AN ACT concerning the Kansas rural housing incentive district act; permitting the use of bond proceeds for vertical renovations of certain buildings for residential purposes; amending K.S.A. 12-5249 and repealing the existing section.

Be it enacted by the Legislature of the State of Kansas:

Section 1. K.S.A. 12-5249 is hereby amended to read as follows: 12-5249. (a) Any city or county which has established a rural housing incentive district may use the proceeds of special obligation bonds issued under K.S.A. 12-5248, and amendments thereto, or any uncommitted funds derived from those sources of revenue set forth in paragraph (1) of subsection (a) of K.S.A. 12-5248(a)(1), and amendments thereto, to implement specific projects identified within the rural housing incentive district plan including, without limitation:

- (1) Acquisition of property within the specific project area or areas as provided in K.S.A. 12-5247, and amendments thereto;
  - (2) payment of relocation assistance;
  - (3) site preparation;
  - (4) sanitary and storm sewers and lift stations;
  - (5) drainage conduits, channels and levees;
  - (6) street grading, paving, graveling, macadamizing, curbing, guttering and surfacing;
  - (7) street lighting fixtures, connection and facilities;
- (8) underground gas, water, heating, and electrical services and connections located within the public right-of-way;
  - (9) sidewalks; and
  - (10) water mains and extensions; and

- (11) renovation of buildings or other structures more than 25 years of age for residential use located in a central business district as approved by the secretary of commerce. Certification of the age of the building or other structure shall be submitted to the secretary by the governing body of the city or county with the resolution as provided by K.S.A. 12-5244, and amendments thereto. Eligible residential improvements shall include only improvements made to the second or higher floors of a building or other structure. Improvements for commercial purposes shall not be eligible.
- (b) None of the proceeds from the sale of special obligation bonds issued under K.S.A. 12-5248, and amendments thereto, shall be used for the construction of buildings or other structures to be owned by or to be leased to any developer of a residential housing project within the district, except for buildings or other structures located in a central business district as approved by the secretary of commerce.
  - Sec. 2. K.S.A. 12-5249 is hereby repealed.
- Sec. 3. This act shall take effect and be in force from and after its publication in the statute book.