

**Board of Trustees
Barton Community College**

September 22, 2015 Board Meeting

INTERLOCAL AGREEMENT WITH THE CITY OF ELLINWOOD

Detail:

In the past several years, the Board has approved Interlocal Agreements with the Cities of Great Bend, Ellinwood, Hoisington and Claflin. Attached is a copy of a proposed Interlocal Agreement with the City of Ellinwood, for the Board's consideration. The intent of the agreement is to provide an incentive to property owners in cities and counties to make improvements to dilapidated areas as well as encourage new building by offering tax rebates.

Ellinwood has adopted a two tiered system. The primary target area is for an 8 year rebate. The rebate formula is for 80% for 3 years, 60% for 3 years, and 40% for 2 years. The secondary target area is for 5 years starting at 80% for the 1st year and declining at a rate of 10% per year to 40% in the 5th year. The 8 year plan identifies specific areas of town that will qualify for the 8 year rebate. The 5 year plan applies to all other property in the city limits that are not eligible for the 8 year plan.

The rebate only applies to the increased value of the property based on the improvement. The qualifying criteria requires an expenditure of \$10,000.00 AND an increase of at least 10% in the assessed valuation for residential property. Business properties require an expenditure of \$20,000.00 AND an increase in assessed valuation of at least 20%.

If the property is sold, the eligibility for the rebate terminates. It does not pass to the new owner. If the property owner becomes delinquent on the property taxes during the term of the NRP, the property is no longer eligible for the rebate, even after the taxes are brought current. Qualified improvements include rehabilitations, alterations, additions, ancillary buildings, and new construction. Rental properties are eligible. Mobile homes, swimming pools, and built in hot tubs are not eligible.

Barton County will administer the program. They take care of all rebate reimbursements, calculations for the rebate, determination of the eligibility, etc.

Recommendation: To lend support, it is recommended that the Board authorizes Dr. Heilman to sign the Interlocal Agreement with the City of Ellinwood as presented.

INTERLOCAL AGREEMENT

This Interlocal Agreement (hereinafter referred to as “Agreement”), effective _____, 2015, by and between the City of Ellinwood, Kansas; a duly organized municipal corporation hereinafter referred to as “City” and Barton Community College hereinafter referred to as “BCC”.

WHEREAS, K.S.A. 12-2904 allows public agencies to enter into interlocal agreements to jointly perform certain functions including economic development; and

WHEREAS, K.S.A. 12-17,114 et seq. provides a program for neighborhood revitalization and further allows for the use of interlocal agreements between municipalities to further neighborhood revitalization; and

WHEREAS, it is the desire and intent of the parties hereto to provide the maximum economic incentive as provided for in K.S.A. 12-17,119 by acting jointly.

NOW, THEREFORE, IN CONSIDERATION OF THE MUTUAL COVENANTS, CONTAINED HEREIN THE PARTIES AGREE AS FOLLOWS:

1. The parties agree to adopt the neighborhood revitalization plan as contained in attachment A, attached hereto and incorporated by reference as if fully set forth herein. The parties further agree the neighborhood revitalization plan as adopted will not be amended without approval of the parties except as may be necessary to comply with applicable state law or regulation.
2. The parties further agree that the county shall administer the neighborhood revitalization plan as adopted by each party on behalf of the signatory parties. The county shall create a neighborhood revitalization fund pursuant to K.S.A. 12-17,118 for the purpose of financing the redevelopment and to provide rebates. Any increment in property taxes received by the county resulting from qualified improvements to property pursuant to the neighborhood revitalization plan shall be credited to the county’s neighborhood revitalization fund.
3. The parties agree to undertake a review of the neighborhood revitalization plan every three years hereafter, to determine any needed modifications to the neighborhood revitalization plan. The parties agree that any party may terminate this agreement by providing thirty (30) days advance written notice, provided however, any applications for tax rebate submitted prior to termination shall, if approved, be considered eligible for the duration of the rebate period.

IN WITNESS WHEREOF, the parties have hereunto executed this agreement as of the day and year first above written.

City of Ellinwood, Kansas

Irlan Fullbright, Mayor

ATTEST:

Kim Scharz, City Clerk

President, BCC

Approved to form:

Robert L. Peter
City Attorney

Approved this ____ day of _____ 2015, by the Attorney General of the State of Kansas.

Kansas Attorney General