



REQUEST FOR COMMISSION ACTION
CITY OF INDEPENDENCE
May 28, 2020

Department Administration

Director Approval Kelly Passauer

AGENDA ITEM Consider adopting an ordinance adding exemptions to the Systems Development Charge.

SUMMARY RECOMMENDATION Adopt the ordinance.

BACKGROUND Previously the Commission has asked staff to review the Systems Development Charge (SDC) as it relates to non-profits, particularly those who assist lower income persons or families. The attached ordinance allows exemptions if the end user is any 501(c)(3) entity, any nonprofit entity, any governmental entity, or any person or family verified as low income. The standard to determine whether a person or family qualifies would be the current HUD income guidelines for low income.

BUDGET IMPACT The impact to the budget would be the loss of revenue to the utility fund if the end-user fits the criteria above. Since the Commission has waived the SDC previously for these types of uses, it is not anticipated to have a major budget impact.

SUGGESTED MOTION I move to authorize the Mayor to sign the ordinance adding exemptions to the Systems Development Charge.

SUPPORTING DOCUMENTS Proposed Ordinance and Application

ORDINANCE NO. _____

**An Ordinance Amending Ordinance No. 4238 and
Adding Exemptions to the Systems Development Charge**

BE IT ORDAINED by the Governing Body of the City of Independence, Kansas:

Section 1. Amendment. Previously adopted Ordinance 4238, as codified at City Code Sections 106-261, 106-262 and 106-263, is hereby amended to read as follows in its entirety:

Sec. 106-261. – Purpose.

A systems development charge (hereafter SDC) is created to help defray future expenses related to customers connecting to the city water supply system. The SDC shall be in addition to any connection fee otherwise charged by the city.

Sec. 106-262. – Payment.

The SDC shall become due and payable when a customer requests that a meter be installed and connected on property either owned or leased by the customer.

Sec. 106-263. – Fees and Charges.

The amount of the SDC shall be set forth in Appendix D to this Code as established by the Governing Body.

Sec. 106-264. – Exemption.

The following persons or entities shall be exempt from the SDC: any 501(c)(3) entity, any nonprofit entity, any governmental entity, any person or family verified as low income per U.S. Department of Housing and Urban Development guidelines, or any other person or entity which obtains a waiver of the SDC from the Governing Body. In determining the applicability of the exemption, the entity or person who is the end user of the property shall be determinative of whether the exemption applies. The determination of whether the exemption applies, or the determination of what constitutes a non-profit entity, shall initially be made by the City Manager, and if there is disagreement, the issue shall be decided by the Governing Body which said decision shall be final.

Section 2. Effective Date. This Ordinance shall take effect upon its publication in the official City newspaper.

*Adopted by the Governing Body of the City of Independence, Kansas, on the _____ day
of _____, 2020.*

LEONHARD CAFLISCH, Mayor

ATTEST:

DAVID W. SCHWENKER, City Clerk



APPLICATION TO WAIVE SYSTEMS DEVELOPMENT CHARGE (SDC)

SDC Waiver Request Reason: (Please Check One)

501(c)3 Entity Name of Entity: _____

Nonprofit Entity Name of Nonprofit: _____

Governmental Entity Name of Governmental Entity: _____

Low Income (per U.S. Department of Housing and Urban Development Guidelines)

Other (please list) _____

Address the SDC Fee Waiver Application is for: _____

Who will the end-user of the property be: _____

Name of Applicant: _____

Address of the Applicant: _____

Phone Number for Applicant: _____

Email Address for Applicant: _____

For Low Income only:

Please provide the **Annual Household Income** for the previous 12 month period: \$ _____

List **all sources of income** for the household (include employment, benefits, and any rent received)*

Source (Name of Employer/Agency)	Name of Recipient	Monthly Amount Received
_____	_____	_____
_____	_____	_____
_____	_____	_____

Signature of Applicant

Date

*The City may request additional documentation to verify income claimed.