

1 (Published in the Topeka Metro News March 22, 2010)

2
3 ORDINANCE NO. 19392

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5 AN ORDINANCE introduced by City Manager Norton N. Bonaparte, Jr., designating a
6 recovery zone pursuant to the American Recovery and
7 Reinvestment Tax Act of 2009 for the purpose of issuing recovery
8 zone economic development bonds and designating the bond
9 issuer.

10
11 WHEREAS, the City of Topeka (the "City") has received an allocation of the
12 national Recovery Zone Economic Development Bonds limitation in the amount of
13 \$9,364,054.00 pursuant to the American Recovery and Reinvestment Tax Act of 2009,
14 codified in title 26 of the United States Code and Internal Revenue Service, Notice
15 2009-50, issued on June 12, 2009 (collectively, the "Allocation"); and

16 WHEREAS, the City understands that the Allocation is to be used for the
17 issuance of Recovery Zone Economic Development Bonds pursuant to Section 1400U-
18 2 of the Internal Revenue Code of 1986, as amended (the "Code"), such bonds are
19 referred to as "Recovery Zone Economic Development Bonds"; and

20 WHEREAS, the City understands that Recovery Zone Economic Development
21 Bonds are to be issued with respect to or to finance certain expenditures located in or
22 attributable to the area within the jurisdiction of the City that the City determines has a
23 significant level of one or more of the following factors: poverty, unemployment, home
24 foreclosures, or general distress (referred to as "Distress Factors"); and

25 WHEREAS, the City has determined that the Distress Factors have been caused
26 by one or more of the "Underlying Conditions of Distress" described in Section 1 hereof;
27 and

28 WHEREAS, the City desires to designate the area described in Section 3 hereof
29 as a "Recovery Zone" to provide for the possible issuance of Recovery Zone Economic
30 Development Bonds (such area being referred to herein as the "Recovery Zone").

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

33 Section 1. Underlying Conditions of Distress. The City Council hereby finds
34 and determines that the Recovery Zone identified in Section 3 hereof suffers from one
35 or more of the following conditions (each an "Underlying Condition of Distress"):

36 (a) The Recovery Zone has experienced significant increases in
37 unemployment during the calendar years 2007 through 2009 with the
38 unemployment rate rising from 5.2% in 2007 to 7.4% in 2009.

39 (b) The Recovery Zone has experienced the following significant
40 increases in home foreclosures for the 2007-2009 periods:

- 41 • 2007 - 212 homes foreclosed
- 42 • 2008 - 549 homes foreclosed (159% increase)
- 43 • 2009 - 860 homes foreclosed (57% increase)
- 44

45 (c) The Recovery Zone has suffered from a material decline in retail
46 sales of 2.5 % from 2007 to 2009.

47 Section 2. Distress Factors. The City Council hereby finds and determines
48 that, as a result of the Underlying Condition(s) of Distress, the Recovery Zone has
49 experienced a significant level of the following Distress Factors: unemployment, home
50 foreclosures and general distress. Also, within the entire Recovery Zone there is a
51 significant number of building and improvements which, by reason of dilapidation,
52 deterioration, age or obsolescence, illegal use of individual structures, presence of

53 structures below minimum code standards, abandonment, excessive vacancies,
54 inadequate provision for ventilation, light, air sanitation, utilities or open spaces, high
55 density or population and overcrowding of buildings, overcrowding of land, the existence
56 of conditions which endanger life or property by fire and other causes, excessive land
57 coverage, deleterious land use or layout, depreciation of physical maintenance, and
58 lack of community planning, or any combination of such factors, is conducive to ill
59 health, transmission of disease, infant mortality, juvenile delinquency and crime or
60 constitutes an economic or social liability and is detrimental to the public health, safety,
61 morals or welfare of the Recovery Zone.

62 Section 3. Designation of Recovery Zone. Based on upon the findings and
63 determinations of the Underlying Condition(s) of Distress and the resulting Distress
64 Factors, the City Council hereby designates the entire area within the jurisdictional
65 boundaries of the City of Topeka, as the Recovery Zone.

66 Section 4. Designation of Entity Responsible for Issuing Recovery Zone
67 Economic Development Bonds. The City Council hereby designates the City of Topeka
68 as issuer for the Recovery Zone Economic Development Bonds.

69 Section 5. Further Action. Appropriate staff and officers of the City are
70 authorized and directed to take all necessary steps to identify appropriate projects for
71 which the issuance of bonds will further the goals established for Recovery Zone
72 Economic Development Bonds in order to cure the Distress Factors within the Recovery
73 Zone; to identify other economic development incentives and programs which may be
74 available under Federal or Kansas laws for such projects which will further the goals
75 established for Recovery Zone Economic Development Bonds; and to work with the

76 Kansas Department of Commerce Development to plan for the issuance of Recovery
77 Zone Bonds for identified projects.

78 Section 6. Conflicting Provisions. All ordinances, resolutions or rules, or
79 portions thereof, inconsistent with the provisions of this ordinance are hereby rescinded
80 or repealed.

81 Section 7. Severability. Should any section, clause or phrase of this
82 ordinance be declared invalid by a court of competent jurisdiction, the same shall not
83 affect the validity of this ordinance as a whole, or any part thereof, other than the part so
84 declared to be invalid.

85 Section 8. This ordinance shall take effect and be in force from and after its
86 passage, approval and publication in the official City newspaper.

87 PASSED AND APPROVED by the City Council March 16, 2010.

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89 CITY OF TOPEKA, KANSAS

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William W. Bunten, Mayor

ATTEST:

Brenda Younger, City Clerk