

SENATE BILL No. 185

By Committee on Commerce

2-10

1 AN ACT concerning economic development; relating to redevelopment
2 districts encompassing federal enclaves; authorization of franchises
3 for the provision of utilities; **redevelopment authorities in certain**
4 **counties, powers of authority; amending K.S.A. 19-4904 and**
5 **repealing the existing section}.**
6

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

8 {New} Section 1. (a) The board of county commissioners of any
9 county that has established a redevelopment district that includes property
10 located within a federal enclave in the county pursuant to K.S.A. 19-4901
11 et seq., and amendments thereto, hereafter referred to as the redevelopment
12 district, may, by resolution, authorize any person, firm or corporation to
13 install, maintain and operate utilities serving the redevelopment district,
14 including, but not limited to, the following:

15 (1) The construction, operation and maintenance of water lines and
16 water treatment facilities;

17 (2) the construction, operation and maintenance of sewer and
18 wastewater lines and treatment facilities;

19 (3) the construction, operation and maintenance of electrical lines and
20 distribution facilities;

21 (4) the construction, operation and maintenance of gas lines and
22 storage and transmission facilities;

23 (5) the construction, operation and maintenance of
24 telecommunications services;

25 (6) the construction, operation and maintenance of rail lines, sidings
26 and rail switching services; and

27 (7) use of roads within the confines of the redevelopment district, so
28 long as such use is not prohibited by law.

29 (b) If the board of county commissioners of the county has, by
30 resolution, established a redevelopment authority as a body corporate and
31 politic to oversee economic development in the redevelopment district, the
32 board of county commissioners may, by resolution, delegate the powers
33 granted in subsection (a) to the board of directors of such redevelopment
34 authority.

35 (c) If the board of county commissioners of the county or the board of
36 directors of the redevelopment authority authorizes any activity specified

1 in subsection (a), the grant of authority to engage in any such activity shall
2 be subject to the following:

3 (1) All contracts granting or giving any such original franchise, right
4 or privilege, or extending or renewing or amending any existing grant,
5 franchise, right or privilege to engage in such an activity shall be made by
6 a resolution duly adopted by the board of county commissioners of the
7 county, or by a resolution duly adopted by the board of directors of the
8 development authority and approved by a resolution duly adopted by the
9 board of county commissioners;

10 (2) no contract, grant, franchise, right or privilege to engage in such
11 an activity shall be extended for any longer period of time than 20 years
12 from the date of such grant or extension;

13 (3) no person, firm or corporation shall be granted any exclusive
14 franchise, right or privilege whatsoever;

15 (4) no such grant, franchise, right or privilege shall be made to any
16 person, firm, corporation or association, unless it provides for adequate
17 compensation or consideration therefor to be paid to the county or to the
18 redevelopment authority, as the case may be, and, regardless of whether or
19 not other or additional compensation is provided for, such grantee shall
20 pay such fixed charge as may be prescribed in the franchise agreement;

21 (5) no such grant, franchise, right or privilege shall be effective until
22 the resolution of the board of county commissioners approving the same
23 has been adopted as provided by law with all expenses of publishing any
24 resolution adopted pursuant to this section being paid by the proposed
25 grantee; and

26 (6) all contracts, grants, franchises, rights or privileges for the use of
27 the roads of the redevelopment district, not herein mentioned, shall be
28 governed by all the provisions of this act.

29 (d) No franchise fee shall exceed 6% of the utility customer's gross
30 charges for the utility service.

31 (e) Any franchise fees collected from any utility with respect to the
32 provision of utilities within the redevelopment district shall be paid to the
33 county treasurer. The county treasurer shall deposit franchise fees and
34 other revenues received pursuant to subsection (a) to the credit of the
35 redevelopment authority for use by the redevelopment authority as
36 provided in this section. Any such franchise fees shall be specifically
37 restricted for the payment of direct and indirect costs of installation,
38 maintenance and operation of utilities serving the redevelopment district,
39 including, but not limited to, the construction, operation and maintenance
40 of water lines and treatment facilities, sewer and wastewater lines and
41 treatment facilities, electrical lines and distribution facilities, gas lines and
42 storage and transmission facilities, roads and bridges, railway
43 improvements, the demolition of existing obsolete or otherwise unusable

1 structures, the disposal of construction and demolition waste on-site and
2 otherwise, the construction of capital improvements within the
3 redevelopment district; the costs of developing, improving, managing and
4 marketing properties within the redevelopment district; and the payment of
5 bonds issued with respect to any of the foregoing.

6 (f) This section shall be a part of and supplemental to the provisions
7 of article 1 of chapter 19 of the Kansas Statutes Annotated, and
8 amendments thereto.

9 **{Sec. 2. K.S.A. 19-4904 is hereby amended to read as follows: 19-**
10 **4904. (a) The board of county commissioners of Johnson county and**
11 **the board of county commissioners of Labette county may create *by***
12 ***resolution* a redevelopment authority, which shall be composed and have**
13 **such powers as the board may authorize and determine by resolution**
14 **consistent with the provisions of this act.**

15 **(b) Any redevelopment authority created pursuant to subsection (a)**
16 **of this section shall be composed of seven members appointed by the**
17 **board of county commissioners, with at least three of the members**
18 **being representatives of cities, townships or other local governmental**
19 **entities located adjacent to the federal enclave property. Each member**
20 **appointed to the redevelopment authority shall be a resident of the**
21 **county and shall serve for a term consistent with the term of office for**
22 **the board member making the appointment and until such member's**
23 **successor is appointed and qualifies *established by the board of county***
24 ***commissioners*. In case of a vacancy in office, a member shall be**
25 **appointed by the board in the same manner to fill the unexpired term.**

26 Any member of the redevelopment authority may be removed by
27 the board of county commissioners for the same cause justifying
28 removal of any appointive officer.

29 Members of the redevelopment authority shall receive no
30 compensation for their services but may be reimbursed for necessary
31 expenses incurred in the performance of their duties.

32 (c) Upon creation, the redevelopment authority shall be a body
33 corporate and politic, as quasi-municipal organization under the laws
34 of this state, with the powers conferred by this act or by resolution of
35 the board of county commissioners. In performing the duties
36 authorized under this act, the redevelopment authority shall have the
37 power:

38 (1) To sue and be sued;

39 (2) to receive for its lawful activities any contributions or moneys
40 appropriated by the state, any city, county or other political
41 subdivision or agency, or by the federal government or any agency or
42 officer thereof from any other source;

43 (3) to disburse funds for its lawful activities;

1 **(4) to enter into contracts;**

2 **(5) to acquire by donation, purchase or lease land that is located**
3 **within a federal enclave or land located within a redevelopment**
4 **district established under this act;**

5 **(6) to sell and convey real estate acquired under this act; and**

6 **(7) to do and perform all other things provided by this act, ~~or~~**
7 **amendments thereto, or by resolution of the board of county**
8 **commissioners and to have the powers conferred by this act or board**
9 **resolution.**

10 **Powers conferred on the redevelopment authority may be exercised**
11 **only with the approval of the board of county commissioners and all**
12 **expenditures made by the redevelopment authority shall be within**
13 **available resources.**

14 **(d) The redevelopment authority shall, at a minimum, perform**
15 **the following duties:**

16 **(1) Conduct meetings with representatives and officials of cities,**
17 **counties, planning associations or commissions or similar entities or**
18 **organizations to develop information and ensure that the full range of**
19 **interests related to the redevelopment is considered;**

20 **(2) review any comprehensive plan adopted for the property and**
21 **development recommendations for changes, if needed;**

22 **(3) evaluate surrounding property uses, zoning regulations, and**
23 **other land use factors and development recommendations to ensure**
24 **compatibility;**

25 **(4) evaluate the development potential and market feasibility for**
26 **proposals and options for redevelopment of the property;**

27 **(5) evaluate potential methods for the transfer, ownership and**
28 **development of the property;**

29 **(6) make recommendations to the board on proposals for the**
30 **acquisition and financing of the property by the county;**

31 **(7) conduct such other studies as the board may request or direct;**
32 **and**

33 **(8) present ~~such~~ studies, reports, recommendations and other**
34 **information to the board.**

35 **(e) Upon the establishment of a redevelopment district pursuant**
36 **to K.S.A. 19-4902 or 19-4903, and amendments thereto, the**
37 **redevelopment authority shall perform the following additional duties**
38 **as prescribed by the board:**

39 **(1) Solicit and receive development proposals for all or parts of**
40 **property;**

41 **(2) evaluate development proposals received for all parts of the**
42 **property and present the evaluation and recommendation to the board**
43 **or to a zoning board as directed by the board;**

1 **(3) coordinate with county officials or staff in negotiations with**
2 **developers;**

3 **(4) prepare recommendations to the board concerning financing**
4 **or redevelopment or infrastructure for the property;**

5 **(5) prepare recommendations for updates to the comprehensive**
6 **master plan; and**

7 **(6) perform ~~such~~ other studies and coordination as the board may**
8 **request or direct.**

9 **(f) In the event that the board of county commissioners**
10 **determines that it is in the best interest of the county to acquire all or**
11 **part of the enclave property for redevelopment purposes, then the**
12 **redevelopment authority shall perform the following additional duties**
13 **as prescribed by the board:**

14 **(1) Act as the primary contact for developers who are interested**
15 **in acquiring and developing land at the property;**

16 **(2) prepare and present marketing strategy for the property; and**

17 **(3) provide ~~such~~ other duties as the board may request or direct.**

18 **(~~e~~)(g) If created, the redevelopment authority may, upon**
19 **approval of the board of county commissioners, acquire by negotiated**
20 **sale, all or any part of the property located within a federal enclave in**
21 **county, and in so doing, may enter into contracts for the payment of**
22 **costs for ~~such~~ the property, may incur debt and obligation secured by**
23 **the property, and may sell the property to pay such obligations. The**
24 **redevelopment authority may not incur any other debt, nor pledge any**
25 **other resources.**

26 **The board of county commissioners shall approve such acquisition**
27 **if the following conditions are satisfied:**

28 **(1) The property ~~is~~ was part of the sunflower army ammunition**
29 **plant in Johnson county or the property was a part of the Kansas army**
30 **ammunition plant located in Labette county;**

31 **(2) the property is transferred by deed without restrictions due to**
32 **environmental contamination and with a covenant of transfer in**
33 **compliance with the provisions of 42 U.S.C. § 9620 et seq., and**
34 **amendments thereto, or the governor has executed a finding of**
35 **suitability for early transfer in compliance with federal laws and**
36 **regulations;**

37 **(3) neither the state of Kansas through its subdivisions or**
38 **agencies nor Johnson county or Labette county has declared an intent**
39 **to acquire the property for redevelopment purposes;**

40 **(4) the acquisition will not require the redevelopment authority to**
41 **finance the acquisition with resources other than that which is secured**
42 **by the property itself;**

43 **(5) the acquisition is made upon terms that expressly exclude any**

1 obligation of Johnson county or Labette county or the state for the
2 payment of any funds for the acquisition; and

3 (6) the redevelopment authority has presented a feasibility study
4 demonstrating that the costs of acquisition, including all required
5 obligations for environmental remediation, can be paid and satisfied
6 as and when due through the subdivision, selling and redevelopment
7 of the property.

8 Upon acquisition of all or any part of the property, the
9 redevelopment authority shall immediately request establishment of a
10 redevelopment district under K.S.A. 19-4902 or 19-4903, and
11 amendments thereto, and all redevelopment or the property shall be in
12 conformance with the comprehensive master plan and zoning and
13 subdivision regulations adopted by the board of county
14 commissioners.

15 ~~(h)~~ If, at any time after creating a redevelopment authority
16 pursuant to this section, the board of county commissioners
17 determines that the redevelopment authority is no longer needed or
18 should otherwise be dissolved, then the board of county
19 commissioners may, by resolution, dissolve and abolish the
20 redevelopment authority. Thereafter, the board of county
21 commissioners, for and on behalf of the county, shall assume and
22 perform any on-going duties or powers of the authority, shall assume
23 title to and possession of all property, real or personal, owned or held
24 by the authority, and shall assume all debts, contracts and obligations
25 lawfully incurred or entered into by the authority. The board of
26 county commissioners may, by subsequent resolution, reestablish a
27 redevelopment authority under this section at any later time.

28 (i) (1) *The redevelopment authority may, by resolution duly adopted*
29 *by the majority of the members of the redevelopment authority:*

30 (A) *Incur debt and issue bonds in the name of the redevelopment*
31 *authority to pay the costs of developing and improving properties within*
32 *the redevelopment district, specifically including, but not limited to, the*
33 *construction, operation and maintenance of water lines and treatment*
34 *facilities, sewer and wastewater lines and treatment facilities, electrical*
35 *lines and distribution facilities, gas lines and storage and transmission*
36 *facilities, roads and bridges, railway improvements, the demolition of*
37 *existing obsolete or otherwise unusable structures and the disposal of*
38 *construction and demolition waste on-site and otherwise, and the*
39 *construction of buildings and other capital improvements within the*
40 *redevelopment district;*

41 (B) *secure the indebtedness by lien upon, security interest in or*
42 *mortgage of any property owned by the redevelopment authority; and*

43 (C) *acquire and finance the property and improvements through*

1 *lease-purchase agreements pursuant to K.S.A. 10-1116b et seq., and*
2 *amendments thereto.*

3 (2) *The principal and interest on any bonds or other indebtedness*
4 *issued under the provisions of this act shall be payable solely from any*
5 *lawful source of revenue of the redevelopment authority.*

6 (3) *The maximum maturity of any bonds issued pursuant to this act*
7 *shall not exceed 20 years.*

8 (4) *Any debt incurred under the provisions of this act shall not be*
9 *deemed to constitute a debt of the state or of any political subdivision*
10 *thereof or a pledge of the faith and credit of the state or of any such*
11 *political subdivision thereof. All such debt shall contain on the face*
12 *thereof a statement to the effect that neither the state nor any political*
13 *subdivision thereof shall be obligated to pay the same or the interest*
14 *thereon except from revenues of the project or projects for which they are*
15 *issued or from funds provided therefor and that neither the faith and credit*
16 *nor the taxing power of the state or any political subdivision thereof is*
17 *pledged to the payment of the principal of or the interest on such debt.*

18 (5) *All expenses incurred in carrying out the provisions of this act*
19 *shall be payable solely from funds provided under the authority of this act*
20 *and no liability or obligation shall be incurred by the authority beyond the*
21 *extent to which moneys shall have been provided under the provisions of*
22 *this act.*

23 **Sec. 3. K.S.A. 19-4904 is hereby repealed.}**

24 **Sec. 2 {4.}** This act shall take effect and be in force from and after its
25 publication in the Kansas register.