

**KINGMAN COUNTY, KANSAS  
2021 AMENDED  
NEIGHBORHOOD REVITALIZATION PLAN**

**PLAN DESCRIPTION**

**PURPOSE OF THE PLAN:**

The Kingman County Neighborhood Revitalization Plan as previously amended and as amended by this 2021 Amended Plan (which are referred to, collectively, as the “Plan”) is intended to promote the revitalization and development of Kingman County by stimulating new construction and the rehabilitation, conservation or redevelopment in order to protect the public health, safety or welfare of the County by offering certain incentives including rebates of property taxes in accordance with the Plan.

**PLAN QUALIFICATIONS:**

Improvements including (1) newly constructed business and commercial buildings and improvements to existing business and commercial property and (2) newly constructed residential property and certain improvements to existing residential property are eligible for the benefits available through the Plan. There are specific requirements that must be satisfied in order for particular improvements to be qualified for such benefits. There also are specific requirements that must be satisfied in order for the Plan benefits to remain in effect.

**ELIGIBLE APPLICANTS:**

The owners of business and commercial property and of real property properly zoned for business and commercial use may apply for Plan benefits available for business and commercial uses.

The owner of existing residential property and of real property properly zoned residential housing use may apply for Plan benefits available for newly constructed residences and for improvements to existing residential property. Residential rental property, both single family and multifamily, is eligible for benefits as residential property rather than as business and commercial property.

**APPLICATION PROCEDURES; APPLICATION FEE:**

**A completed Plan Application along with the Application Fee and all required supporting documents must be submitted to the office of the County Appraiser prior to the commencement of the construction of any of the planned improvements described in the**

**Application.** Site work consisting of site leveling and removal of trees and shrubbery are permitted prior to submitting an Application but no construction of any kind is permitted prior to submitting an Application. Failure to submit a Plan Application prior to commencement of construction will result in rejection of the Plan Application and denial of Plan benefits.

The Plan Application must be submitted **at least five (5) business days** prior to the planned commencement of construction of the improvements to permit the Appraiser's Office to complete its inspection of the real property upon which the improvements will be located.

The Applicant must be the owner of the land upon which the improvements will be constructed.

Plan Applications are available in the office of the County Appraiser. The Application also is available on the County's web site: [www.kingmancoks.org/NRP](http://www.kingmancoks.org/NRP).

An Application Fee in the amount of \$150.00 is due when the Plan Application is submitted. The Application Fee may be paid in cash, by cashier's check or by a personal check. **If the Application Fee is paid by personal check, the Plan Application will not be considered to be submitted until the check is deposited and paid by the bank or other financial institution to the County Treasurer.**

## **REQUIRED INSPECTIONS:**

After the Plan Application is approved and prior to commencement of any construction on any improvements, the County Appraiser must conduct an inspection of the real property upon which the improvements will be located and constructed. The purpose of the inspection is to establish the appraised "Preliminary Value" of the property prior to completion of the proposed improvements. The Preliminary Value is one of the factors that will be used to determine the Plan benefits as described in this Plan.

After the improvements described in the Plan Application have been completed, the Applicant must submit a Notice of Completion accompanied by an itemized list of the improvements constructed. When the Notice of Completion submitted, the County Appraiser will conduct an inspection of both the exterior and interior of the completed Plan improvements. The second inspection will provide the appraised "Base Year Value" of the structure or structures after completion of the Plan improvements. The Base Year Value also is one of the factors that will be used to determine the Plan benefits as described in this Plan.

The Preliminary Value, the Base Year Value and the Current Year Value used to determine plan benefits are "appraised" values, not fair market values. Under Kansas law, the appraised value of a particular property is dependent upon the property's classification for property tax purposes. For example, the appraised value of residential real property is equal to 11.5% of the property's fair market value. The appraised value of commercial or industrial

property is equal to 30% of the property's fair market value.

**Taxpayers should be aware that the construction of improvements to real property that cost, for example, \$20,000, may or may not result in a \$20,000 increase in the property's fair market value. As a result, taxpayers should not assume that Plan improvements that cost \$20,000 will result in a Base Year Value that is \$20,000 more than the property's Preliminary Value.**

The fair market value and appraised value of property in Kansas is determined by the County Appraiser from time to time in accordance with Kansas law and the directives of the Kansas Director of Property Valuation.

The Plan does not alter in any way the procedures provided by law for challenging the valuation of property for purposes of property taxation. Property owners should be aware, however, that filing a protest of value or paying taxes under protest will delay payment of Plan benefits until at least June of each year.

#### **TIME FOR APPLYING FOR PLAN BENEFITS:**

Applications for Plan benefits may be submitted commencing on **June 1, 2021** and must be submitted no later than **May 31, 2024**. Applications for Plan benefits approved during such three-year period will be eligible for Plan benefits for the applicable Plan Benefit Term after completion of the improvements described in the Plan Application.

#### **PLAN BENEFIT TERMS:**

Eligible improvements to **business and commercial structures** will be entitled to Plan benefits for a period of **ten (10) tax years** commencing in the tax year after completion of the eligible Plan improvements (the "Business Plan Term"). The amount of the property tax refund is dependent in part upon the amount expended for Plan improvements, but the minimum amount required to be invested is \$25,000.

Eligible improvements to **residential structures** will be entitled to Plan benefits for a term of **five (5) tax years** commencing in the tax year after completion of the eligible Plan improvements (the "Residential Plan Term"). The Plan requires a minimum investment in Plan improvements of \$25,000 and the Plan benefits are limited to residential Plan improvements costing no more than \$250,000. Plan improvements in excess of \$250,000 for residential property will not increase the amount of the maximum property tax refund.

#### **ELIGIBLE IMPROVEMENTS:**

Plan benefits are limited to certain qualifying newly constructed structures and to improvements to existing structures. In addition, there are minimum investment requirements that must be satisfied.

**What is a Structure?** A "structure" is defined to mean any building, wall or other structure, including a newly constructed structure and improvements to existing structures and fixtures permanently attached to the real estate. A structure **does not include** landscape sprinkling systems, fences, landscaping, gazebos, garden sheds or similar structures, patios, hot tubs, swimming pools, irrigation wells and equipment and similar improvements.

**Any questions regarding the eligibility of certain proposed improvements for Plan benefits should be discussed with and approved by the County Appraiser before the Application is submitted.**

**Compliance with Building Permits and Codes.** All newly constructed structures and improvements to existing structures must comply with all applicable building permits, laws and building codes and with any requirements imposed in connection with issuance of any required building codes. Compliance with all County and City zoning and land use regulations is required both during the construction and after completion of any eligible improvement. Any violation of such building permit, building codes, zoning and land use regulations may result in termination of Plan benefits.

**Limitations on Plan Benefits.** Plan benefits will be limited to those for eligible improvements described in the Plan Application. Additional improvements and material changes to the improvements described in the Plan Application will not result in any increase in Plan benefits.

**Completion of Construction; Only One Extension is Permitted.** All newly constructed structures and improvements to existing structures must be completed within one (1) year after the date the Plan Application is submitted. A property owner may make a written request for a one-year extension of the completion requirement. No more than one extension for completion of eligible improvements will be approved. An Applicant's failure to complete the improvements described in the Plan Application will result in denial of any Plan benefits with respect to such improvements.

**Extension Application Fee.** A request for an extension of the construction completion requirement must be accompanied by Plan Application Extension Fee in the amount of \$75.00. The Plan Extension Fee must be paid in the same manner as the Plan Application Fee.

#### **DETERMINATION OF PLAN BENEFITS:**

The primary benefit for individual taxpayers who qualify for Plan benefits is a possible refund of a portion of the real estate property taxes paid by such taxpayers in the years after the year in which construction and installation of Plan improvements is completed. The amount of such property tax refund is determined in part by the difference between the property's Preliminary Value and either the Base Year Value or the Current Year Value of the property, whichever value is less. The other factor used in computing the Plan benefit is the County's

property tax levies which are determined by the County budget approved each year by the Board of County Commissioners which tax levies will vary from year to year.

For example, if the Preliminary Value of a taxpayer’s commercial property is \$50,000.00 (the assessed value prior to the construction and installation of Plan improvements) and the Base Value (the assessed value after completion of the Plan improvements) is \$75,000.00, the increase in the property’s assessed valuation is \$25,000.00. If the property tax mill levy based on the annual budgets approved by all the taxing subdivisions in which the taxpayer’s property is located is 100 mills (one mill is equal to \$1.00 for each \$1000 of assessed tax value), the taxpayer’s real property taxes due to the increase in the taxpayer’s property’s appraised value would be \$2,500.00.

Under the Plan, a taxpayer who makes Plan improvements to the taxpayer’s property is entitled to a refund of a portion of the additional property taxes actually paid by the taxpayer during the Business and Commercial Plan Term or Residential Plan Term in accordance with the following schedules which reflect the aggregate amount expended for Plan improvements:

**Business and Commercial Plan Term** (varies by the amount expended for Plan Improvements)

<b>Year*</b>	<b>\$25 to \$500**</b>	<b>&gt;\$500 to \$3,000**</b>	<b>&gt;\$3,000**</b>
1	95%	95%	95%
2	95	95	95
3	95	95	95
4	80	95	95
5	70	95	95
6	60	95	95
7	50	70	70
8	50	60	70
9	30	50	70
10	20	20	70

**Residential Plan Term**

<b>Year*</b>	
1	70%
2	50
3	30
4	20
5	10

\* Commencing in the tax year after completion of Plan improvements

\*\* Amounts in 000s

The amount of the Plan benefits payable to any participating taxpayer also is dependent, in part, upon the location of the taxpayer's property and whether the taxing subdivisions in which such property is located elect to cooperate with the County to implement the Plan. If a particular city, school district or township declines to cooperate in implementing the Plan, the taxes due and payable as a result of the tax levies of such taxing subdivision will not be taken into consideration in determining the amount of Plan benefits payable to a particular taxpayer.

A list of the cooperating taxing subdivisions will be available on and after January 1, 2022 in the office of the County Clerk.

The amount of the Plan benefit payable to each participating taxpayer each year is determined the County Clerk in cooperation with the County Treasurer and the County Appraiser. Checks in payment of current year property tax refund will be distributed to eligible taxpayers in each year.

Plan benefit payments will be delayed in the event the property owner files a protest of the property's value or in the event any taxes due are paid under protest. In such event, Plan benefits will not be paid until June.

#### **FORFEITURE OF PLAN BENEFITS:**

The Plan requires that participating taxpayers pay all taxes **promptly when due on or before December 20 and May 10** in each year. Such taxes include *ad valorem* property taxes on real property and on tangible and intangible personal property as well as special assessments levied by taxing subdivisions in the County to pay the costs of public improvements. **A taxpayer's failure to pay any taxes when due will result in a forfeiture of any and all Plan benefits for the remainder of the applicable Plan Term.** Plan benefits so forfeited will not be reinstated even if such taxes eventually are paid.

#### **CONCLUDING STATEMENT:**

Taxpayers who are interested in making application for Plan benefits should read this Plan description in its entirety. The Plan Application requires each Applicant to state that the Applicant has read this Plan, owns the real property upon which the proposed improvements will be located and and understands the Plan and the Plan Application.

The Board of County Commissioners has delegated to the County Appraiser responsibility for reviewing and either approving or disapproving Plan Applications. Questions regarding this Plan Description, the Plan or the Plan Application should be directed to the County Appraiser.

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Owner's Signature

Date