

June 22, 2007

Douglas K. Clary
USDA Rural Development
3705 Miller Parkway, Suite A
Manhattan, KS 66502-7546

RE: Iron Horse Development, LLC – Herington, KS
USDA Rural Economic Development Loan

Dear Mr. Clary,

The Kansas Geological Survey (KGS) has received USDA Rural Development's (USDA) May 30, 2007, request for a governmental agency review on a USDA Rural Economic Development Loan application for the proposed construction of the Logan Pointe Subdivision and a 24-unit apartment complex in Herington, KS. Upon completion of the agency review, USDA will obligate funds to the Central Nation Bank, who will finance a third party, Iron Horse Development, LLC, for the construction of the proposed subdivision and apartment complex. A summary of regional geologic information available at the KGS is included below.

The site is located on the northeast edge of Herington, KS in Dickenson County at the Southwest ¼ of Section 1, Township 16S, Range 6E. The project will be located on a 155-acre tract that Iron Horse Development, LLC will purchase for the project.

The site is located within the flint hills uplands physiographic region of Kansas. The topography consists of rolling, limestone capped hills which are stratigraphically included within the alternating limestone and shale formations of the Chase Group in the Permian System.

Soils at the site are within the Irwin-Clime-Sogn association, mostly USC classified as CL and CH. Some of these soils have restrictive features for building site development associated with shallow depth to bedrock, as well as, severe slopes, low strength, and shrink-swell potential.

The regional geologic information presented above indicates that some soils in the project area may have somewhat complicated soil-engineering properties and a shallow depth to bedrock. Due to the large size of the project, geotechnical aspects, such as, soil properties, cut-and-fill, and the potential for rock excavation,

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should be considered by the applicant during the design and construction phase of the project. But overall, there are no unduly adverse geologic conditions that should affect this project. A completed request for comments form is enclosed.

This letter is an assessment based on the regional geologic conditions available at the KGS at the time of writing and cannot be used in substitute of a detailed site characterization. Other geologic conditions, not discussed herein, or for which the KGS has no knowledge, may affect the viability or safe operation of this facility or property. It is the responsibility of the applicant to provide any necessary characterization, geotechnical or environmental testing, or design by a licensed professional geologist or engineer to complete the project.

Sincerely,

A handwritten signature in black ink, appearing to read "Sh Lyle".

Shane Lyle, RG
Geology Extension Coordinator

Enclosure

cc: Dan Suchy, KGS Data Resources Library

Comments by:
Kansas Geological Survey
Attn: Bill Harrison, Director
1930 Constant Avenue
Lawrence, KS 66047-3726

TRANSMITTAL DATE: May 30, 2007

PROJECT TITLE: Iron Horse Development, LLC.

CONTACT PERSON: DOUGLAS K CLARY

☐ Notification of Intent
☐ Preapplication
☐ Final Application
☐ Direct Development

This form provides notification and the opportunity for your agency to review and comment on this proposed project required by Executive Order 12372. Please complete Parts II & III as appropriate. Your prompt response will be appreciated.

RETURN TO:
USDA, RURAL DEVELOPMENT
3705 Miller Parkway, Suite A
Manhattan, KS 66503-7546

PART I (Check appropriate agency)
REVIEW AGENCIES/COMMISSIONS

☐ Aging	☐ Education	☐ State Forester
☐ Agriculture-DWR	☒ Geological Survey, KS	☐ Transportation
☐ Biological Survey, KS	☐ Health & Environment	☐ Water Office, KS
☐ Conservation Commission	☐ Historical Society	☐ Wildlife & Parks
☐ Corporation Commission	☐ Human Resources	☐
☐ Commerce	☐ Social & Rehab Services	☐

PART II (To be completed by review agency and returned to contact person)
AGENCY REVIEW COMMENTS:

See Cover Letter
PART III (To be completed by review agency and returned to contact person)
RECOMMENDED ACTION COMMENTS

☒ Clearance of the project should be granted.	☐ Clearance of the project should not be delayed but the Applicant should be (in the final application) address and clarify the questions or concerns indicated above.
☐ Clearance of the project should not be granted.	☐ Request the opportunity to review final application prior to submission to the federal funding agency.
☐ Clearance of the project should be delayed until the issues or questions have been clarified.	
☐ Request a State Process Recommendation in concurrence with above comments.	

DIVISION/AGENCY/COMMISSION
Reviewer's Name Shane Lyle Date 6-22-07

Please fax this form to 785-539-2733, as soon as possible. Thank you!



**United States Department of Agriculture
Rural Development**

May 30, 2007

Kansas Geological Survey
Attn: Bill Harrison, Director
1930 Constant Avenue
Lawrence, KS 66047-3726

RE: Iron Horse Development, LLC.

To Whom It May Concern:

Central National Bank, Herington, Kansas is in the process of submitting an application to USDA, Rural Development to assist Iron Horse Development, LLC, with the purchase of 155 acres to be known as Logan Pointe Subdivision and the construction of a 24 unit apartment complex. This property is located on the northeast edge of Herington, Kansas in the general location of Kansas Highway 77 on the East, Logan Avenue on the South, D Street on the North and Herington Middle and High School on the West. For your convenience, a preliminary plat and site map are enclosed. The legal description is:

SW ¼ of Section 1, Township 16 South, Range 6th Principal Meridian

This letter is providing notification of the above-proposed project, as well as the opportunity for your agency to review and comment on the proposed project, as required by Executive Order 12372.

More specific information describing the proposal may be obtained from the following contacts:

Lender

Central Nation Bank
Attn: Dick Kramer
101 S Broadway
Herington, KS 67449
(785) 258-2265

Business

Iron Horse Development, LLC.
Attn: Ross Boelling
5 N Broadway
Herington, KS 67449
(913) 449-3066

Please provide written comments to this office within 30 days of the date of this letter. If there are no areas of concern or comments, we would appreciate your negative report by indicating so on the Transmittal Form and returning same to our office at the address provided. Faxed responses are acceptable at (785) 539-2733.

USDA, Rural Development will not obligate funds for this project until we have completed an Environmental Assessment of the project.

Sincerely,

DOUGLAS K CLARY
Area Specialist

DKClary:dc

Enclosures

3705 Miller Parkway, Suite A • Manhattan, KS 66503-7546
(785) 776-7582 • Fax (785) 539-2733 • www.rurdev.usda.gov/ks

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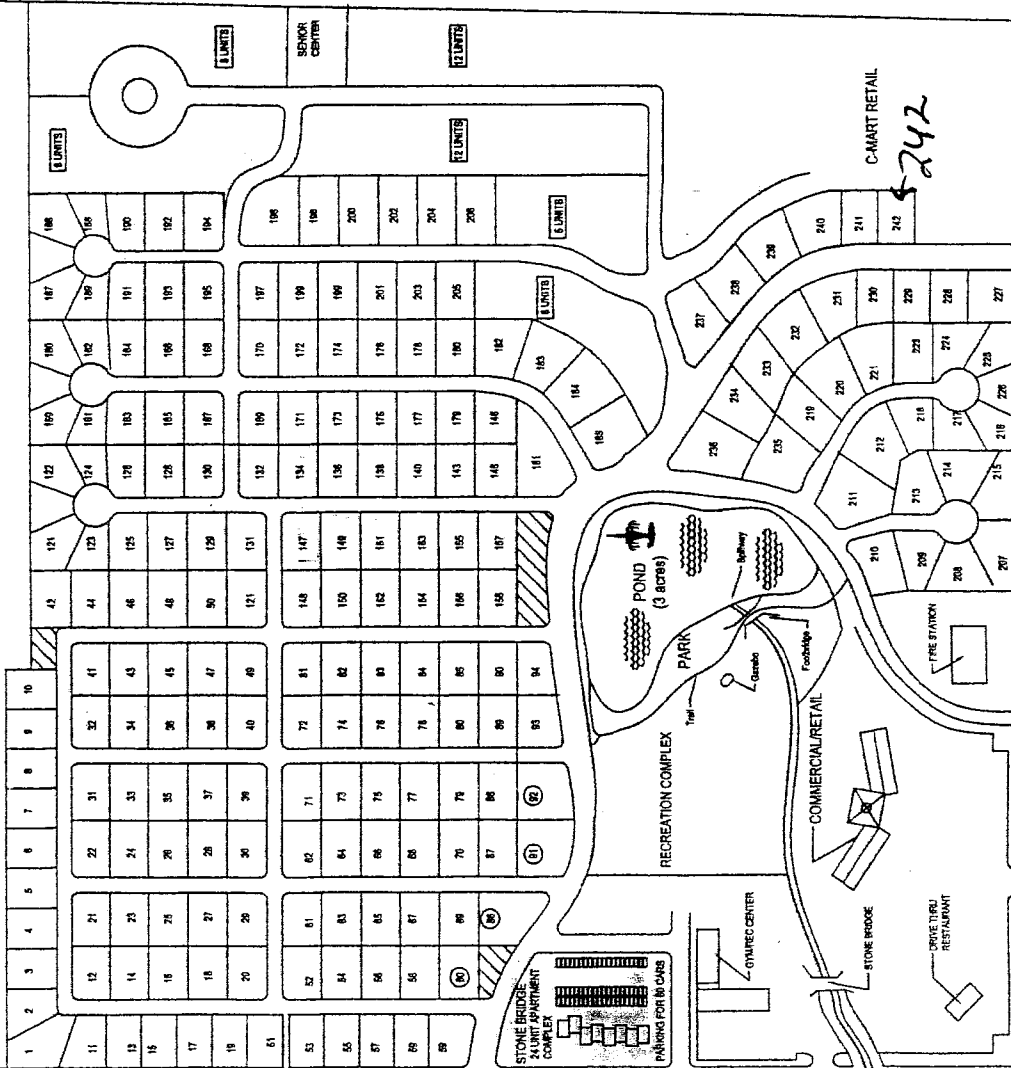
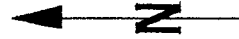
To file a complaint of discrimination, write USDA, Office of Civil Rights, 1400 Independence Avenue, S.W., Washington, D. C. 20250-9410 or call (800) 795-3272 (voice) or (202) 720-6382 (TDD)

HIGHWAY 77

E

Logan Pointe

BY



HERINGTON
HIGH SCHOOL

D STREET

LOGAN AVE.

LEWERENZ ST.

RESIDENTIAL
CLUSTER HOMES
DESIGNATED
UNFLEX HOMES
DESIGNATED
COMMON AREA
APPLEX TO INCLUDE
TWO CAGES, WORKOUT

5



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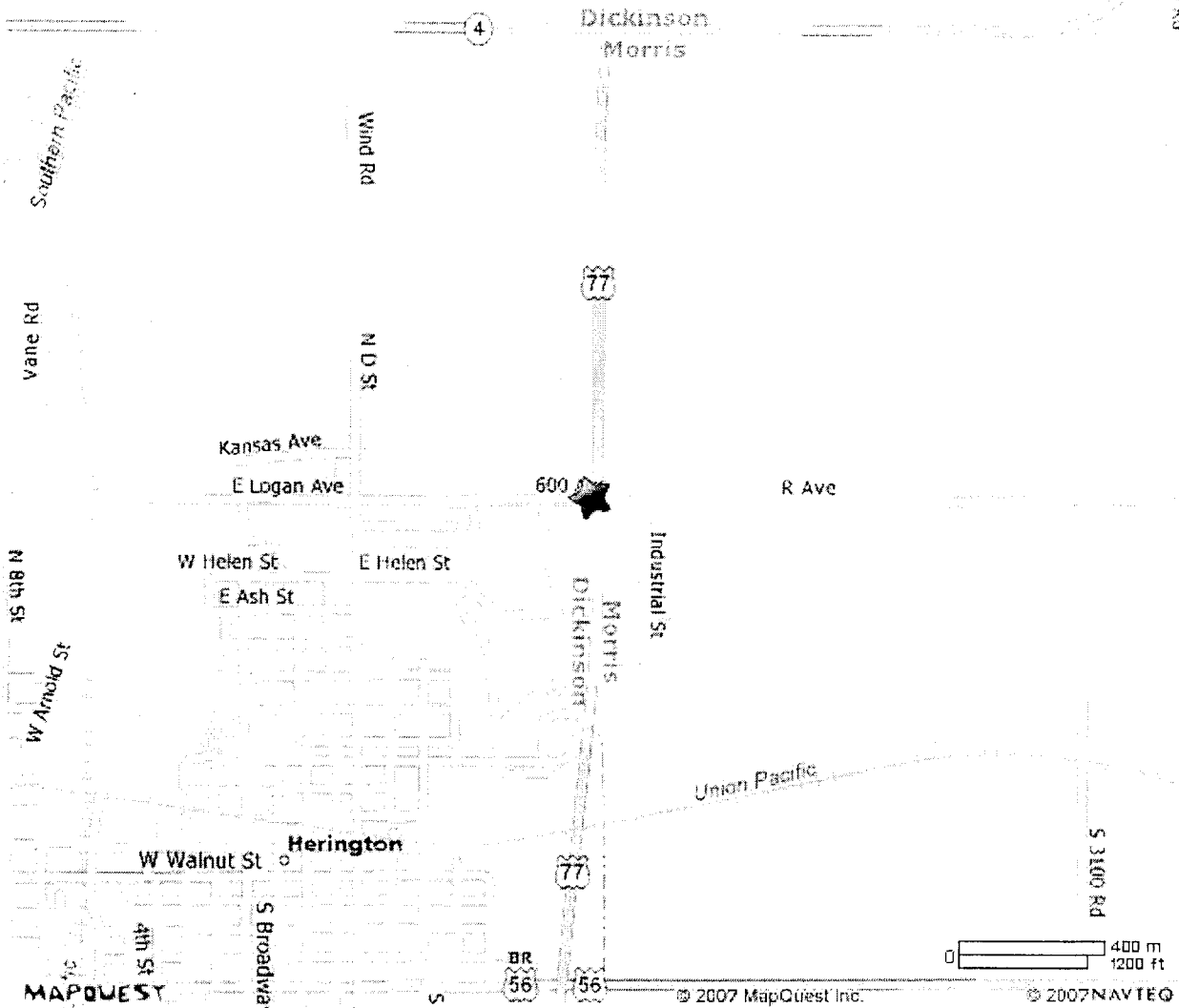
MAPQUEST.

★ Us Highway 77 & E Logan Ave

Herington, KS 67449, US



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