

ORDINANCE NO. 12 2016

AN ORDINANCE ESTABLISHING PROPERTY ASSESSMENT AND REASSESSMENT MORATORIUM, LIMITING SAME TO FIVE YEAR INCREMENTS, AND NAMING ADMINISTERING AGENCIES

WHEREAS, KRS Chapter 99 and KRS Chapter 132 permit local governments to establish a property assessment and reassessment moratorium for existing structures that are 25 years or older in age; and

WHEREAS, the Franklin County Fiscal Court wishes to take advantage of the provisions of KRS Chapter 99 and KRS Chapter 132 to encourage the repair, rehabilitation, restoration, or stabilization of existing real property in Franklin County;

NOW THEREFORE BE IT ORDAINED BY THE FISCAL COURT OF THE COUNTY OF FRANKLIN, COMMONWEALTH OF KENTUCKY, AS FOLLOWS:

SECTION 1. There is hereby established a process for granting property assessment or reassessment moratorium for qualifying units of real property located in Franklin County.

SECTION 2. The following definitions apply to this ordinance:

1. "Administering agency" means the agency delegated responsibility by the legislative body to implement the provisions of this Act.
2. "Combined commercial/residential building" means any structure which has been in existence for at least twenty-five (25) years (per KRS Chapter 99.595) and whose combined purpose is the operation of a commercial business enterprise and providing living facilities for one (1) or more persons.
3. "Commercial facility" means any existing structure, the primary purpose and use of which is the operation of commercial business enterprise and which is twenty-five (25) years old or older.
4. "Existing residential building" means an existing building which is to provide independent living facilities for one (1) or more persons. Such buildings, for the purpose of qualifying for the property tax moratorium, shall be at least twenty-five (25) years old or older; or located in any area designated as an Urban Development Area under KRS Chapter 99.
5. "Legislative Body" means the Franklin County Fiscal Court.
6. "Rehabilitation" means the process of returning an existing structure to a state of utility through repair or alteration which makes possible an efficient contemporary use.

7. "Repair" means the reconstruction or renewal of any part of an existing structure for the purpose of maintenance.
8. "Restoration" means the process of accurately recovering the form and details of an existing structure and its setting as it appeared at a particular period of time by removal of later work or by the replacement of missing earlier work.
9. "Stabilization" means the process of applying measures designed to re-establish a weather resistant enclosure and the structural stability of an unsafe or deteriorated property while maintaining the essential form as it exists.
10. "Assessment or reassessment moratorium" means the act of deferring the value of the improvements from the taxable assessment of qualifying units of real property for a period of five (5) years.

SECTION 3. The administering agencies for this moratorium program shall be the Franklin County Sheriff's Office and the Franklin County Planning Department in conjunction with the Property Value Administrator (PVA) office.

SECTION 4. Moratorium shall be for a period of five (5) years, and become effective on the assessment date next following the issuance of the moratorium certificate. Any property granted an assessment or reassessment moratorium may be eligible for a subsequent moratorium certification for additional work performed in accordance with this ordinance, provided that reapplication be made no sooner than three (3) years following the expiration of the original moratorium, or any other moratorium, and provided that such property otherwise meets the requirements for the assessment or reassessment moratorium.

SECTION 5. Any owner or lessee of an existing residential building, and any owner or lessee of a commercial facility, or any owner or lessee of a combined commercial/ residential building, who plans to restore, repair, rehabilitate, or stabilize their property with a minimum expenditure equal to twenty-five percent (25%) of the assessed value of said property, may make an application to the County Planning Department for a property assessment or reassessment moratorium certificate. Application so made to the administering agency for a property assessment or reassessment moratorium certificate shall be made as follows:

1. The application shall be on a form prescribed by the Franklin County Planning Department and Kentucky Revenue Cabinet, and shall be filed in the manner prescribed by the Sheriff's Office.
2. The application shall contain the following:
 - a. A general description of the property including proof of age;
 - b. A general description of its proposed use;
 - c. A description of the nature and extent of restoration, repair, rehabilitation, or stabilization to be undertaken, to include detailed drawings showing the planned work to be done and an estimate of the total project expenditure. Documentation of all

expenses incurred must be provided to the administering agency upon project completion.

- d. A time schedule for undertaking and completing the project.
- e. If the property is a commercial facility, the application shall also contain a descriptive list of the fixed building equipment which will be a part of the facility and a statement of the economic advantages expected from the moratorium, including expected construction employment.
- f. Other information as determined necessary by the administering agencies.

SECTION 6. The Property Valuation Administrator and Sheriff's Office shall maintain a record of all applications for a property assessment or reassessment moratorium. The PVA shall assess or reassess the property within thirty (30) days of receipt of the application. This assessment shall be the value for which taxes are not to be raised for five (5) years.

SECTION 7. The applicant shall have two (2) years in which to complete the improvements, unless granted an extension by the Planning Department. Extension requests will be reviewed and granted on a case by case basis, but in no instance shall the application be extended beyond two (2) additional years. This provision shall not preclude normal reassessment years. Any project not completed within one year as required by the building code and by the active period of a building permit shall be required to renew all necessary permits to allow work to continue.

SECTION 8. Any application not acted upon by the applicant shall become void two (2) years from the date of application, and shall be purged from the files of the property valuation administrator and the administering agency.

SECTION 9. On the assessment date next following the expiration, cancellation, or revocation of an assessment or reassessment moratorium, property shall be assessed on the basis of its full fair cash value.

SECTION 10. The applicant shall notify the administering agency when the project is complete, and the administering agency shall then conduct an on-site inspection of the property for purposes of verifying improvement and shall review documentation of expenditures to verify that the applicant has invested the minimum qualifying amount. Only after the project is complete and the improvements verified shall the moratorium certificate be issued by the administering agency. However, no moratorium certificate shall be issued on property in which there are delinquent county tax bills.

SECTION 11. An assessment or reassessment moratorium certificate may be transferred or assigned by the holder of the certificate to a new owner or lessee of the property.


SECTION 12. Any property granted an assessment or reassessment moratorium may be eligible for a subsequent moratorium certificate provided that reapplication be made no sooner than three (3) years following the expiration of original moratorium, and that it be for additional work over that conducted under previous certificates.

SECTION 13. In no case shall the moratorium described herein apply retroactively to projects undertaken or started prior to the adoption of this ordinance.


INTRODUCED AND GIVEN FIRST READING IN SUMMARY at a duly convened ~~May~~ ^{June} meeting of the Fiscal Court of Franklin County, Kentucky, held on the 2 day of ~~May~~, 2016.

GIVEN SECOND READING AND APPROVED at a duly convened meeting of the Fiscal Court of Franklin County, Kentucky, held on the 24 day of June, 2016 and of record in Fiscal Court Order Book 27, Page 275.

This Ordinance shall take effect and be in full force when passed, published and recorded according to law.


Huston Wells
Franklin County Judge/Executive

ATTESTED TO:


Shirley Brown
Fiscal Court Clerk