

#### **Property Legal Description & Map**

Johnson County Parcel ID:

Parcel No. 6F231423-2001

#### **Legal Description**:

ALL OF THE SOUTHWEST QUARTER (SW 1/4) OF SECTION TWENTY-THREE (23), TOWNSHIP FOURTEEN (14), RANGE TWENTY-THREE (23), IN JOHNSON COUNTY, KANSAS, EXCEPT THAT PART IN STREETS AND ROADS. AND EXCEPT THE FOLLOWING PARCELS. TO WIT:

- A) BEGINNING AT THE SOUTHWEST CORNER OF THE NORTH ONE-HALF (N ½) OF THE SOUTHWEST QUARTER (SW ½) OF SECTION TWENTY-THREE (23), TOWNSHIP FOURTEEN SOUTH (14S), RANGE TWENTY-THREE EAST (23E); THENCE EAST 660 FEET; THENCE NORTH 330 FEET; THENCE WEST 660 FEET; THENCE SOUTH 330 FEET TO THE POINT OF BEGINNING.
- B) A TRACT OF LAND IN THE SOUTH ONE-HALE (S ½) OF THE SOUTHWEST QUARTER (SW ¼) OF SECTION TWENTY THREE (23), TOWNSHIP FOURTEEN SOUTH (14S), RANGE TWENTY-THREE EAST (23E) OF THE 6TH P.M., DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF SAID QUARTER SECTION; THENCE NORTH 01° 56′ WEST, 81.5 FEET ALONG THE EAST LINE OF SAID QUARTER SECTION; THENCE ON A CURVE OF 703.94 FEET RADIUS TO THE RIGHT, AN ARC DISTANCE OF 172.9 FEET WITH A CHORD WHICH BEARS SOUTH 80° 49′ WEST 172.5 FEET; THENCE SOUTH 87° 51′ WEST, 187.1 FEET; THENCE SOUTH 66° 03′ WEST, 53.9 FEET; THENCE SOUTH 02° 09′ EAST TO A POINT ON THE SOUTH LINE OF SAID QUARTER SECTION, 408.0 FEET WEST OF THE PLACE OF BEGINNING; THENCE NORTH 87° 54′ EAST ALONG SAID SOUTH LINE TO THE PLACE OF BEGINNING.
- C) A TRACT OF LAND IN THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 14 SOUTH, RANGE 23 EAST OF THE 6TH P.M., IN JOHNSON COUNTY, KANSAS, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHWEST CORNER OF SAID QUARTER SECTION; THENCE ON AN ASSUMED BEARING OF NORTH 00° 36′ 45″ WEST, 350.00 FEET ALONG THE WEST LINE OF SAID QUARTER SECTION; THENCE NORTH 89° 23′ 15″ EAST, 20.00 FEET TO THE EAST RIGHT OF WAY LINE OF A PUBLIC ROAD; THENCE SOUTH 27° 10′ 39″ EAST, 55.90 FEET; THENCE SOUTH 07° 01′ 50″ EAST, 101.04 FEET; THENCE SOUTH 70° 11′ 31″ EAST, 85.44 FEET; THENCE SOUTH 89° 47′ 38″ EAST, 600.08 FEET; THENCE NORTH 89° 15′ 07″ EAST, 1100.00 FEET; THENCE NORTH 72° 19′ 31″ EAST, 174.66 FEET TO A POINT ON THE EAST LINE 176.35 FEET NORTH OF THE SOUTHEAST CORNER OF SAID QUARTER SECTION; THENCE SOUTH 00° 34′ 47″ EAST, 94.93 FEET ALONG SAID EAST LINE TO THE NORTH RIGHT OF WAY OF US 169 HIGHWAY; THENCE ON A CURVE OF 703.94 FEET RADIUS TO THE RIGHT ALONG SAID RIGHT OF WAY LINE AN ARC DISTANCE OF 172.71 FEET, WITH A CHORD WHICH BEARS SOUTH 82° 18′ 38″ WEST, 172.28 FEET; THENCE SOUTH 89° 20′ 22″ WEST, 187,08 FEET ALONG SAID RIGHT OF WAY LINE; THENCE SOUTH 86° 35′ 44″ WEST, 54.21 FEET ALONG SAID RIGHT OF WAY LINE; THENCE SOUTH LINE, 407.95 FEET

WEST OF THE SOUTHEAST CORNER OF SAID. QUARTER SECTION; THENCE SOUTH 89° 15' 07' WEST 2237.51 FEET ALONG SAID SOUTH LINE TO THE POINT OF BEGINNING.

D) THE WEST 45 FEET OF THE SOUTH HALF OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 14, RANGE 23, IN JOHNSON COUNTY, KANSAS, EXCEPT THE SOUTH 300 FEET THEREOF.

E) THE WEST 40 FEET OF THE NORTH HALF OF THE SOUTHWEST QUARTER OF SECTION 23, TOWNSHIP 14, RANGE 23, IN JOHNSON COUNTY, KANSAS, EXCEPT THE SOUTH 330 FEET THEREOF.

#### General Depiction:



# EXHIBIT B Conceptual Plan and Required Access Points



## **EXHIBIT C**

# **Exterior Building Renderings**







### **EXHIBIT D**

# PETITION FOR ANNEXATION (FORM)

TO THE CITY COUNCIL OF THE CITY OF OLATHE, KANSAS:

	, the undersigned, respectfully states:
1.	That I am the record owner(s) of the following described land located in Johnson County, Kansas: See attached Exhibit 1
2.	That such land adjoins the City of Olathe, Kansas, as is shown on the map attached hereto and incorporated by reference herein.
3.	That I respectfully request that such land be annexed and incorporated to the City of Olathe, Kansas, and do hereby consent to such annexation.
Name	
Addres	SS S
City, S	tate Zip Code
Phone	Number <u>CERTIFICATION</u>
	E OF) SS. ITY OF)
	hereby certify that we signed the foregoing Petition for ation as our free act and deed and certify that we are the legal owners of the real estate described in egoing Petition for Annexation.
	Subscribed to and sworn to before me this day of, 20
	Notary Public
My Ap	ppointment expires: