

MEADE COUNTY, KANSAS
NEIGHBORHOOD REVITALIZATION PROGRAM

Effective Date

September 1, 2016

PURSUANT TO:

KANSAS NEIGHBORHOOD REVITALIZATION ACT

K.S.A. 1996 Supp. 12-17, 114 et seq.

This law authorizes any municipality covered by the cash basis law to designate an area within its boundaries as a neighborhood revitalization area and to provide rebates to taxpayers in the amount of the incremental increases in property taxes resulting from improvements made to the property. The term “municipality” may include a city, township, school, county or other political subdivision. The rebates are to be made within 30 days of the payment of the full taxes.

Neighborhood revitalization area means in part, an area in which buildings or improvements by reason of dilapidation or obsolescence are detrimental to the public health, safety of welfare; or an area where there is a substantial number of deteriorating or defective structures and other improvements which impairs or arrests the sound growth of a city or constitutes an economic liability; or an area in which there is a predominance of buildings or improvements which by reason of age, history, architecture or significance, should be preserved or restored to productive use. See K.S.A 1996 Supp. 12-17, 115 (b), (1), (2), and (3).

Prior to designation of such an area, the municipality must adopt a program for the area which shall include, among other things, any proposals for improving or expanding various municipal services within the area, criteria to be used by the governing body for eligibility for rebates, and the application process. Notice and public hearings are required prior to adoption of the program.

Municipalities are authorized to create a neighborhood revitalization fund for this purpose and to place moneys in said fund from any lawful source and from the general fund. Any two or more municipalities may enter into inter local cooperating agreements to exercise the powers under this act.

MEADE COUNTY, KANSAS, “STATEMENT OF FINDINGS”

Growth and revitalization throughout Meade County is minimal. A housing assessment found a lack of housing, some deterioration and obsolescence of residential dwellings, while still being in a position to sustain new and improved housing. Housing needs countywide include new, improved housing, multi-family, and individual living units desirable for families with children. New construction and improvements of agriculture, commercial and industrial properties are minimal as well, with the existence of deterioration and obsolescence. Throughout the sizeable area of Meade County, few newly constructed or improved existing structures have occurred during the last decade in particular. Actual costs of agriculture, commercial & industrial, and residential new construction or improvements continue to exceed appraised values, which places a burden on investment initiatives.

A countywide program(s) to encourage growth in its rural areas and three communities is deemed critical to the future of Meade County. Its Appraiser reports that of the existing 1,716 homes, 1,617 (94%) were built prior to year 1990. Only 99 (6%) of existing 1,716 homes were built since year 1991 to present. In year 2000 the assessed valuation of all real estate improvements, not including exempt properties, was \$ 28,996,828 compared to year 2010 at \$ 25,907,735.

Meade County’s population had increased since year 1990 from 4,247 persons to 4,631 persons in year 2000, which decreased to 4,575 in year 2010 at (1.2%) by losing (56) persons. The population of two of Meade County’s three communities had grown from year 1990 to year 2000; Fowler remained at 567 persons, Meade by twenty-two percent (22%) with 1,672 persons, and Plains by ten percent (10%) with 1,163 persons. From year 2000 to year 2010, Fowler increased by 23 persons at 3.9 percent (3.9%) to 590 persons, Meade increased by 49 persons at 2.8 percent (2.8%) to 1,721 persons, Plains decreased by (17) persons at a (1.5%) loss to 1,146 persons, and the balance of Meade County decreased by (111) persons from 1,229 persons in year 2000 to 1,118 persons in year 2010. In year 2000, eighteen percent (18%) of Meade County’s population, 831 persons, was age 65 or over, which was 785 persons in year 2010 at seventeen percent (17%) of Meade County’s population. The median age in year 2000 was 36.1 years, which increased to 38.8 years in 2010.

Like many western and particularly southwestern Kansas counties, Meade County is experiencing the same trends of losing population for various reasons and minimal growth, which will make it difficult to sustain its future. Through an active process of rural and community collaboration, it is recognized that incentives have become necessary to encourage investments in existing real estate through new construction and improvements in agriculture, commercial & industrial and residential properties countywide.

MEADE COUNTY, KANSAS
NEIGHBORHOOD REVITALIZATION PROGRAM

TAX REBATE CRITERIA

PURPOSE:

This program is intended to promote the revitalization and development of the County of Meade, in the State of Kansas, by stimulating new construction of agricultural, commercial & industrial, and residential properties, and the rehabilitation, conservation or redevelopment of agricultural, commercial & industrial and residential properties within the area by offering certain incentives, which include tax rebates:

CRITERIA FOR DETERMINATION OF ELIGIBILITY

- (A) "Structure" means construction of new agricultural, commercial & industrial and residential real estate (Properties classified as Public Utilities are ineligible.) to which building additions, remodeling, renovations, improvements and permanent fixtures are assimilated to the existing properties. In regard to residential projects, the addition of square footage will be considered; interior improvements will not significantly or necessarily affect valuation.

Exceptions include:

- Non real estate items
 - Agriculture Storage Grain Bins
 - Agriculture Grain Handling Equipment
 - Agriculture Hay & Silage Storage
 - Residential Fences
- (B) Any structure, which does not lend itself to obvious inclusion within the above meaning, should be cleared with the offices of the Meade County Appraiser prior to application.
- (C) There will be an open five (5) year application period, beginning September 1, 2011, ending August 31, 2016. At the end of the five (5) year application period, the taxing entities will review the program and determine its continuation. Those applications approved during the five (5) year period will continue to receive the tax rebate for the full ten (10) years following completion of the project. Construction of an improvement may only begin after final approval of application. There will be no exceptions.
- (D) To be eligible for any tax rebates under this Program:
- a. Parts 1 and 2a or 2b of the Application For Tax Rebate must be completed in full and filed with the office of the Meade County Appraiser, including the payment of a non-refundable \$100.00 application fee;
 - b. Prior to the commencement of all new construction and all improvements to existing properties, an inspection of the site of the project shall have been completed by the office of the Meade County Appraiser to establish the base line valuation between non-qualifying portions and the eligible portions under this Program;
 - c. No later than ten (10) days after the project is commenced, Part 3 of the Application For Tax Rebate must be completed in full and filed with the office of the Meade County Appraiser;

- d. Part 4 of the Application For Tax Rebate must be completed and filed with the office of the Meade County Appraiser no later than the 1st day of December of the year prior to the first year an eligible tax rebate is available;
 - e. There shall be no exceptions granted for noncompliance with this paragraph.
- (E) The minimum investment for eligibility in order to receive a tax rebate for agricultural, commercial & industrial, or residential new construction or improvement to existing properties is \$10,000, which must be established upon request by checks and invoices; the project must be classified and taxable as real estate.
 - (F) New construction as well as improvements to existing properties must be in compliance with all applicable building permit requirements; building codes and zoning regulations in effect within its location at the time the improvements begin. Tax rebates may be denied or terminated for noncompliance with this paragraph.
 - (G) No applicant having delinquent real, personal or special assessment taxes due in Meade County will be eligible for this program. In the event any such taxes are not timely paid and become delinquent during the ten (10) year period, all-current and future tax rebates shall be forfeited in full.
 - (H) Once a project application for new construction or improvements to an existing property has been approved, no modifications to that project shall be allowed for additional benefits under this Program. Only one (1) application per property will be eligible in any twelve (12) month period.
 - (I) All taxes rebates are subject to the approval of this Program by each taxing unit. See the Meade County Clerk for taxing units, which have adopted the Tax Rebate Program of its Neighborhood Revitalization Program.
 - (J) All tax rebates under this Program shall be based on the tax increase from the assessed valuation; will be paid commencing in the first calendar year following the year of completion; and may change upward or downward depending on the change in applicable mil levies.
 - (K) All tax rebates under this program shall be made only from the resulting increase in ad valorem taxes generated and collected by reason for the new construction or improvements to existing properties and may not equal the amount of the actual dollars spent. Example: a \$10,000 improvement to an existing property may add only \$8,000 to the estimated market value of the property; thus the tax rebate will be based on the \$8,000 increment in value and not on the \$10,000 actually spent. This increment will remain the same regardless of an increase or decrease in property value over the ten (10) year period.
 - (L) All tax rebate benefits under this Program shall transfer with a change of ownership of qualifying property.
 - (M) 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 a thirty (30) day period following the date of full payment by the taxpayer, the tax rebate will be made by the County Treasurer of Meade County in conjunction with the other taxing units participating in a Contractual Agreement.
 - (N) New construction and improvements to existing properties must be completed within two (2) years of the date of application. **Approved extensions beyond that period will be considered on a case by case basis.**
 - (O) Upon completion of project applicant must file total construction costs of project and floor plans with measurements if possible with part 4 (Project Completion) with the Meade County Appraiser in order to be included in the program.

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TAX REBATE SCHEDULE

There is a five (5) year open application period. The tax rebate will be for a length of ten years. Tax Rebates will be figured on the mill levy less administration costs.

1st Year -	Rebate	would	be	100%	of the	increase	in	assessed	value
2nd Year -	"	"	"	90%	" "	"	"	"	"
3rd Year -	"	"	"	80%	" "	"	"	"	"
4th Year -	"	"	"	70%	" "	"	"	"	"
5th Year -	"	"	"	60%	" "	"	"	"	"
6th Year -	"	"	"	50%	" "	"	"	"	"
7th Year -	"	"	"	40%	" "	"	"	"	"
8th Year -	"	"	"	30%	" "	"	"	"	"
9th Year -	"	"	"	20%	" "	"	"	"	"
10 Year -	"	"	"	10%	" "	"	"	"	"

By the 11th year, the property owner would be paying the full tax.

- A minimum of \$10,000 must be invested.
- A \$100 upfront, non-refundable application fee will be charged by the county to cover office time and administration of the application.
- Rebates will apply to rehabilitation of existing structures, additions to existing structures and new construction. Rebates will apply to eligible agricultural, commercial & industrial or residential structures.
- 3% will be retained for administration costs on projects \$10,000 to \$499,999, 2% will be retained for projects \$500,000 to \$999,999 and 1% for projects of \$1,000,000 & over.

Assuming values and mill levy remains the same for the entire ten (10) year period, the estimated calculations are based on the following hypothetical conditions:

EXAMPLE: A \$2,000 appraised vacant lot in Meade County, or in one of its communities, assessed at 11.5% = valuation of \$230 X 200.420 mill levy = \$46.10 in property tax to the owner. The owner builds a house on the lot X, which appraises for \$100,000. 11.5% = \$11,500, which is the assessed valuation. \$11,500 X 200.420 = \$2,304.83 + \$46.10 = \$2,350.93 total tax for this parcel. 3% will be retained for the administration cost on projects \$10,000 to \$499,999, 2% will be retained for projects \$500,000 to \$999,999, and 1% for projects of \$1,000,000 & over.

Year	Total Tax Paid	Eligible For Rebate	Rebate %	Rebate \$	Admin Cost	Actual Tax & Admin Cost On House & Lot \$
1st	\$2,350.93	\$2,304.83	100%	\$2,304.83	\$69.14	\$115.24
2nd	\$2,350.93	\$2,304.83	90%	\$2,074.35	\$62.23	\$338.81
3rd	\$2,350.93	\$2,304.83	80%	\$1,843.86	\$55.32	\$562.38
4th	\$2,350.93	\$2,304.83	70%	\$1,613.38	\$48.40	\$785.95
5th	\$2,350.93	\$2,304.83	60%	\$1,382.90	\$41.49	\$1,009.52
6th	\$2,350.93	\$2,304.83	50%	\$1,152.42	\$34.57	\$1,233.09
7th	\$2,350.93	\$2,304.83	40%	\$921.93	\$27.66	\$1,456.66
8th	\$2,350.93	\$2,304.83	30%	\$691.45	\$20.74	\$1,680.22
9th	\$2,350.93	\$2,304.83	20%	\$460.97	\$13.83	\$1,903.79
10th	\$2,350.93	\$2,304.83	10%	\$230.48	\$6.91	\$2,127.36
Total Tax Paid Over Ten (10) Years				\$23,509.30		
Total Rebate Over Ten (10) Years				\$12,676.57		
Total Admin Cost Over Ten (10) Years					\$380.30	
Actual Tax & Admin Cost Paid On House & Lot						\$11,213.03

**Assuming values and mill levy remains the same for the entire ten (10) year period,
the estimated calculations are based on the following hypothetical conditions:**

EXAMPLE: A \$50,000 appraised house and lot in Meade County, or in one of its communities, assessed at 11.5% = assessed valuation of \$5,750 X 200.420 mill levy = \$1,152.42 in property tax to the owner. The owner spends \$30,000 on a room addition X, which appraises for \$20,000. 11.5% = \$2,300 is the assessed valuation. \$2,300 X 200.420 = \$460.97 + \$1,152.42 = \$1,613.39 total tax for this parcel. 3% will be retained for the administration cost on projects \$10,000 to \$499,999, 2% will be retained for projects \$500,000 to \$999,999, and 1% for projects of \$1,000,000 & over.

Year	Total Tax Paid	Eligible For Rebate	Rebate %	Rebate \$	Admin Cost	Actual Tax & Admin Cost On House & Lot \$
1st	\$1,613.39	\$460.97	100%	\$460.97	\$13.83	\$1,166.25
2nd	\$1,613.39	\$460.97	90%	\$414.87	\$12.45	\$1,210.96
3rd	\$1,613.39	\$460.97	80%	\$368.78	\$11.06	\$1,255.68
4th	\$1,613.39	\$460.97	70%	\$322.68	\$9.68	\$1,300.39
5th	\$1,613.39	\$460.97	60%	\$276.58	\$8.30	\$1,345.11
6th	\$1,613.39	\$460.97	50%	\$230.49	\$6.91	\$1,389.82
7th	\$1,613.39	\$460.97	40%	\$184.39	\$5.53	\$1,434.53
8th	\$1,613.39	\$460.97	30%	\$138.29	\$4.15	\$1,479.25
9th	\$1,613.39	\$460.97	20%	\$92.19	\$2.77	\$1,523.96
10th	\$1,613.39	\$460.97	10%	\$46.10	\$1.38	\$1,568.68
Total Tax Paid Over Ten (10) Years				\$16,133.90		
Total Rebate Over Ten (10) Years				\$2,535.34		
Total Admin Cost Over Ten (10) Years					\$76.06	
Actual Tax & Admin Cost Paid On House & Lot						\$13,674.63

MEADE COUNTY, KANSAS
NEIGHBORHOOD REVITALIZATION PROGRAM

TAX REBATE PROGRAM APPLICATION PROCEDURE

NOTICE:

- **No applicant having delinquent taxes (real, personal or special assessment) due in Meade County will be eligible for this program. In the event any such taxes become delinquent during the ten (10) year period, all current and future tax rebates shall be forfeited in full.**
- **Applications must be approved before commencement of construction. There will be no exceptions.**

APPLICATION PROCEDURE:

1. Meet with and obtain an application from the County Appraiser's Office.
2. Prior to the commencement of construction on any improvement or new construction for which a tax rebate will be requested, the applicant-owner will complete Parts 1 and 2a or 2b of the application.
3. Parts 1 and 2a or 2b of the application must be filed with the County Appraiser's Office, with a non-refundable \$100 application fee prior to the commencement of construction.
4. The County Appraiser's Office will return a copy of Parts 1 and 2a or 2b to the applicant within fifteen (15) working days, indicating approval or denial of the project.
5. The County Appraiser's Office will forward a copy of Parts 1 and 2a or 2b to the County Clerk for notification and information purposes.
6. The applicant-owner will notify the County Appraiser of the commencement of construction by filing Part 3 of the application, no later than ten (10) days after the project is commenced.
7. For any improvement that is only partially completed as of January 1st, following the commencement of construction:
 - a. The owner-applicant will file Part 4 of the application with the County Appraiser indicating the status of construction on January 1st. Part 4 will be filed on or before December 1st, preceding the commencement of the tax rebate period.
8. For any improvement that is completed on or before January 1st, following the commencement of construction:
 - a. The owner-applicant will file Part 4 of the application with the County Appraiser on or before December 1st, preceding the commencement of the tax rebate period, certifying the completion of construction.
9. Soon after January 1st, 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 15th. The tax records will be revised.

10. Upon completion of the project and final filing of Part 4, and the determination of the new valuation of said real estate, the form will be filed with the County Clerk and the County Appraiser certifying the project is in compliance with the eligibility requirements for a tax rebate. The owner-applicant will be notified immediately.
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 a thirty (30) day period following the date of full payment by the taxpayer, the tax rebate will be made by the County Treasurer of Meade County through the Neighborhood Revitalization Fund established in conjunction with the other taxing units participating in a Contractual Agreement.