



LIBERAL, KANSAS

**NEIGHBORHOOD
REVITALIZATION
PLAN**

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KANSAS NEIGHBORHOOD REVITALIZATION ACT

K.S.A. 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 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 or 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. 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 other 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.

**CITY OF LIBERAL
NEIGHBORHOOD REVITALIZATION PLAN**

PURPOSE:

This plan is intended to promote the revitalization and development of certain areas within the City of Liberal in order to protect the public health, safety, and welfare, and improve economic conditions which impair and arrest the sound growth of the community for the residents of the City. More specifically, the City will offer property tax rebates for certain improvements or renovation of the property within the designated areas in accordance with the provisions of K.S.A. 12-17, 114 et seq.

In accordance with K.S.A. 12-17, 118 a tax rebate incentive will be available to property owners for certain improvements that raise the appraised value of residential property 10% and commercial property 20%.

In accordance with K.S.A. 12-17, 114 *et seq.* the City Commission has held a public hearing and considered the existing conditions and alternatives with respect to the described area, the criteria and standards for a tax rebate and the necessity for interlocal cooperation among the other taxing units. Accordingly, the City Commission has reviewed, evaluated and found that the described area meets one or more of the conditions contained in K.S.A. 12-17, 115(c).

Part 1

DESCRIPTION OF NEIGHBORHOOD REVITALIZATION AREA

Neighborhood Revitalization Areas: A neighborhood revitalization area falls into one or more of three categories:

1. An area with a predominance of buildings or improvements that are dilapidated, deteriorated, obsolete, inadequately ventilated and lighted, lacking provision for sanitation and open spaces with high population densities and overcrowding, to an extent that life or property is endangered.
2. An area with a predominance of deteriorated, dilapidated, unsafe and unhealthy conditions that inhibit growth of the municipality or constitute an economic liability for the public health, safety or welfare.
3. An area with a predominance of buildings that are historic or architecturally significant and should be preserved or restored for productive use.

LEGAL DESCRIPTION

The Southwest Quarter (SW/4) of Section Thirty-three (33), Township Thirty-four South (34S), Range Thirty-three West (33W).

The South Half (S/2) of the Northwest Quarter (NW/4) of Section Thirty-three (33), Township Thirty-four South (34S), Range Thirty-three West (33W).

The Northwest Quarter (NW/4) of Section Four (4), Township Thirty-five South (35S), Range Thirty-three West (33W).

The Southwest Quarter (SW/4) of Section Four (4), Township Thirty-five South (35S), Range Thirty-three West (33W).

The Southeast Quarter (SE/4) of Section Five (5), Township Thirty-five South (35S), Range Thirty-three West (33W).

The Southwest Quarter (SW/4) of Section Five (5), Township Thirty-five South (35S), Range Thirty-three West (33W).

The Northwest Quarter (NW/4) of Section Five (5), Township Thirty-five South (35S), Range Thirty-three West (33W).

Part 2
APPRAISED VALUATION OF REAL PROPERTY

The appraised valuation of the real estate in the Neighborhood Revitalization Area as of January 1, 2014 for each parcel by land and building values is on file in the Seward County Appraiser's Office. The property value is to be determined during the application process for each parcel of property that is to be improved.

Part 3
LISTING OF OWNERS OF RECORD

Each owner of record of each parcel of land is listed together with the corresponding address on file in the Seward County Appraiser's Office.

Part 4
EXISTING ZONING BOUNDARIES

Descriptions of zoning districts, current boundaries, existing land uses and future land use maps within the Neighborhood Revitalization Area are all found on file in the Seward County Appraiser's Office, as well as at the Liberal City Hall.

Part 5

STATEMENT SPECIFYING THE ELIGIBILITY REQUIREMENTS FOR A TAX REBATE

Residential New Construction/Rehabilitation

All residential improvements legally permitted by applicable zoning regulations and building codes within the Neighborhood Revitalization Area are eligible for the specified tax rebate provided the new appraised valuation is increased by a minimum of 10%. Improvement projects that are not eligible without City Commission approval include:

- New construction of renter-occupied single-family dwellings.
- Conversion of single-family dwellings to two (2) or more dwelling units

Commercial New Construction/Rehabilitation

Commercial, office and institutional, and industrial projects legally permitted by applicable zoning regulations and building codes within the Neighborhood Revitalization Area are eligible for the specified tax rebate provided the new appraised valuation is increased by a minimum of 20%.

Part 6
CRITERIA FOR DETERMINATION OF ELIGIBILITY

- A. All real property improvements (rehabilitation, alterations and additions to any existing residential structure and including construction of new commercial and residential structures) in the designated areas within the City of Liberal are eligible. Maps and legal descriptions of the Neighborhood Revitalization areas are available in the Liberal City Hall. **Please note that rehabilitation projects that are more likely to increase a structure's appraised value include additions, and major renovations. Projects such as paint and basic repairs will not result in a significant increase in value.**
- B. The minimum increase in assessed value shall be 10% for residential property and 20% for commercial and industrial property as determined by the Seward County Appraiser following partial or total completion of the improvement.
- C. Owners applying to rehabilitate, add to existing buildings, or construct new buildings are eligible to apply for the revitalization plan. All permits will be required for each application.
- D. Residential new construction will be in developments currently platted on the effective date of this plan.
- E. Condemned properties (as determined by the City Commission) are eligible for the Neighborhood Revitalization Program. These properties must qualify through a description of blight, health, or safety issues as outlined in K.S.A. 12-17, 117, or grant programs as established
- F. Buildings 25 years or older, meeting the "dilapidated structure" description as outlined in K.S.A. 12-17, 115(a), as determined by the City Building Department, shall be allowed to petition the City Commission to be included in this program.
- G. Any property that is delinquent in payment to Seward County of any real estate tax and/or special assessment will forfeit any current and future rebates.
- H. No applications will be taken in the case of city wide storm damage. This includes hail, tornado or wind damage. All storm repairs should be repaired with insurance proceeds and will not qualify for tax rebates.
- I. Rebates do not follow the sale of the property. Applicant must retain ownership of the property in order to receive the rebate. If the property sells before the rebate period has ended, the rebate is terminated at the time of the sale. The exception to this would be the one time sale of a new house by a developer to a first owner resident.

- J. City Staff shall have the authority and discretion to approve or reject applications based on the eligibility standards and review criteria contained herein. If any applicant is dissatisfied with City Staff's decision, a written appeal may be submitted to the Liberal City Commission for final determination.

- K. Properties eligible for tax incentives under any other program shall be eligible to submit applications under only one program at a time.

Part 7
APPLICATION PROCEDURE

Prior to filing an application for a tax rebate, the following steps must be taken:

- A. **Application Forms:** Obtain an application from the Liberal City Hall when obtaining a building permit.
- B. **COMPLETE PART 1: *Prior to the commencement of construction*** on any improvement or new construction for which a tax rebate will be requested, the property owner will complete Parts One and Two of the application. Part Two must include a permit number obtained from the City Building Official's Office and a non-refundable \$25.00 application fee payable to the City of Liberal.
- C. **Preliminary Approval and County Inspection:** The City will forward the application to Seward County after certifying the property is within the designated plan area and the valuation increase meets the criteria. The County's Appraiser's office will return a copy of Part One to the City Housing Director and the applicant within fifteen (15) working days indicating approval or denial of the project.
- D. **Notice of Final Approval and Procedure Construction:** If the plan is approved, the Housing Director will forward a copy of Part One to the City Building Inspector for notification and information purposes. The County Appraiser will forward a copy of the application to the County Clerk for monitoring purposes. **Note: Commencing construction prior to receiving this notice from the City may cause the project to be ruled ineligible.**
- E. The owner will have a maximum of one year to complete the project unless otherwise approved by the City. Applicants are not allowed to phase-in improvements and a property may only have one active rebate at a time.
- F. **COMPLETE PART 3: Immediately upon completion of the project,** the property owner shall file Part Three of the application with the City Housing Director. Upon receipt of Part Three, the City Building Official's Office shall conduct an on-site inspection of the construction project (improvement, rehabilitation, or new) to confirm the completion, issue any occupancy permits and will then forward Part 3 of the application to the Seward County Appraiser's Office. This step must be completed by December 1 in order to take effect the following January.

G. **New Valuation:** After confirmation of project completion is received from the City Building Official's Office, the completed application will be forwarded to the County, certifying the project is in compliance with the eligibility requirements for a tax rebate. The County Appraiser will then report the valuation to the County Clerk by June 15th. The tax records shall be revised accordingly.

H. Payments must be made on time to be eligible for this plan.

I. **Rebates after taxes are paid:** Upon timely payment in full of all real estate tax and special assessments for the property, a rebate of the taxes related to the valuation improvement (less a 5% administrative fee; valuation eligible for rebate capped at \$400,000 on residential projects and \$800,000 on commercial projects) will be credited to the fund for the purpose of returning the specified percentage to the taxpayer in the form of a rebate, and paying the County 5% as an administrative fee. Specific payment provisions will be made consistent with K.S.A. 17, 118d.

J. No rebate will be provided for any property with open valuation and/or classification appeals until all disputes have been fully litigated.

Part 8
REBATE FORMULA

Program Period: The Neighborhood Revitalization Plan with tax rebate incentive program shall be evaluated three years from the effective date of _____, 2014 following the adoption of the appropriate interlocal agreements, unless terminated sooner by State or local action, or extended by the parties to the interlocal agreement.

Rebate Period: Ten (10) years new construction and five (5) years for rehabilitations, alterations, additions.

15 years for all properties on National/State Register, or properties designated as historic Landmarks by the City of Liberal.

Rebate Amount: 95% of the tax corresponding to the increase in appraised value (on building only, not land) resulting from the specific improvements identified on the application on rehabilitations, alterations, or additions to residential and commercial projects. Valuation eligible for the rebate shall be capped at \$400,000 on residential projects and \$800,000 of commercial projects.

The rebate amount shall remain constant for the duration of the rebate period (i.e. changes in value due to market factors shall not affect the amount of the rebate).

The other five percent (5%) of the tax will paid to Seward County for administrative fees.

(Use additional sheets if necessary)

Seward County Appraised Value, January 1, _____ \$ _____

Estimated or Actual Date of Completion:

Estimated or Actual Cost of Improvements; Materials \$ _____ Labor: \$ _____

The applicant is hereby informed that the difference in the value before and after rehabilitation will be determined by the change in appraised value and may not equal the dollars spent.

List of Buildings Proposed to Be or Actually Demolished:

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? _____ Property _____ RE

Will it permanently be attached to the property? _____ yes _____ no

I have read and do hereby agree to follow all application procedures and criteria. I further understand that this application will be void one year from the date below, if improvements or construction hasn't begun. I further agree to complete the questionnaire attached to this application.

Signature of Applicant Date

- A non-refundable \$25 application fee must accompany this application

FOR COUNTY APPRAISER'S USE ONLY

Based upon the above listed improvements and associated costs supplied by the applicant, the improvement will _____ will not _____ meet the terms for a tax rebate.

By: _____ Date _____
(Seward County Appraiser's Office)

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Certificate of Compatibility (if required) _____ yes _____ no
Proposed improvements will meet _____ will not meet _____ minimum requirements.

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PART 2

**Application for Tax Rebate Under the City of Liberal
Neighborhood Revitalization Plan**

COMMENCEMENT OF CONSTRUCTION

Construction Estimated to Begin On: _____ Building Permit No: _____

Estimated Date of Completion of Construction: _____

By: _____ Date: _____
(Applicant's Signature)

PART 3

**Application for Tax Rebate
STATUS OF CONSTRUCTION/COMPLETION**

_____ Incomplete Projects as of January 1, following commencement.

_____ Complete Project as of January 1, following commencement

By: _____ Date: _____
(Applicant's Signature)

FOR COUNTY APPRAISER'S USE ONLY

The Above Improvements:

_____ Meet the 10% Minimum Investment for Residential Property

_____ Does not Meet the 10% Minimum Investment for Residential Property

_____ Meets the 20% Minimum for Commercial Property

_____ Does not Meet the 20% Minimum for Commercial Property

By: _____ Date _____
(Seward County Appraiser's Office)

FOR COUNTY CLERK'S OFFICE USE ONLY

As of _____, 20____, Taxes on this Parcel _____ Are _____ Are Not Current.

By: _____ Date _____
(Seward County Clerk's Office)

STANDARDS AND CRITERIA FOR REVIEW AND APPROVAL

- a. Project improvements shall be 100% complete.
- b. The property for which a rebate is requested shall conform with all applicable city codes and regulations in effect at the time the improvements are made and shall remain in conformance for the duration of the rebate period or the rebate shall be terminated. Rebates are payable to the owner.
- c. The appraised value of residential property must be increased by a minimum of 10%.
- d. The appraised value of commercial and industrial property must be increased by a minimum of 20%.
- e. Any property that is delinquent in payment to Seward County of any real estate tax and/or special assessment will forfeit any current and future rebates.

Part 10

OTHER MATTERS

1. A comprehensive marketing effort shall be initiated to introduce and reinforce this program to the general public. Potential actions include, but are not limited to:
 - Notice of the program included in pre-development applications by Planning, Housing and Community Development, and Economic Development Departments.
 - Informational packet distributed annually to realtors, builders, financial institutions, and neighborhood groups.
 - Recurring advertisements on Government Access Cable Channel.
2. A committee may be formed to implement a specific marketing plan. The committee will consist of staff members appointed by the Liberal City Commission and the Seward County Commission.
3. The governing body may declare a structure outside of a Neighborhood Revitalization Area eligible if it satisfies the conditions set for the in subsection (a) of K.S.A. 12-17 115 as a “dilapidated structure” due to its deteriorated conditions and/or is worthy of preservation (see K.S.A. statute in appendix). As a matter of course, the governing body shall forward said declaration to the participating taxing entities for their approval as well.

