

65-3326. Application for loan; form; agreements with municipality; contents; repayment; effect of failure of municipality to enter into agreement; assistance to municipality. (a) Municipalities which desire the provision of a loan under K.S.A. 65-3321 through 65-3329 shall submit an application therefor to the secretary. Applications shall be in such form and shall include such information as the secretary shall require and shall be submitted in a manner and at a time to be determined by the secretary.

(b) The secretary may enter into agreements with any municipality for the provision of a loan thereto for payment of all or a part of project costs and any municipality may enter into such an agreement and may accept such loan when so authorized by its governing body. The purposes of the loan to be provided, the amount thereof, the interest rate thereon, and the repayment terms and conditions thereof, all of which may vary among municipalities, shall be included in the agreements. Loans shall be provided at or below market interest rates and may be provided interest free. All such agreements shall require that municipalities establish a dedicated source of revenue for repayment of the loans as provided in K.S.A. 65-3327. Such agreements shall further provide that repayment of any loan received shall begin not later than one year after completion of the project and that such loan shall be repaid in full no later than 20 years thereafter.

(c) In the event any municipality to which a loan is made available under K.S.A. 65-3321 through 65-3329 fails to enter into an agreement with the secretary for the provision of such loan in accordance with the requirements of such statutes, the secretary is authorized to make the amount of the loan available for one or more other projects on the project priority list.

(d) The secretary shall provide any municipality, upon its request, with technical advice and assistance regarding a project or an application for a loan for the payment of all or a part of project costs.

History: L. 1988, ch. 320, § 6; July 1.