

(Published in *The Wichita Eagle* on February 13, 2015)

ORDINANCE NO. 49-938

AN ORDINANCE AMENDING ORDINANCE NO. 49-839 OF THE CITY OF WICHITA, KANSAS, RELATING TO A NON-SUBSTANTIAL CHANGE TO THE DISTRICT PLAN FOR THE UNION STATION REDEVELOPMENT DISTRICT.

WHEREAS, the City of Wichita, Kansas (the “City”) is a municipal corporation duly organized and validly existing under the laws of the State of Kansas as a city of the first class; and

WHEREAS, by Ordinance No. 49-839, passed October 14, 2014, and published October 17, 2014, the City of Wichita, Kansas (the “City”) established a redevelopment district pursuant to K.S.A. 12-1770 *et seq.*, as amended, known as the Union Station Redevelopment District (the “District”), and

WHEREAS, the District Plan for the District provided that redevelopment of the District could be in several project areas within the District as set forth in separate redevelopment plans to be approved by the governing body of the City pursuant to K.S.A. 12-1771; and

WHEREAS, the City’s Governing Body desires to designate two project areas within the District to foster development of the District Plan; and

WHEREAS, *Exhibit C* to Ordinance No. 49-839 needs to be amended to include *Schedule 1* thereto which shall be a map generally describing the redevelopment project areas; and

WHEREAS, such insertion does not constitute an addition to the area of the District or a substantial change to the District Plan as to require public notice and hearing described in K.S.A. 12-1771(e).

NOW, THEREFORE, BE IT ORDAINED BY THE GOVERNING BODY OF THE CITY OF WICHITA, KANSAS:

Section 1. Amendment. *Exhibit C* to Ordinance No. 49-839 is hereby amended by the insertion of *Schedule 1* thereto in the form attached hereto and incorporated herein by reference.

Section 2. Ratification. The rest and remainder of Ordinance No. 49-839 is hereby ratified and confirmed.

Section 3. Effective Date. This Ordinance shall take effect and be in full force after its adoption by the City and publication once in the official newspaper of the City.

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PASSED by the City Council of the City on February 10, 2015 and **SIGNED** by the Mayor.

(SEAL)

Carl Brewer, Mayor

ATTEST:

Karen Sublett, City Clerk

APPROVED AS TO FORM:

Sharon L. Dickgrafe, Interim Director of
Law and City Attorney

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CERTIFICATE

I hereby certify that the foregoing is a true and correct copy of the original ordinance; that said Ordinance was passed on February 10, 2015; that the record of the final vote on its passage is found on page [____] of journal [____]; and that the Ordinance or a summary thereof was published in *The Wichita Eagle* on February 13, 2015, and that the Ordinance has not been modified, amended or repealed and is in full force and effect as of this date..

DATED: February 13, 2015.

Karen Sublett, City Clerk

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EXHIBIT C

REVISED DISTRICT PLAN FOR THE REDEVELOPMENT OF THE UNION STATION REDEVELOPMENT DISTRICT THROUGH TAX INCREMENT FINANCING

SECTION 1: PURPOSE

A district plan is required for inclusion in the establishment of a redevelopment district under K.S.A. 12-1771. The district plan is a preliminary plan that identifies proposed redevelopment project areas within the district, and describes in a general manner the buildings, facilities and improvements to be constructed or improved.

SECTION 2: DESCRIPTION OF TAX INCREMENT INCOME

Projects financed through tax increment financing typically involve the creation of an “increment” in real estate property tax income. The increment is generated by segregating the assessed values of real property located within a defined geographic area such that a portion of the resulting property taxes flow to the City to fund projects in the redevelopment district, and the remaining portion flows to all remaining taxing jurisdictions. The portion of property taxes flowing to the City is determined by the increase in the assessed value of the properties within the redevelopment district as a result of the new development occurring within the same area. When the current aggregate property tax rates of all taxing jurisdictions are applied to this increase in assessed property value from new development, increment income is generated. Public improvements within the district and other qualified expenditures are funded by the City and repaid over a specified period of time with this increment income. The property taxes attributable to the assessed value existing prior to redevelopment, the “original valuation,” continue to flow to all taxing jurisdictions just as they did prior to redevelopment. This condition continues for the duration of the established district, as defined by statute, or until all eligible project costs are funded, whichever is of shorter duration.

SECTION 3: DESCRIPTION OF THE DISTRICT BOUNDARIES

The property within the proposed district includes all property generally bounded by the railroad right of way on the west, the north right of way line of Douglas Avenue on the north, the east right of way line of Rock Island from Douglas to the south property line of 801 E. Douglas and the east property line of 725 E. Douglas on the east, and the south property line of 801 E. Douglas and south property line of lot 2 of Union Station Addition, in Wichita, Sedgwick County, Kansas; and including all street rights of way within such described areas. The legal description of the proposed district is attached hereto and incorporated herein as Attachment 1.

SECTION 4: BUILDINGS AND FACILITIES

The district is located within Project Downtown and is further identified as a catalyst site for redevelopment. The buildings are part of the 10 acre Union Station complex along the rail corridor. A majority of the buildings were constructed prior to 1950 and are vacant. Design and layout of the buildings creates an economic obsolescence based on current uses.

The redevelopment district is an area that meets the criteria for designation as a “blighted area” as defined by state law governing the establishment and financing of redevelopment districts. Property within a blighted area is legally eligible for establishment of a redevelopment district.

SECTION 5: REDEVELOPMENT AND PROJECT AREAS

It is anticipated that all property within the redevelopment district will be designated as one or more “project areas” under the redevelopment project plan, which must be adopted by the City Council by a 2/3 majority vote before the expenditure of any tax increment financing funds. The plans for redevelopment of the project area generally call for a full remodel and update of the five existing structures and development of two additional commercial structures for a total of almost 275,000 square feet of retail, restaurant, and office space. It is further anticipated that the project will include construction of a public parking structure. *A map generally describing the various project areas is attached hereto as Schedule 1.*

Tax increment financing may be used to pay for eligible costs, on a pay-as-you-go basis, for land acquisition and site preparation including utility relocations, public infrastructure improvements, such as streetscape, public parking, utility extensions, landscaping, and public plazas. Tax increment financing may not be used for construction of any buildings owned or leased to a private, nongovernmental entity, except for a multilevel parking facility.

SECTION 6: CONCLUSION

After the establishment of the redevelopment district, any redevelopment projects to be funded with tax increment financing will be presented to the Governing Body for approval through the adoption of one or more redevelopment project plans in accordance with the Act. The project plans will identify the specific project area located within the established tax increment financing district and will include detailed descriptions of the projects as well as a financial feasibility study showing that the economic benefits outweigh the costs. The redevelopment project plans must be reviewed by the Metropolitan Planning Commission and submitted to a public hearing following further notification of property owners and occupants, before it can be adopted by a two-thirds majority vote of the Governing Body. Only then can tax increment income be spent on the redevelopment projects.

Tax increment financing does not impose any additional taxes on property located within the redevelopment district. All property within the redevelopment district is appraised and taxed the same as any other property. However, if property within the redevelopment district increases in value as a result of redevelopment, the resulting increment of additional tax revenue is diverted to pay for a portion of the redevelopment project costs.

