ORDINANCE NO. 443

AN ORDINANCE ESTABLISHING A CITY OF SEVERY NEIGHBORHOOD AND COMMUNITY REVITALIZATION PROGRAM; PROVIDING FOR PROPERTY TAX REBATES ON QUALIFYING IMPROVEMENTS; ESTABLISHING APPLICATION, REVIEW, APPEAL, AND ADMINISTRATIVE PROCEDURES; AND PRESCRIBING EFFECTIVE DATE AND OTHER MATTERS.

BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF SEVERY, KANSAS:

Section 1. Authority and Purpose.

This ordinance is adopted pursuant to the Kansas Neighborhood Revitalization Act, K.S.A. 12-17,114 et seq., to encourage private investment, rehabilitation, new construction, economic development, and long-term growth of the City's tax base.

Section 2. Effective Date.

This ordinance and the program established herein shall become effective on January 1, 2027.

Section 3. Program Administration.

The Governing Body shall administer the program and shall have discretion to approve, deny, or condition applications on a case-by-case basis.

Section 4. Rebate Mechanism.

Eligible property owners shall pay all property taxes in full to the county as billed. After receipt and verification of payment, the City may reimburse the approved rebate amount to the property owner. Rebates shall apply only to the City of Severy mill levy portion of property taxes and shall not apply to county, school district, or other taxing-entity levies.

Section 5. Eligibility.

Eligible projects may include commercial and industrial construction, residential new construction, and revitalization projects, as defined by the Governing Body.

Section 6. Standards and Rebate Amounts.

(a) Commercial and Industrial Construction: Seventy Five Percent (75%) rebate for the first year, Fifty Percent (50%) for years two through four, and Twenty Five percent (25%) for Year five.

(b) Revitalization Projects: Fifty Percent (50%) rebate of the additional assessed value attributable to approved improvements, with a minimum improvement threshold of $5,000.

(c) Residential New Construction: Fifty Percent (50%) rebate, with a minimum additional appraisal value threshold of $15,000.

(d) Mobile Homes: Mobile homes will be eligible for a Fifty Percent (50%) rebate and shall be evaluated on a case-by-case business. Older Models and dilapidated structures are less likely to qualify for rebates.

(e) The Governing Body may establish additional criteria by resolution consistent with this ordinance.

Section 7. Term.

Each approved project shall be eligible for an initial five (5) year term. Upon expiration of the initial term, the property owner may reapply for one additional five (5) year term, subject to approval by the Governing Body. No property shall receive rebates for more than ten (10) years absent further ordinance amendment.

Section 8. Application.

Applicants shall submit a written application on forms approved by the City, together with required documentation, before commencement of the project or within such time as the Governing Body may establish.

Section 9. Review and Appeal.

The Governing Body shall review each application and issue a written approval or denial. Any applicant aggrieved by a denial may appeal within thirty (30) days in the manner established by the Governing Body.

Section 10. Verification and Payment.

No rebate shall be paid until the City verifies completion of the approved improvements, assessed valuation, and full payment of all taxes due.

Section 11. Revocation and Clawback.

The City may revoke approval and recover rebates upon misrepresentation, abandonment, failure to complete the project, or other material noncompliance.

A. Grounds for Revocation. Incentives approved under this ordinance may be revoked, suspended, reduced, or terminated if the Governing Body determines that any of the following has occurred:
    a. The applicant or property owner made a material misrepresentation, omission, or false statement in the application or supporting documentation;

b. The approved improvements were not completed as represented, were not completed within the required time, or were completed in a materially different manner than approved;
c. The property has been abandoned, demolished, or allowed to fall into substantial disrepair during the incentive period;
d. The property owner failed to remain current on applicable property taxes or other amounts required by this ordinance or by resolution adopted hereunder;
e. The property owner violated a material condition of approval, including any use restriction, occupancy requirement, maintenance requirement, or reporting obligation;
f. The property ceased to qualify as an eligible property under this ordinance; or
g. The property owner otherwise failed to comply with the terms of the incentive approval, this ordinance, or any resolution adopted pursuant to this ordinance.

B. Notice of Default. Before revoking, suspending, reducing, or terminating an incentive, the City shall provide written notice to the property owner stating the basis for the proposed action and allowing at least thirty (30) days to cure, unless the Governing Body determines that the violation is not reasonably curable or that immediate action is necessary to protect the public interest.

C. Council Determination. After expiration of the cure period, or immediately in cases of fraud, intentional misrepresentation, or noncurable default, the Governing Body may, by majority vote, revoke, suspend, reduce, or terminate the incentive.

D. Repayment Obligation. If an incentive is revoked or terminated, the property owner shall repay to the City all rebates previously issued, or such portion thereof as the Governing Body deems equitable, together with any administrative costs incurred by the City in administering or recovering the incentive, to the extent permitted by law.

E. Lien or Collection. Any repayment amount that remains unpaid after written demand may be collected as a debt owed to the City and may, if authorized by law and approved by the Governing Body, be enforced by any lawful means available to the City, including civil action or placement of the amount on the tax roll if permitted by applicable law.

F. No Waiver. Failure by the City to enforce any condition or to promptly demand repayment shall not constitute a waiver of the City's right to revoke, suspend, terminate, or recover amounts due in the future.

G. Survival. The obligations created by this Section shall survive expiration or termination of the incentive period.

Section 12. Severability.

If any section is held invalid, the remaining provisions shall remain in effect.

Approved: Donna Wiss

Donna Wiss, Mayor

Attest:

Tessa C. Riggs

Tessa C. Riggs, City Clerk

(seal)