ORDINANCE NO. 18162

AN ORDINANCE introduced by Councilmember Clark Duffy relating to the arts fund, amending City of Topeka Code § 138-86 and the addition of §138-96 and specifically repealing said original Sections.

BE IT ORDAINED BY THE COUNCIL OF THE CITY OF TOPEKA, KANSAS:

Section 1. That City of Topeka Code Section 138-86, Minimum payment, is hereby amended to read as follows:

Minimum payment.

A. Any applicant making an application and receiving an exemption pursuant to this ordinance is required to pay taxes on the assessed valuation of the real estate, including either buildings together with land or land only, prior to the construction of new buildings or added improvements to buildings on such property or prior to the acquisition of the property by the business. This payment will insure that the city, county, school district and any other taxing jurisdictions affected will not receive less tax revenue from the property than was received prior to the exemption.

B. Additionally, each business will pay taxes equal to twenty percent (20%) percent of the tax otherwise due with respect to the exemption. If application of the formula as set forth herein yields a lesser payment, then the minimum payment of twenty percent (20%) percent will apply. For extraordinary reasons, such as when vacant buildings are acquired for a new business, when the market value of the property has decreased, or when the size of the project is exceptionally large (i.e. forty (40) or
more jobs created per million dollars of new capital investment), this requirement may
be waived in part or in whole by the council of the City of Topeka.

C. Notwithstanding the foregoing, the City Council may reduce the amount of
exemption under this section by the amount of one percent (1%). The City's pro rata
share of the one percent (1%) tax savings may be used for economic development in
the City of Topeka pursuant to the provisions of Topeka City Code § 138-96.

Section 2. City of Topeka Code Chapter 138, Article III, Division 2, Section 96,
is hereby amended by the addition of the following language:

Transfer of general fund monies to the arts fund for economic development.

A. Each year the chief administrative officer, or his or her designee, shall
calculate the amount of the City's pro rata share of tax revenue it would have received
from the tax exemptions reduced by the City Council under the provisions of Topeka
City Code § 138-84(c).

B. The Mayor shall, as part of his budget, include the amount of one hundred
thousand dollars ($100,000.00) as an appropriation to the arts fund for economic
development in the City of Topeka.

C. The City Council may, in its sole discretion, each year as part of the
budget approval process authorize the transfer of general funds to the arts fund in the
full amount identified as economic tax exemption savings in the Mayor's proposed
budget or such lesser amount as the Council may authorize.

Section 3. That City of Topeka Code City of Topeka Code § 138-86 is hereby
specifically repealed.
Section 3. This Ordinance shall take effect and be in force from and after its passage, approval and publication in the official City newspaper.

PASSED AND APPROVED by the Council of the City of Topeka __JAN 13 2004__

James A. McClinton, Mayor

ATTEST:

Iris E. Walker, City Clerk

APPROVED AS TO FORM AND LEGALITY
DATE 1/14/04 BY
TO BE CODIFIED
NOT TO BE CODIFIED