

COMMITTEE SUBSTITUTE FOR ORDINANCE NO. 051494

Authorizing a development agreement with Cerner Properties, Inc., for the Cerner Data Center Project.

WHEREAS, Cerner Properties, Inc. (“Cerner”), has proposed to develop a project (the “Project”), consisting of the construction of a data center consisting of approximately 105,000 square feet, together with approximately 15,000 square feet of office space and the acquisition and installation from time to time of equipment, furniture, furnishings and other personal property for use in connection with the operation and occupancy of the center; and

WHEREAS, the City desires to consider Cerner’s request to provide certain economic development incentives to Cerner, including the issuance of Chapter 100 bonds in a par amount not to exceed \$70,000,000 to provide funds for initial real property improvements at the Project site of approximately \$60 million and the acquisition of \$10 million of personal property, respectively. The bond sale is expected to occur in December 2007; and

WHEREAS, the City may issue additional Chapter 100 bonds during the 10-year term of the Chapter 100 plan to further support Cerner’s investment of up to an additional \$430,000,000 in the Project through the acquisition of additional new and replacement personal property for the Project; and

WHEREAS, the City and Cerner desire to execute a development agreement to set for the rights and obligations of each respective party in connection with the proposed Chapter 100 bond issuance and other matters; NOW, THEREFORE,

BE IT ORDAINED BY THE COUNCIL OF KANSAS CITY:

Section 1. That the Director of City Development is authorized to execute, on behalf of the City, a development agreement with Cerner Properties, Inc., setting forth the rights and obligations of the parties in connection with the proposed issuance of Chapter 100 bonds for the Project. The agreement is approved in substantial form as that attached to this ordinance with such changes deemed necessary by the Director of City Development.

---

Approved as to form and legality:

---

Heather A. Brown  
Assistant City Attorney