ORDINANCE NO. 18675

AN ORDINANCE introduced by City Manager, Norton N. Bonaparte, Jr., and Councilmember Clark Duffy, amending §§ 1 through 11 of Ordinance No. 18132 and re-establishing the Advantage Topeka Program which provides for a loan forgiveness program for eligible students enrolled at the University of Kansas and such other higher educational institutions as the City Council may designate and specifically repealing §§ 1 through 11 of Ordinance No. 18132.

WHEREAS, the City Council (the “City”) did on November 25, 2003, pass and approve Ordinance No. 18132 which established a loan forgiveness program for eligible students enrolled at the University of Kansas and such other higher educational institutions as the City Council may designate.

WHEREAS, the City Council desires to amend certain sections of Ordinance No. 18132 and re-establish the Advantage Topeka Program.

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

Section 1. That § 1 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

ADVANTAGE TOPEKA PROGRAM

The program authorized by this Ordinance shall be known as the Advantage Topeka Program (the “Program”). The Program shall provide loans to and establish a loan forgiveness program for students at the University of Kansas (KU) and such other accredited two (2) and four (4) year degree granting institutions of higher learning which shall be designated by resolution of the City Council who become employed in occupational areas of high demand in the City of Topeka.
Section 2. That § 2 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

FINANCIAL CONTRIBUTIONS

The Advantage Topeka Trust Fund is hereby created in the City treasury. All appropriations, private donations, and other funds provided for the Program shall be transferred periodically by the City deposited directly to the endowment association of KU ("KUEA") or other designated educational institution to be maintained in a restricted fund known as the Advantage Topeka Loan Program. All funds transferred from the City Advantage Topeka Trust Fund to the endowment association of KU or other designated educational institution restricted The Advantage Topeka Loan Program shall be maintained in perpetuity as an endowment; and invested; the earnings from such investments will be used to make loans from the revolving loan fund. The endowment association of KU KUEA or other designated educational institutions will administer the Advantage Topeka Loan Program without cost to the City. KUEA and any other designated educational institutions and its endowment association's shall make a financial contribution to the Program equal to that made by the City. Further, the City's financial contribution to the Program shall be limited to an amount equal to that jointly provided by KUEA or other designated educational institution and its endowment association. Any balance, not transferred to the endowment association of KU or other designated educational institution by the end of the accounting period shall not revert to the General Revenue Fund may be fulfilled through direct support to the eligible students in the form of other loans, scholarships, grants or other payments equal to the amount provided to such students by
the Program. The source of this support may be existing resources and/or new gifts from donors who have not previously been identified by the City.

Section 3. That § 3 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

Definitions

a. **Chief Administrative Officer** means the Chief Administrative Officer **City Manager** means the chief executive officer of the City or his/her designee.

b. **Eligible student** means an individual who is enrolled at least half-time at KU or other designated educational institution, who meets the eligibility requirements pursuant to the Program, and who meets the following additional requirements:

1. Resident of the City of Topeka at the time of graduation from a high school;

2. Has received a high school diploma, general educational development certificate (GED), or its equivalent from a high school located within Shawnee County;

3. Maintains satisfactory academic progress as determined by KU in pursuing a baccalaureate, graduate or professional degree or maintains satisfactory academic progress at such other designated educational institution in pursuing a one (1) year or two (2) year certificate. Failure to maintain satisfactory academic progress shall result in ineligibility for continued participation in the Program and ineligibility for forgiveness of any loan or loans received;
4. Is not currently confined in any federal or state correctional facility or jail;

5. Has not defaulted on the repayment of any previously granted higher education loan; and

6. Submits an application provided by the Office of Financial Aid at KU or other designated educational institution for participation in the Program.

c. **Fund** means the Advantage Topeka Trust Fund as established by this Ordinance.

cd. **Occupational areas of high demand** means the specific professions or skill areas for which the Chief Administrative Officer City Manager determines that the City is experiencing or may experience a shortage of qualified employees.

de. **Program** means the Advantage Topeka Program established pursuant to this Ordinance.

ef. **Restricted Advantage Topeka Loan Program** a perpetual revolving loan fund established at the endowment association of KUEA or other designated educational institution.

Section 4. That § 4 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

**DESIGNATIONS OF PROFESSIONS AND SKILLS**

By June 1, 2003, and by June 1, of each year thereafter, the Chief Administrative Officer City Manager shall designate occupational areas of high demand in the City. The Chief Administrative Officer City Manager shall also designate professions and skill areas directly related to the areas of high demand, and the degree programs or certifications...
directly leading to employment in such areas. In making such designations, the Chief Administrative Officer \textit{City Manager} shall consult with the City departments and private sector business and labor groups. The Chief Administrative Officer \textit{City Manager} shall also consult with other private and public agencies and individuals with expertise related to labor markets, geographic and demographic analysis and solicit input from interested parties throughout the City in order to ensure that:

a. The diverse needs of the City are considered; and
b. That these designations reflect the broad long-term economic, educational, and public policy interests of the City in both the public and private sectors.

\textbf{Section 5.} That § 5 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

\textbf{Limitations on participation. LIMITATIONS ON PARTICIPATION}

An eligible student may participate in the Program for up to four (4) semesters, or their equivalent, whether consecutive or not, and may be awarded a loan of up to two thousand five hundred dollars ($2,500.00) per academic year if enrolled as a full-time student. The total amount loaned shall not exceed a maximum of five thousand dollars ($5,000.00). The loaned amount will be pro-rated for those enrolled at least half-time but less than full-time. No student shall be eligible to participate in the Program more than seven (7) years after beginning such participation.
Section 6. That § 6 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

Loan Forgiveness, when. LOAN FORGIVENESS

Eligible students who are in compliance with the Program requirements may qualify for forgiveness of a loan or loans received through the Program by agreeing to be employed in an occupational area of high demand as determined by the Chief Administrative Officer City Manager, within the City of Topeka. The employment shall begin within one (1) calendar year of graduation or completion of the certificate program by the individual from KU or other designated educational institution. The employment must also comply with the other requirements as outlined in the contract pursuant to this Ordinance. The employment qualifying the eligible student for loan forgiveness shall be approved by the Chief Administrative Officer City Manager. The City shall approve loan forgiveness on a year-for-year basis, with each year of approved employment qualifying the student for the forgiveness of one (1) year’s Advantage Topeka Loans. Students electing not to comply with these employment requirements or students failing to meet these requirements shall be required to repay with interest any or all loans received, pursuant to contractual provisions described herein.

Section 7. That § 7 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

Contract for participation, terms and conditions. CONTRACT FOR PARTICIPATION, TERMS AND CONDITIONS

a. Each individual qualifying for participation in the Program at the time the individual declares a major or decides on course of study, if a major is not declared at KU...
or other designated educational institution, shall sign a promissory note. The promissory note shall contain, but not be limited to, the following:

1. The terms and conditions under which the loan is made, and the requirements for repayment of the loan by the student;

2. Interest shall be charged according to the terms and conditions established by the endowment association of KUEA or other designated educational institution;

3. The terms and conditions for qualifying for forgiveness of loan proceeds received through the Program; and

4. The amount of any penalties assessed, in the event repayment of the loan by the student is not made in accordance with the contract, or the student fails to maintain eligibility or other requirements of the Program.

b. The interest rate for the following academic year shall be established by the endowment association of KUEA or other designated educational institution no later than August 1 of each year.

c. This Ordinance shall not be construed to require the KUEA or other designated educational institution or its endowment association to make a loan to individuals who otherwise qualify for the Program when funds are not available for such purpose.

d. Loans will be made from available funds based upon the date of receipt of the loan application.
Section 8. That § 8 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

Not a guarantee of admission, attendance or graduation. NOT A GUARANTEE OF ADMISSION, ATTENDANCE OR GRADUATION

Nothing in this Ordinance shall be construed as a promise or guarantee by the City that a person will be admitted to KU or other designated educational institution, will be allowed to continue to attend after having been admitted, or will be graduated from KU or other designated educational institution.

Section 9. That § 9 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

Tax rebate for donations to fund. TAX REBATE FOR DONATIONS TO FUND

a. As used in this section, the term “taxpayer” means an individual, a partnership, or a corporation paying property tax to the City of Topeka.

b. Any taxpayer may make a contribution to the Fund within the limits specified in subsection C of this section. A taxpayer shall be allowed a rebate of ad valorem taxes imposed by the City, and paid by the taxpayer; up to fifty percent (50%) of the total amount contributed to the Fund, not to exceed one hundred thousand dollars ($100,000.00) per taxpayer, per annum. Copies of real estate property tax statements and a copy of the receipt from the treasurer’s office or a copy of the cancelled check(s) should be sent to the City of Topeka’s Department of Administrative and Financial Services.

c. The Department of Administrative and Financial Services of the City shall administer the tax rebates pursuant to this Ordinance and shall certify eligibility for the tax rebates in the order applications are received. The total amounts of tax rebates certified in
any one (1) calendar year shall not exceed two hundred and fifty thousand dollars ($250,000.00) annually. Contributions of up to one hundred thousand dollars ($100,000.00) per annum per taxpayer may be certified by the department as a qualified contribution for purposes of receiving a tax rebate under the Program. Rebate payments will be made to the taxpayer after the real estate property taxes for the current year have been paid.

Section 10. That § 10 of City of Topeka Ordinance No. 18132 is hereby repealed. This Ordinance shall sunset on January 1, 2007. Any loans outstanding as of January 1, 2007, shall remain in force and effect in accordance with the terms of the promissory note.

Section 11. That § 11 of City of Topeka Ordinance No. 18132 is hereby amended to read as follows:

Severability. If any part or parts of this Ordinance shall be held unconstitutional, invalid, or otherwise unenforceable by any Court of competent jurisdiction, such decision shall not affect the validity of the remaining provisions of this Ordinance.

Section 12. That original §§ 1 through 11 of City of Topeka Ordinance No. 18132 are hereby specifically repealed.

Section 13. 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 City Council July 18, 2006.

CITY OF TOPEKA, KANSAS

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William W. Bunten, Mayor

ATTEST:

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Iris E. Walker, City Clerk