

**12-1771e. Flood-plain condition redevelopment district; financing of investigation and remediation of flooding; tax increments, procedures and requirements.** (a) The governing body of a city may establish an increment in ad valorem taxes using the procedure set forth in subsection (b) for projects that are initiated upon a finding that the area is a blighted area as defined under K.S.A. 12-1770a, and amendments thereto, when the following conditions exist:

(1) A majority of the property in the proposed district has been identified by a Kansas licensed professional engineer and the United States federal emergency management agency as existing in the 100-year flood-plain; and

(2) the city intends to establish a redevelopment district pursuant to K.S.A. 12-1771, and amendments thereto, to wholly finance or partially finance the investigation and remediation of a flood-plain within such a district.

(b) A flood-plain increment, established after a city has found that the conditions described in subsection (c) of K.S.A. 12-1770a, and amendments thereto, exist, shall be set on a yearly basis. For purposes of this section, a yearly basis shall be a calendar year. Each year's increment shall be an amount sufficient to pay the direct cost of investigation and remediation of the flood-plain condition anticipated to be incurred that year including principal and interest due on any special obligation bonds or full faith and credit tax increment bonds issued to finance in whole or in part the remediation and investigation, costs relating to remediation investigation and feasibility studies, operation and maintenance expenses and other expenses relating directly to the investigation of flooding. Each year's flood-plain increment shall not exceed 20% of the amount of taxes that are produced by all taxing subdivisions within any currently existing or subsequently created redevelopment district area in the year the redevelopment district is first established, notwithstanding that such subdivision was not required to receive notice of the establishment of the district.

(c) The budget that established the yearly flood-plain increment shall be certified by the city to the county clerk and county treasurer no later than August 15th, preceding the calendar year for which the budget is being set. Funds derived from a flood-plain increment established by this section and interest on all funds derived from a flood-plain increment established by this section may be used only for projects involving the investigation and remediation of the flood-plain in the district.

(d) The real property taxes produced by the flood-plain increment established under subsection (b) from a redevelopment district established under the provisions of K.S.A. 12-1771, and amendments thereto, and this section shall be allocated and paid by the county treasurer to the treasurer of the city and deposited in a special separate fund of the city to pay the direct cost of investigation and remediation of flooding in the redevelopment district.

(e) A redevelopment district created under the provisions of this section shall constitute a separate taxing district. If all costs for such investigation and remediation of flooding in the redevelopment district have been paid and moneys remain in the special fund, such moneys shall be remitted to each taxing subdivision which paid moneys into the special fund on the basis of the proportion which the total amount of moneys paid by such taxing subdivision into the special fund bears to the total amount of all moneys paid by all taxing subdivisions into the fund.

(f) Nothing in this section shall prevent any city from establishing a redevelopment district for other purposes pursuant to K.S.A. 12-1770 et seq., and amendments thereto, which may include part or all of the real property included in the district established under this section.

(g) Redevelopment projects relating to flooding investigation and remediation under this section, shall be completed within 20 years.

(h) Nothing in this section shall be construed to affect the obligations of the county to annually review the fair market value of property in accordance with procedures set by law or to affect the right of any taxpayer to protest and appeal the appraised or reappraised value of their property in accordance with procedures set forth by law.

(i) For the purposes of this act, the governing body of a city may pledge increments receivable in future years to pay costs directly relating to the investigation and remediation of flood-plain areas. The provisions in such contracts pertaining to pledging increments in future years shall not be subject to K.S.A. 10-1101 et seq. or 79-2925 et seq., and amendments thereto.

(j) The provisions of this section shall be effective on and after July 1, 2004.

**History:** L. 2004, ch. 173, § 20; L. 2005, ch. 53, § 2; July 1.