

Lansing Neighborhood Revitalization Plan

Purpose

This plan is intended to promote the revitalization and development of the City of Lansing by stimulating new construction and the rehabilitation, conservation, or redevelopment of the area in order to protect the public health, safety, or welfare of the City by offering certain incentives, which include tax rebates.

Benefits of the Tax Rebate Program

- It will provide incentives for housing improvements through property tax refunds.
- It does not interfere with current property tax revenues.
- The program will create new long-term tax revenue, without creating a fiscal burden for the cities and county.
- It will offer incentives for development where development might not otherwise occur.
- It will help create jobs because, historically, jobs follow development.
- It will help reverse the outward migration of residents and the resulting deterioration of neighborhoods within the city.
- It will help stabilize land value.
- It will strengthen the fiscal capacity of our city government to grow and serve our area.
- It provides a limited window of opportunity for participation, thereby, prompting immediate response.
- It will encourage housing, commercial, and industrial development in the city

Kansas Neighborhood Revitalization Act

The Kansas Neighborhood Revitalization Act allows the governing body of any municipality to adopt a plan for the revitalization of an area or designation of a dilapidated structure within that municipality as a Neighborhood Revitalization Area if it finds that the rehabilitation, conservation or redevelopment of the area is necessary to protect the public health, safety or welfare of the residents of the municipality.

Legal Description of Area

See Exhibit "A"

Assessed Valuation of the Real Estate

See Exhibit "B"

List of Names and Addresses of Owners of Real Estate

See Exhibit "C"

Existing Zoning Classifications, District Boundaries and Land Uses

See Exhibit "D"

Proposed Improvements or Expansions of Municipal Services for the Revitalization Area

1. In December of 2005 the System Enhancement Project will begin. This improvement will consist of transportation improvements and structure improvements within the revitalization area.
2. Community Development Block Grant funds will be dispersed within the revitalization area. Additionally, future grants will be pursued to accommodate need in the areas.
3. A citywide interconnected trail will be connected through the revitalization area that will connect retail and cultural centers of the community through pedestrian accessway.

Criteria for Determining Eligibility

1. A Structure means any building, wall, or other structure, including the building and improvements to the living space. The only accessory structures allowed for the purposes of this plan will be garages.

2. There must be a minimum investment of \$5,000 to receive a tax rebate for residential construction.
3. There must be a minimum investment of \$10,000 to receive a tax rebate for commercial or industrial construction.
4. New as well as existing improvements on property must conform with all codes, rules, and regulations in effect at the time the improvements are made. Tax rebates may be terminated if improvements or new construction do not conform to code during the ten-year period. * (Code applicable at time of improvement)
5. Real estate taxes must be paid in full by May 10 or the property owner will forfeit any current or future rebates.
6. Qualified improvements or new construction eligible for tax rebates under the Neighborhood Revitalization Plan may submit only one application per piece of property. * Unless approved by City Council action.
7. Tax rebates are subject to approval of each taxing unit. See the City Clerk for taxing units who have adopted the Tax Rebate Program of the Neighborhood Revitalization Plan. A tax rebate will be based on the increase in assessed value following the first full year of completion.
8. **Tax rebate is made within approximately thirty (30) days after the real estate tax is paid in full. If property tax is paid in semiannual payments, the rebate is made in accordance with the Interlocal Agreement.**
9. In any given year (1 through 10) the rebate paid will be based upon the lesser of the increase in assessed value from the first year or the value as assessed in the current year.
10. **Construction must be completed in one year.** Extensions beyond that period will be considered on a case by case basis.
11. Upon completion of your project, an itemized statement of costs will need to be provided. This will be necessary to receive your rebate.
12. Property Eligible for a Property Tax Rebate

A. Residential Property

1. Property used after improvement for single or multi-family residential uses shall be limited to: rehabilitation and alterations, including new or existing accessory structures to any existing primary residential structure built prior to adoption of this Plan, including alteration of a single-family home into a multi-family dwelling, shall be eligible.
2. The improvements must include the minimum health and safety code requirements of the city.
3. **New construction of a primary single family or multi-family residential structure shall not be eligible.**
4. Eligible residential property shall be eligible for a 95 percent rebate of property taxes on taxable value of eligible improvements for five (5) years. (See Exhibit E)

B. Commercial & Industrial Property

1. All property used exclusively *after* improvement for commercial or industrial uses shall be eligible.
2. Mixed use residential and commercial property shall be eligible if the residential use qualifies or to the extent the improvements are assessed as commercial property.

3. Mixed use residential and industrial property shall be eligible.
4. Eligible commercial and industrial property shall be eligible for a rebate of property taxes on the taxable value of eligible improvements for ten (10) years. (See Exhibit F)

C. **Agricultural and all other property**

Property used after improvement for agricultural or any non-commercial, non-industrial or non-residential uses shall not be eligible.

13. General Provisions Applicable to All Rebate Applications on Eligible Property

- A. Property owners of all eligible property shall make application filed with the City Clerk on application forms provided by the city.
- B. Eligible improvements must be authorized by a building permit.
- C. **Property owners shall make application on or *after* a building permit has been issued and the permit fee paid for any eligible improvements.** The deadline for application shall be 60 calendar days after the issue date of the building permit. The property owner may appeal to the city council and the city council may approve an application for rebate after the deadline but not later than when the substantially completed improvements are first assessed by the Building Official.
- D. There shall be no minimum improvement required. However, the improvements must result in an increase of \$5,000 for residential and \$10,000 commercial or industrial in the taxable value of eligible property. **Some improvements, such as repairs require a building permit but result in no increase in the taxable value and thus are not eligible for a property tax rebate.**
- E. **Only one application for rebate shall be allowed per piece of property.**
- F. Any otherwise eligible property with delinquent taxes or special assessments shall not be eligible for a rebate until such time as all taxes and assessments have been paid.
- G. The property owner shall notify the city when all improvements covered under the building permit have been substantially completed and the city shall inspect the improvements for the required building codes and notify the County Appraiser that the improvements covered under the rebate application have been substantially completed.
- H. The County Appraiser shall conduct an on-site inspection following substantial completion of the improvements and determine the increase in the taxable valuation due to the improvements and shall report that amount to the County Clerk.
- I. The rebate shall be calculated each year using the taxable value due to the improvements upon completion of the improvements property tax mill levy during the year in which the rebate is due.
- J. **The property taxes must be paid before a rebate can be issued.**
- K. The City Clerk shall review all applications based on eligibility contained in this Plan and approve such eligible applications. If an application is not approved, the property owner may appeal the decision in writing to the City Council for final determination.
- L. If this Plan is repealed or the rebate criteria changed, any approved applications shall be eligible for rebates for the remaining term of the rebate originally provided in the Plan.

14. Every (5) five years, the City will review the plan and determine its continuation. Any changes to the plan scope or boundary will mandate a review by participating entities and will be subject to all policy review required by law. Applicants approved prior to the review will continue to receive the tax rebate for the full (5) five or (10) ten years following completion of their project.
15. If for any reason any portion or part of this plan or the application thereof to any person or circumstance is declared to be unconstitutional or invalid, such decision will not affect the validity of the remaining portion of the policy.
16. Effective Dates of the Plan

This Plan and property tax rebates provided by this Plan shall be effective November 5, 2009 as adopted by resolution of the city council of the City of Lansing. The city council may repeal, amend or modify this Plan as conditions, policies or priorities of the city council change.

Passed by the Governing Body of the City of Lansing, Kansas, this 5th day of November, 2009.

/s/
Mayor Kenneth W. Bernard

ATTEST:
/s/
Sunshine Petrone, City Clerk
Resolution Numbers: **B-11-09**

Application Process

Prior to filing the Application for Tax Rebate, you will need to do the following:

1. Obtain an application from the Lansing City Clerk, located at Lansing City Hall, 800 First Terrace, Lansing, KS 66043.
2. Prior to the commencement of construction of any improvement or new construction for which a tax rebate will be requested, the applicant owner will complete Part 1 of the application. *Requests must be received and approved before commencement of construction.*
3. Part 1 of the application must be filed with the City Clerk with a non-refundable application fee (\$50.00 remodeling and \$100.00 for new reconstruction) prior to the commencement of construction.
4. The City of Lansing will notify by letter to the applicant within fifteen (15) working days, indicating approval or denial of the project.
5. The City Clerk will forward a copy of Part 1 to the County Clerk for notification and information purposes. Copies of the application will also be forwarded to the Community Development Department for monitoring purposes.
6. The applicant-owner will notify the County Appraiser of the commencement of construction by filing Part 2 of the application within 10 days after starting the project.
7. For any improvement that is only partially completed as of January 1, following commencement of construction, the owner-applicant will file Part 3 of the application with the County Appraiser indicating the status of construction as of January 1. Part 3 will be filed on or before December 15, preceding the commencement of the tax rebate period.
8. For any improvement that is completed on or before January 1, following the commencement of construction, the owner-applicant will file Part 3 of the application with the County Appraiser on or before December 1, preceding commencement of the tax rebate period, certifying the completion of construction, along with an itemized statement of costs. This is necessary to receive your rebate.
9. Soon after January 1, the County Appraiser will conduct an on-site inspection of the construction project (improvement, rehabilitation, or new) and determine the new valuation of the real estate accordingly. The valuation is then reported to the County Clerk by June 15. The tax records will be revised.
10. Upon filing of Part 3, and the determination of the new valuation of the said real estate, the form will be filed by the City Clerk with the County Clerk and the County Appraiser certifying the project is in compliance with the requirements for a tax rebate.
11. Upon payment in full of the real estate tax for the subject property for the initial and each succeeding year period extending through the specified rebate period, and within approximately thirty (30) day period following the date of tax distribution by the City of Lansing to the other taxing units, a tax rebate in the amount of the tax increment will be made to the owner. The tax rebate will be made by the County Treasurer of Leavenworth County through the Neighborhood Revitalization Fund established in conjunction with the other taxing units participating in an Interlocal Agreement. The five percent of new taxable value is retained by the Leavenworth County Treasurer for administrative handling (5% of the improvement value or \$10, whichever is greater).

**Application for Tax Rebate
Under the
City of Lansing's
Neighborhood Revitalization Plan**

PART 1

(A non-refundable application fee of \$50 for remodeling or \$100 for new construction must accompany this application)

Owner's Name: _____ Day Phone #: _____
(Please Print)

Owner's Mailing Address: _____

Address of Property: _____ School District #: _____

Parcel Identification Number: _____
(Copy from your tax statement or call the County Appraiser's Office)

Legal Description of Property: (Use additional sheets if necessary)

Proposed Property Use:

RESIDENTIAL: _____ New or _____ Rehab; _____ Rental or _____ Owner-Occupied
_____ Residence _____ Other (Explain) _____

_____ Single Family _____ Multi-Family _____ Owner-Occupied

COMMERCIAL: _____ New _____ Rehab; _____ Rental _____ Owner-Occupied

INDUSTRIAL: _____ New _____ Rehab; _____ Rental _____ Owner-Occupied

Does the applicant own the land? _____ Yes _____ No

Will the proposed project be on a foundation? _____ Yes _____ No

How will the proposed project be taxed? _____ Personal Property _____ Real Estate

Will it be permanently attached to the property? _____ Yes _____ No

I have read and do hereby agree to follow all application procedures and criteria. An itemized statement of costs will need to be turned in when I have completed my project, I understand this will be necessary to receive my rebate. I further understand that this application will be void one year from the date below if improvements or construction has not begun on this project.

Signature of Owner

Date

**Application for Tax Rebate
City of Lansing
Neighborhood Revitalization Plan**

PART 1-A COMMERCIAL OR INDUSTRIAL

General

Estimated Date of Completion _____

List of Buildings Proposed to Be Demolished _____

Estimated Cost of Improvements: (Please attach copies of cost documentation and Blueprints or Plans)

Materials \$ _____

Labor \$ _____

Please check one of the following that best describes the construction of your property.

() All Contractor Built (turn-key) () Pre-built Home moved to site () Modular Home

() Contractor built with owner participation () All owner built () Other _____

Amount of Owner Participation: _____ Hours _____ Percent of Project _____ Value

Industrial

Type of Building _____ Use of Building _____

Building Dimensions _____ Exterior Wall Material _____

Location of Building _____

Commercial

Type of Building _____ Use of Building _____

Size of Building _____ Wall Height _____ Exterior Wall Material _____

Industrial or Commercial Remodel

Area to be Remodeled _____ Type and Use of Building _____

Describe Improvements: _____

Signature of Owner

Date

**Application for Tax Rebate
City of Lansing
Neighborhood Revitalization Plan**

PART 1-B RESIDENTIAL

*Any and all financial information reported on this form will be considered confidential
and will not be subject to public disclosure as provided in K.S.A. 15-221 (b)*

General

Estimated Date of Completion _____

List of Buildings Proposed to Be Demolished _____

Estimated Cost of Improvements: (Please attach copies of cost documentation and Blueprints or Plans)

Materials \$ _____ Labor \$ _____

Total Cost \$ _____ **MUST BE OVER \$5,000 TO QUALIFY FOR REBATE**

Please check one of the following that best describes the construction of your property.

All Contractor Built (turn-key) Pre-built Home moved to site Modular Home

Contractor built with owner participation All owner built Other _____

Amount of Owner Participation: _____ Hours _____ Percent of Project _____ Value

Residential Remodel

Square Feet of Living Area Added _____ Basement Ground Floor Upper Floor

Rooms to be Remodeled *(Please mark all that apply)*

Living Room Bedroom Bathroom Kitchen

Dining Room Basement Other _____

Rooms to be Added *(Please mark all that apply)*

Living Room Bedroom Bathroom Kitchen

Dining Room Basement Other _____

Signature of Owner

Date

Application for Tax Rebate
City of Lansing
Neighborhood Revitalization Plan

PART 2

COMMENCEMENT OF CONSTRUCTION

Parcel Identification Number

Date of Original Application _____

Construction estimated to begin on _____ Building Permit Number _____
(Where Applicable)

Estimated Date of Completion of Construction _____

Signature of Owner

Date

Please return to our office within 10 days after starting your project.

City of Lansing
Attn: City Clerk
800 1st Terrace
Lansing, KS 66043

Application for Tax Rebate
City of Lansing
Neighborhood Revitalization Plan

PART 3

STATUS OF CONSTRUCTION COMPLETION

Parcel Identification Number

Date of Original Application _____

_____ Incomplete Project as of January 1 following commencement

_____ Complete Project as of January 1 following commencement

The Construction project applied for was considered complete on _____

Signature of Owner

Date

Please return to our office within 10 days after starting your project.

City of Lansing
800 1st Terrace
Lansing, KS 66043

Frequently Asked Questions

- Q. What is the Tax Rebate Program? A. During the 1994 legislative sessions, lawmakers passed Senate Bill #732, which provides tax rebates for new construction and the rehabilitation of existing structures. In order to implement the legislation locally, each municipality must adopt a plan and designate an area in which they want to promote revitalization and development or redevelopment.
- Q. What is "Tax Rebate"? A. It is refund of the property taxes which are paid on the actual value added to a property due to the improvement. Under the Neighborhood Revitalization Plan legislation, the taxes relating to the assessed value on the property prior to the improvement may not be reduced and will continue to be payable.
- Q. What is "Qualified Improvement"? A. "Qualified Improvement" includes new construction and rehabilitation.
- Q. How is "Structure" defined? A. "Structure" means any building wall or other structure, including the building and improvements to the existing structures and fixtures assimilated to the real estate.
- Q. What kind of "Improvements" will increase the assessed value? A. New construction and major rehabilitations will increase the assessed value. Repairs generally will not increase the assessed value unless there are several major repairs or improvements completed at the same time.
- Q. Does "one dollar" spent on work equal "one dollar" of increased value? A. One dollar spent is not necessarily equal to one dollar of increased value.
- Q. How can I determine if I am eligible for a tax rebate? A. There must be a minimum investment of \$5,000 for residential and \$10,000 for commercial or industrial. New as well as existing improvements must conform with all codes, rules, and regulations in effect. You should secure a building permit for all improvements. Call the Office of Community Development to obtain the permit.
- Q. If qualified improvements have been made, how does one obtain a tax rebate? A. A property owner must file and have approved an application with the City of Lansing before construction begins. There will be no exceptions.
- Q. Who applies? A. **The property owner applies.** Even if, as a lessee, you are doing the improvements and your lease agreement has you paying the taxes, the property owner must apply. The tax rebate will be included as part of the property's tax record for the term of the rebate regardless of who owns or occupies the property.
- Q. How often do I need to apply? A. Apply each year that you make a qualifying improvement to the property. If no further improvements are made, the initial application will be sufficient without the property owner having to file an additional application for succeeding years in which a tax rebate is received. **The property owner must relinquish the first rebate to be eligible to receive another.**
- Q. Will the schedule of tax rebates as determined by the increase in assessed value in the first year ever change? A. Yes. The rebate paid in any given year (1-10) will be based on the lesser of the increase in assessed value from the first year or the value assessed in the current year.

EXHIBIT A

Legal Description of Area

EXHIBIT B

Assessed Valuation of the Real Estate

A copy of the Assessed Valuation of the Real Estate is on file in the office of the

Lansing City Clerk
800 First Terrace
Lansing, Kansas 66043

EXHIBIT C

List of Names and Addresses of the Owners of Real Estate

A copy of the List of Names and Addresses of the Owners of Real Estate is on file in the office of the

Lansing City Clerk
800 First Terrace
Lansing, Kansas 66043

EXHIBIT D

Existing Zoning Classifications, District Boundaries and Land Uses

EXHIBIT E

(*5% County Admin. Fee for Taxable Improvement)

Residential Property -- Rehabilitation Projects
<i>Increase in Assessed Value of Rehabilitation Projects</i>
1-5 yr -- 95%

EXHIBIT F

(*5% County Admin. Fee for Taxable Improvement)

Commercial & Industrial Properties -- New/Rehabilitation Projects		
<i>Increase in Assessed Value of:</i>		
\$0 - \$500,000	\$500,000 - \$3,000,000	\$3,000,000 +
1-3 yr -- 95%	1-6 yr -- 95%	1-6 yr -- 95%
4 yr -- 80%	7 yr -- 70%	7-10 yr -- 75%
5 yr -- 70%	8 yr -- 60%	
6 yr -- 60%	9 yr -- 50%	
7 yr -- 50%	10 yr -- 20%	
8 yr -- 50%		
9 yr -- 30%		
10 yr -- 20%		