

City of Sedgwick
City Council Meeting
February 18, 2026

TO: Mayor and City Council

SUBJECT: Charter Ordinance No. 33

INITIATED BY: Administration

AGENDA: New Business

Background: The City's discussions regarding RHID have been centered around initiating a benefit district that did not entirely redirect the incremental increase in the assessed valuation as typically found when implementing an RHID.

Analysis: In preparation of the RHID application, discussions with Gilmore & Bell, the City's bond council, revealed that in order to distribute portions of the incremental property taxes to all taxing jurisdictions, a Charter Ordinance must be adopted by the City amending and supplementing the requirements of K.S.A. 12-5250. If adopted, this would allow the City to determine different percentages of RHID distribution and allow for taxing jurisdictions to have the ability to capture the incremental increase in property taxes. If not adopted, the distribution method for all RHIDs in the City would be 100% to the reimbursement fund.

Financial Considerations: This Charter Ordinance allows the City to determine the redistribution percentages for each development independently moving forward. This will allow the City to forecast financial impacts of future developments utilizing the RHID method.

Recommendation: It is recommended that City Council adopt the Charter Ordinance as presented.

Attachments: Draft Charter Ordinance.

(Published in the *Harvey County Independent* on February 26, 2026 and March 5, 2026)

CHARTER ORDINANCE NO. 33

A CHARTER ORDINANCE EXEMPTING THE CITY OF SEDGWICK, KANSAS, FROM THE PROVISIONS OF K.S.A. 12-5250 AND PROVIDING SUBSTITUTE AND ADDITIONAL PROVISIONS ON THE SAME SUBJECT RELATING TO REINVESTMENT HOUSING INCENTIVE DISTRICTS.

WHEREAS, Article 12, Section 5 of the Constitution of the State of Kansas (the “Act”), provides that cities may exercise certain home rule powers, including passing charter ordinances which exempt such cities from non-uniform enactments of the Kansas Legislature; and

WHEREAS, the City of Sedgwick, Kansas (the “City”) is a city, as defined in the Act, duly created and organized, under the laws of the State of Kansas; and

WHEREAS, K.S.A. 12-5250 is part of an enactment of the Kansas Legislature (K.S.A. 12-5241 *et seq.*) relating to reinvestment housing incentive districts, which enactment is applicable to the City, but is not uniformly applicable to all cities within the State of Kansas; and

WHEREAS, the governing body of the City (the “Governing Body”) desires, by charter ordinance, to exempt the City from the provisions of K.S.A. 12-5250, and to provide substitute and additional provisions therefor.

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

Section 1. Exemption. The City, by virtue of the powers vested in it by the Act, hereby elects to exempt itself from and make inapplicable to it the provisions of K.S.A. 12-5250 and shall be governed by the following substitute and additional provisions contained in **Section 2**.

Section 2. Same; Taxation within District; Collection and Distribution.

(a) All taxable tangible property located within a district established in accordance with this act shall be assessed and taxed for ad valorem tax purposes pursuant to law in the same manner that such property would be assessed and taxed if located outside such district, and all ad valorem taxes levied on such property shall be paid to and collected by the county treasurer in the same manner as other taxes are paid and collected. Except as otherwise provided in this section, the county treasurer shall distribute such taxes as may be collected in the same manner as if such property were located outside the district. Each district established under the provisions of this act shall constitute a separate taxing unit for the purpose of the computation and levy of taxes.

(b) Beginning with the first payment of taxes that are levied following the date of the approval of any district in accordance with this act, and amendments thereto, real property taxes received by the county treasurer resulting from taxes which are levied subject to the provisions of this act by and for the benefit of a taxing subdivision on property located within such district constituting a separate taxing unit under the provisions of this section, shall be divided as follows:

(1) From the taxes levied each year subject to the provisions of this act by or for each taxing subdivisions upon property located within a district constituting a separate taxing unit under

the provisions of this act, the county treasurer first shall allocate and pay to each such taxing subdivision all of the real property taxes collected which are produced from that portion of the current assessed valuation of such real property located within such separate taxing unit which is equal to the total assessed value of such real property on the date of the establishment of the district.

(2) All or a portion of the real property taxes produced from that portion of the current assessed valuation of real property within a district and constituting a separate taxing unit under the provisions of this section in excess of an amount equal to the total assessed value of such real property on the effective date of the establishment of the district shall be allocated and paid by the county treasurer to the treasurer as follows:

(A) In districts established by a city, the amount shall be paid to the treasurer of the city and deposited in a special fund of the city to pay the cost of housing projects in the district including the payment of principal of and interest on any special obligation bonds issued by such city to finance, in whole or in part, such housing project.

(B) In districts established by a county, the amount shall be deposited by the county treasurer in a special fund of the county to pay the cost of housing projects in the district including the payment of principal of and interest on any special obligation bonds issued by such county to finance, in whole or in part, such housing project. If such special obligation bonds and interest thereon have been paid before the completion of a project, the city or county may continue to use such moneys for any purpose authorized by this act until such time as the project is completed, but for not to exceed 25 years from the date of the establishment of the district. When such special obligation bonds and interest thereon have been paid and the project is completed, all moneys thereafter received from real property taxes within such district shall be allocated and paid to the respective taxing subdivisions in the same manner as are other ad valorem taxes.

(c) Notwithstanding any other provision of law, it is hereby stated that is an object of all ad valorem taxes levied by or for the benefit of any taxing subdivision on taxable tangible real property located within any district created pursuant to this act, that all or a portion of such taxes may be applied and allocated to and when collected paid into a special fund of a city or county pursuant to the procedures and limitations of this act to pay the cost of a project including principal of and interest on special obligation bonds issued by such city or county to finance, in whole or in part, such project.

(d) A city may adopt a plan under the act in which only a specified percentage or amount of the real property taxes produced from that portion of the current assessed valuation of real property within a district and constituting a separate taxing unit under the provisions of the act in excess of the amount equal to the total assessed value of such real property on the effective date of the establishment of the district shall be paid to the treasurer of the city and deposited in the special fund of the city to pay the cost of housing projects in the district including the payment of principal of and interest on any special obligation bonds issued by such city to finance, in whole or in part, such housing project. The county treasurer shall allocate the specified percentage or amount of such taxes to the treasurer of the city for deposit in the special fund of the city referenced above. Any portion of such tax increment not allocated to the city for the project shall be allocated and paid in the same manner as other ad valorem taxes.

Section 3. Severability. If any provision or section of this Charter Ordinance is deemed or ruled unconstitutional or otherwise illegal or invalid by any court of competent jurisdiction, such illegality or invalidity shall not affect any other provision of this Charter Ordinance. In such instance, this Charter Ordinance shall be construed and enforced as if such illegal or invalid provision had not been contained herein.

Section 4. Effective Date. This Charter Ordinance shall be published once a week for two consecutive weeks in the official City newspaper, and shall take effect sixty (60) days after final publication, unless a petition signed by a number of electors of the City equal to not less than ten percent (10%) of the number of electors who voted at the last preceding regular City election shall be filed in the office of the City Clerk demanding that this Charter Ordinance be submitted to a vote of the electors, in which event this Charter Ordinance shall take effect when approved by a majority of the electors voting at an election held for such purpose.

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PASSED with at least a two-thirds (2/3) vote of the entire governing body of the City of Sedgwick, Kansas, on February 18, 2026, and **SIGNED** by the Mayor.

(SEAL)

Bryan Chapman, Mayor

ATTEST:

Shelia Agee, City Clerk

Roll Call Vote

A Roll Call Vote of the City of Sedgwick,
to exempt the City of Sedgwick, Kansas from the provisions of K.S.A. 12-5250,
and providing substitute and additional provisions on the same subject relating
to reinvestment housing incentive districts.

Charter Ordinance 33

Governing Body Member	Yes	No	No Vote
Brenda DeHaven			
Seth Queen			
Jeremy Burkholder			
Kramer Siemens			
Josh Liby			
Total			

Certified:

City Clerk, City of Sedgwick