

2023 Kansas Statutes

12-17,166. Procedure for establishing STAR bond project; approval by secretary; feasibility study; project plan; hearings; notice; posthearing changes; transmittal of documents to county and school district; project commencement and completion. (a) One or more projects may be undertaken by a city or county within an established STAR bond project district upon submission of the project plan to the secretary of commerce and approval by the secretary as provided by K.S.A. 12-17,164, and amendments thereto. Any city or county proposing to undertake a STAR bond project shall prepare a STAR bond project plan in consultation with the planning commission of the city, and in consultation with the planning commission of the county, if any, if such project is located wholly outside the boundaries of the city. Any such project plan may be implemented in separate development stages.

(b) Any city or county proposing to undertake a STAR bond project within a STAR bond project district established pursuant to K.S.A. 12-17,165, and amendments thereto, shall prepare a feasibility study to be conducted by one or more consultants selected and approved by the secretary, and the costs shall be paid by the developer or the city or county. The secretary shall have control and oversight authority over the scope, conduct and methodology of the study. The secretary may establish a list of preapproved consultants and approved study parameters and methods. The feasibility study shall contain the following:

- (1) Whether a STAR bond project's revenue and tax increment revenue and other available revenues under K.S.A. 12-17,169, and amendments thereto, are expected to exceed or be sufficient to pay for the project costs;
- (2) the effect, if any, a STAR bond project will have on any outstanding special obligation bonds payable from the revenues described in K.S.A. 12-17,169, and amendments thereto;
- (3) a statement of how the jobs and taxes obtained from the STAR bond project will contribute significantly to the economic development of the state and region;
- (4) visitation expectations and a plan describing how the number of visitors to the STAR bond project district will be tracked and reported to the secretary on an annual basis. Such plan shall include, but not be limited to, obtaining and reporting visitor residence zip code data to the secretary. All businesses located in the STAR bond district shall provide visitor residence data requested by the secretary. Any such data shall be provided in an aggregate manner without personally identifiable information;
- (5) the unique quality of the project;
- (6) economic impact study, including the anticipated effect of the project on the regional and statewide economies;
- (7) market study;
- (8) market impact study;
- (9) integration and collaboration with other resources or businesses;
- (10) the quality of service and experience provided, as measured against national consumer standards for the specific target market;
- (11) project accountability, measured according to best industry practices;
- (12) the expected return on state and local investment that the project is anticipated to produce;
- (13) a net return on investment analysis;
- (14) a statement concerning whether a portion of the local sales and use taxes are pledged to other uses and are unavailable as revenue for the STAR bond project. If a portion of local sales and use taxes is so committed, the applicant shall describe the following:
 - (A) The percentage of city and county sales and use taxes collected that are so committed; and
 - (B) the date or dates on which the city and county sales and use taxes pledged to other uses can be pledged for repayment of bonds;
- (15) an anticipated principal and interest payment schedule on the bond issue;
- (16) a summary of community involvement, participation and support for the STAR bond project; and
- (17) a full disclosure and description of all state, federal and local tax incentives that

apply or, pursuant to the project plan, are anticipated to apply within the STAR bond district or that apply to any business located in or, pursuant to the project plan, that will locate in the district.

The failure to include all information enumerated in this subsection in the feasibility study for a STAR bond project shall not affect the validity of bonds issued pursuant to this act.

(c) If the city or county determines the project is feasible, the project plan shall include:

- (1) A summary of the feasibility study done as defined in subsection (b);
- (2) a reference to the district plan established under K.S.A. 12-17,165, and amendments thereto, that identifies the project area that is set forth in the project plan that is being considered;
- (3) a description and map of the project area to be redeveloped;
- (4) the relocation assistance plan as described in K.S.A. 12-17,172, and amendments thereto;
- (5) a detailed description of the buildings and facilities proposed to be constructed or improved in such area;
- (6) the names of the owners, partners, officers or principals of any developer of the project and of any associated business partner of any developer of the project that is involved in the STAR bond project; and
- (7) any other information the governing body of the city or county deems necessary to advise the public of the intent of the project plan.

(d) A copy of the STAR bond project plan prepared by a city shall be delivered to the board of county commissioners of the county and the board of education of any school district levying taxes on property within the STAR bond project area. A copy of the STAR bond project plan prepared by a county shall be delivered to the board of education of any school district levying taxes on property within the STAR bond project area.

(e) Upon a finding by the planning commission that the STAR bond project plan is consistent with the intent of the comprehensive plan for the development of the city, and a finding by the planning commission of the county, if any, with respect to a STAR bond project located wholly outside the boundaries of the city, that the STAR bond project plan is consistent with the intent of the comprehensive plan for the development of the county, the governing body of the city or county shall adopt a resolution stating that the city or county is considering the adoption of the STAR bond project plan. Such resolution shall:

- (1) Give notice that a public hearing will be held to consider the adoption of the STAR bond project plan and fix the date, hour and place of such public hearing. In addition to any other notice, such notice shall be conspicuously provided at a prominent location on the first page of the website of the county or city, if the county or city has a website;
- (2) describe the boundaries of the STAR bond project district within which the STAR bond project will be located and the date of establishment of such district;
- (3) describe the boundaries of the area proposed to be included within the STAR bond project area; and
- (4) state that the STAR bond project plan, including a summary of the feasibility study, market study, relocation assistance plan and financial guarantees of the prospective developer and a description and map of the area to be redeveloped or developed are available for inspection during regular office hours in the office of the city clerk or county clerk, respectively.

(f) (1) The date fixed for the public hearing to consider the adoption of the STAR bond project plan shall be not less than 30 nor more than 70 days following the date of the adoption of the resolution fixing the date of the hearing.

(2) A copy of the city or county resolution providing for the public hearing shall be by certified mail, return receipt requested, sent by the city to the board of county commissioners of the county and by the city or county to the board of education of any school district levying taxes on property within the proposed STAR bond project area. Copies also shall be sent by certified mail, return receipt requested to each owner and occupant of land within the proposed STAR bond project area not more than 10 days following the date of the adoption of the resolution. The resolution shall

be published once in the official city or county newspaper not less than one week nor more than two weeks preceding the date fixed for the public hearing. A sketch clearly delineating the area in sufficient detail to advise the reader of the particular land proposed to be included within the STAR bond project area shall be published with the resolution.

(3) At the public hearing, a representative of the city or county shall present the city's or county's proposed STAR bond project plan. The presentation shall include a discussion of the feasibility study, including a description of all state, federal and local tax incentives that apply within the STAR bond district or are anticipated to apply within the district pursuant to the project plan or to any business located in the district or that will locate in the district pursuant to the project plan. Following the presentation of the STAR bond project area, all interested persons shall be given an opportunity to be heard. The governing body for good cause shown may recess such hearing to a time and date certain, which shall be fixed in the presence of persons in attendance at the hearing.

(g) The public hearing records and feasibility study shall be subject to the open records act, K.S.A. 45-215, and amendments thereto, and, if the city or county has a website, shall be placed conspicuously on such website at the same location or linked to the same location on the first page of the website as the notice for the hearing.

(h) Upon conclusion of the public hearing, the governing body may adopt the STAR bond project plan by ordinance or resolution passed upon a two-thirds vote of the members.

(i) After the adoption by the city or county governing body of a STAR bond project plan, the clerk of the city or county shall transmit a copy of the description of the land within the STAR bond project district, a copy of the ordinance or resolution adopting the plan and a map or plat indicating the boundaries of the district to the clerk, appraiser and treasurer of the county in which the district is located and to the governing bodies of the county and school district which levy taxes upon any property in the district. Such documents shall be transmitted following the adoption or modification of the plan or a revision of the plan on or before January 1 of the year in which the increment is first allocated to the taxing subdivision.

(j) If the STAR bond project plan is approved, the feasibility study shall be supplemented to include a copy of the minutes of the governing body meetings of any city or county whose bonding authority will be utilized in the STAR bond project, evidencing that a STAR bond project plan has been created, discussed and adopted by the city or county in a regularly scheduled open public meeting.

(k) Any substantial changes as defined in K.S.A. 12-17,162, and amendments thereto, to the STAR bond project plan as adopted shall be subject to a public hearing following publication of notice thereof at least twice in the official city or county newspaper.

(l) Any STAR bond project shall be completed within 20 years from the date of the approval of the STAR bond project plan. The maximum maturity on bonds issued to finance projects pursuant to this act shall not exceed 20 years.

(m) Kansas resident employees shall be given priority consideration for employment in construction projects located in a STAR bond project area.

(n) Any developer of a STAR bond project shall commence work on the project within two years from the date of adoption of the STAR bond project plan. Should the developer fail to commence work on the STAR bond project within the two-year period, funding for such project shall cease and the developer of such project or complex shall have one year to resubmit the project to the secretary and to appeal to the secretary for reapproval of such project and the funding for it. Should the project be reapproved, the two-year period for commencement shall apply.

History: L. 2007, ch. 179, § 7; L. 2009, ch. 95, § 2; L. 2021, ch. 46, § 4; July 1.