

HOUSE BILL No. 2701

By Committee on Commerce, Labor and Economic Development

2-11

1 AN ACT concerning the Kansas rural housing incentive district act;
2 allowing use of bond proceeds under the act for residential vertical
3 development and renovation of certain buildings within economically
4 distressed urban areas; amending K.S.A. 2021 Supp. 12-5242 and 12-
5 5249 and repealing the existing sections.

6
7 *Be it enacted by the Legislature of the State of Kansas:*

8 Section 1. K.S.A. 2021 Supp. 12-5242 is hereby amended to read as
9 follows: 12-5242. Except as otherwise provided, as used in K.S.A. 12-
10 5241 through 12-5251, *and amendments thereto*, and K.S.A. 2021 Supp.
11 12-5252 through 12-5258, and amendments thereto, ~~the following words~~
12 ~~and phrases shall have the following meanings unless a different meaning~~
13 ~~clearly appears from the context:~~

14 (a) "City" means any city incorporated in accordance with Kansas
15 law:

16 (1) With a population of less than 60,000, as certified to the secretary
17 of state by the director of the division of the budget on the previous July 1
18 in accordance with K.S.A. 11-201, and amendments thereto; *or*

19 (2) *for purposes of a project as defined in K.S.A. 12-5249(a)(11), and*
20 *amendments thereto, within a qualified census tract, "city" includes any*
21 *city with a qualified census tract located within the city.*

22 (b) "City housing authority" means any agency of a city created
23 pursuant to the municipal housing law, K.S.A. 17-2337 et seq., and
24 amendments thereto.

25 (c) "Corporation" means the Kansas housing resources corporation.

26 (d) "County" means any county organized in accordance with K.S.A.
27 18-101 et seq., and amendments thereto;

28 (1) With a population of less than 80,000, as certified to the secretary
29 of state by the director of the division of the budget on the previous July 1st
30 in accordance with K.S.A. 11-201, and amendments thereto; *or*

31 (2) *for purposes of a project as defined in K.S.A. 12-5249(a)(11), and*
32 *amendments thereto, within a qualified census tract, "county" includes any*
33 *county with a qualified census tract located within the county.*

34 (e) "Developer" means the person, firm or corporation responsible
35 under an agreement with the governing body to develop housing or related
36 public facilities in a district.

1 (f) "District" means a rural housing incentive district established in
2 accordance with this act.

3 (g) "Governing body" means the board of county commissioners of
4 any county or the mayor and council, mayor and commissioners or board
5 of commissioners, as the laws affecting the organization and status of
6 cities affected may provide.

7 (h) "Housing development activities" means the construction or
8 rehabilitation of infrastructure necessary to support construction of new
9 residential dwellings and the actual construction of such residential
10 dwellings, if such construction is conducted by a city housing authority.

11 (i) "Secretary" means the secretary of commerce of the state of
12 Kansas.

13 (j) *"Qualified census tract" means an economically distressed urban*
14 *area that is a qualified census tract as defined and designated by the*
15 *United States department of housing and urban development.*

16 (k) "Real property taxes" means and includes all taxes levied on an ad
17 valorem basis upon land and improvements thereon.

18 ~~(l)~~ "Taxing subdivision" means the county, the city, the unified
19 school district, and any other taxing subdivision levying real property
20 taxes, the territory or jurisdiction of which includes any currently existing
21 or subsequently created rural housing incentive district.

22 Sec. 2. K.S.A. 2021 Supp. 12-5249 is hereby amended to read as
23 follows: 12-5249. (a) Any city or county ~~which~~ *that* has established a rural
24 housing incentive district may use the proceeds of special obligation bonds
25 issued under K.S.A. 12-5248, and amendments thereto, or any
26 uncommitted funds derived from those sources of revenue set forth in
27 K.S.A. 12-5248(a)(1), and amendments thereto, to implement specific
28 projects identified within the rural housing incentive district plan
29 including, without limitation:

30 (1) Acquisition of property within the specific project area or areas as
31 provided in K.S.A. 12-5247, and amendments thereto;

32 (2) payment of relocation assistance;

33 (3) site preparation;

34 (4) sanitary and storm sewers and lift stations;

35 (5) drainage conduits, channels and levees;

36 (6) street grading, paving, graveling, macadamizing, curbing,
37 guttering and surfacing;

38 (7) street lighting fixtures, connection and facilities;

39 (8) underground gas, water, heating, and electrical services and
40 connections located within the public right-of-way;

41 (9) sidewalks;

42 (10) water mains and extensions; and

43 (11) renovation of buildings or other structures more than 25 years of

1 age primarily for residential use located in a central business district *or in*
2 *a business or commercial district within a qualified census tract* as
3 approved by the secretary of commerce. Certification of the age of the
4 building or other structure shall be submitted to the secretary by the
5 governing body of the city or county with the resolution as provided by
6 K.S.A. 12-5244, and amendments thereto. Eligible residential
7 improvements shall include only improvements made to the second or
8 higher floors of a building or other structure. Improvements for
9 commercial purposes shall not be eligible.

10 (b) None of the proceeds from the sale of special obligation bonds
11 issued under K.S.A. 12-5248, and amendments thereto, shall be used for
12 the construction of buildings or other structures to be owned by or to be
13 leased to any developer of a residential housing project within the district,
14 except for buildings or other structures located in a central business district
15 *or in a business or commercial district within a qualified census tract* as
16 approved by the secretary of commerce.

17 Sec. 3. K.S.A. 2021 Supp. 12-5242 and 12-5249 are hereby repealed.

18 Sec. 4. This act shall take effect and be in force from and after its
19 publication in the statute book.