

***NEIGHBORHOOD REVITALIZATION PLAN
for Cloud County, Kansas, 2018***

The purpose of this Neighborhood Revitalization Plan (Plan) for Cloud County, Kansas 2018 is to provide incentives to increase the property tax base in the County in order to support the local economic health and quality of life. By encouraging and supporting investments in business property and housing, this Plan strengthens the local economy and the tax base.

This Plan is an updated version of the Neighborhood Revitalization Plan for Cloud County, Kansas, April 2010, adopted by the same taxing entities which adopted this Plan, and which has been administered by Cloud County in accordance with the Interlocal Agreement also adopted by the same taxing entities.

This Plan amends the 2015 plan by adjusting the incremental value allowance and altering the yearly rebate percentages. The procedures for obtaining those rebates remain unchanged from the 2015 plan, and as this is the case the action by the taxing entities in adopting the 2018 plan is a renewal of the April 2015 plan for a three-year term, to December 31, 2020, in accordance with 7)A. of the 2015 plan.

The Cloud County (County) taxing entities participating in this Plan desire to encourage people to start businesses, expand existing businesses, build homes, and improve the quality of the housing stock in Cloud County. Those taxing entities are Cloud County, the cities of Aurora, Clyde, Concordia, Glasco, Jamestown and Miltonvale, Unified School District Nos. 224, 333 and 334, and Cloud County Community College. The property tax rebates provided by this Plan support business owners and homeowners with their cash flow and financing during those critical first years of an investment. The Plan encourages investments, and also helps stabilize those investments to ensure they become solid and stay on the tax rolls.

Cloud County citizens are focused on increasing the property tax base to support needed services and education. The Neighborhood Revitalization Plan has proven to be an important factor for those considering capital improvement or new construction projects and the County believes it will continue to encourage future investments in housing and commercial development.

In accordance with K.S.A. 12-17,114 *et seq.*, the Board of County Commissioners of Cloud County (Board) held a public hearing and considered the existing conditions of the proposed Cloud County Neighborhood Revitalization Area, the criteria and standards for a tax rebate, and the necessity for interlocal cooperation among the other local taxing units. Accordingly, the Board reviewed, evaluated, and found that the described Area meets one or more of the conditions contained in K.S.A. 12-17,115(c).

The Neighborhood Revitalization Plan for Cloud County, Kansas, 2018 follows the numbering and criteria established in K.S.A. 12-17,117 of the Neighborhood Revitalization Act.

1) Legal Description of Neighborhood Revitalization Area.

- A. The Neighborhood Revitalization Area (Area) is all of Cloud County, excluding property within the *Concordia Redevelopment District 2000* (Concordia TIF District). The official name of the Area in Cloud County and related Neighborhood Revitalization Program is, *Cloud County Neighborhood Revitalization District 2018 (NR District)*.
- B. Any property located in the NR District which, subsequent to the adoption of this Plan, becomes part of a lawfully-created Tax Increment Financing District (TIF District) shall not be eligible for a rebate unless such application has been approved prior to the formation of the TIF District.
- C. A Map of the areas herein described is attached as Exhibit A of this Plan.

2) Assessed Valuation of Neighborhood Revitalization District.

- A. The 2017 assessed tangible valuation for Cloud County as of September 2017 is \$104,311,527. The 2017 assessed tangible valuation for the Concordia TIF District is \$7,726,950. Therefore, the 2017 assessed tangible valuation for the NR District is \$96,584,577.

3) Names and Addresses of the Real Estate Owners Within the Neighborhood Revitalization District.

- A. Each owner of record of each parcel of property located in the NR District is listed together with the corresponding address on file at the County Appraiser's Office at the Cloud County Courthouse, 811 Washington Street, Concordia.

4) Existing Zoning Classifications and District Boundaries; Existing and Proposed Land Uses within the Neighborhood Revitalization District.

- A. In the NR District, zoning exists only within the city limits of Concordia and Clyde. Descriptions of zoning districts, current boundaries of zoning districts, existing land uses and future land use maps for that portion of the NR District lying within the corporate city limits may be obtained as follows:
 - i. Concordia - City Clerk's office at 701 Washington Street, Concordia.
 - ii. Clyde - City Clerk's Office, 412 Washington Street, Clyde.

5) Proposals for Improving or Expanding Municipal Services.

- A. Proposals for improvements and extensions to municipal services such as roads, bridges and other infrastructure are set out in the annual budgets and capital improvement plans for each taxing entity in the NR District.

6) A Statement Specifying What Property is Eligible for Revitalization.

- A. All real property that lies within the Cloud County Neighborhood Revitalization District that undergoes rehabilitation, alterations or additions to an existing commercial or residential structure, or construction of a new commercial, industrial, agricultural or residential structure, and that meets the threshold for investment set out in this Plan, is eligible to apply for property tax rebates in accordance with this Plan.

7) The Criteria to be Used by Cloud County to Determine What Property is Eligible for Revitalization.

- A. There will be a three (3) year application period that will end on December 31, 2020. At that time, the taxing entities will review the Plan and determine whether to renew the Plan for an additional three (3) year term, amend the Plan, or allow the Plan to expire. Those applications which were approved during the eight (8) year application periods of the initial April 2010 and 2015 plan shall continue to receive tax rebates for the full five (5) years, provided they continue to meet eligibility requirements of the April 2010 and 2015 plans.
- B. An application for rebate titled *Cloud County Neighborhood Revitalization District 2018 - Application for Tax Rebate* (NR Application) must be timely filed at the Cloud County Appraiser's office. (See Section 9 below.)
- C. Construction must commence within one year of filing an NR Application. Failure to do so voids the initial application.
- D. Construction must be completed within 18 months of filing an NR Application. For good cause shown by the applicant the 18-month period may be extended, in accordance with the following procedures, for a period of not more than an additional six months upon filing a request with the Cloud County Appraiser. Such a request must be filed no later than 30 days prior to the expiration of the 18-month period. "Good cause" requires that the Appraiser find that delay in completion of construction is attributable to events beyond the control of the applicant and others acting on behalf of the applicant, and that the applicant and others acting on behalf of the applicant have taken all reasonable measures to avoid the delay. Decisions of the Appraiser may only be appealed to the County Commission.

- E. The minimum increase in appraised market value for residential, industrial, agricultural or commercial property to qualify for a rebate shall be \$20,000 above the market valuation of the property as of the preceding January 1st, as determined by the Cloud County Appraiser. The increased market valuation shall be determined by the Appraiser immediately following completion of the improvement and the property owner's certification of said completion of the qualifying project by submitting Part II of the NR Application.
- F. If the property owner is delinquent in the payment of any property tax or special assessment levied or imposed by any taxing entity and/or related interest and/or penalty charges filed under the same name, the property shall no longer be eligible for tax rebates and the rebate will be terminated.

If the property owner is late in any such payment and/or related interest and/or penalty charges, the property owner shall not be eligible for a rebate until such time as all payments including interest and penalties have been made, provided that such payments are made by the delinquency date which is six (6) weeks after the second billing on May 10th of each year.

- G. Rebates stay with the qualifying property, not the applicant, following the sale of the property.
- H. No application shall be considered for an improvement upon property for which a tax protest has been filed and remains unresolved.

8) Application Form for a Rebate of Property Tax Increments.

- A. The application form for an NR District tax rebate titled *Cloud County Neighborhood Revitalization District 2018 - Application for Tax Rebate* (NR Application) is attached as Exhibit B of this Plan.

9) The Procedure for Submitting an Application for a Rebate of Property Tax Increments.

- A. Any tax rebate applicant may obtain a form titled *Cloud County Neighborhood Revitalization District 2018 - Application for Tax Rebate* (NR Application) from the County Clerk's Office. Applicants for property within the city limits of Concordia may obtain an NR Application from the Concordia Building Inspector's office located at 701 Washington Street in Concordia. Applicants for property within the city limits of Clyde may obtain an NR Application from the Clyde City Clerk's office located at 412 Washington Street in Clyde.
- B. The applicant shall file the NR Application form for a rebate with the Cloud County Appraiser prior to beginning construction. A \$200 non-refundable application fee must be paid to Cloud County to cover administration costs.

- C. To obtain a rebate, an applicant must certify the completion of the qualifying project by submitting Part 2 of the NR Application to the County Appraiser on or before December 31st of the year in which the project is completed. Applicants with qualifying projects within the City of Concordia must submit a Certificate of Occupancy or waiver signed by the Concordia Building Inspector with Part 2 of their NR Application form.
- D. Except as otherwise expressly authorized, the rebate period begins in the calendar year following 100 percent completion of the improvements. Property taxes owed on partially completed construction projects are to be borne by the property owner without rebate.

10) The Criteria to be Used When Reviewing and Approving Applications for a Rebate of Property Tax Increments.

- A. Upon receipt of Part 1 of an NR Application, the County Clerk shall determine whether the applicant's property taxes and all applicable interest and penalties are paid.
- B. Following a determination that tax payments are current, the County Appraiser will determine the existing appraised valuation of the property as of the preceding January 1st and verification that the property is not located in a TIF District. Property location in said Districts would make such property ineligible for a rebate in accordance with Section 1-B of this Plan.
- C. The County Appraiser shall then accept or reject the NR Application and certify on the NR Application whether the initial application is accepted or rejected.
- D. Upon receipt of Part 2 of an NR Application, the County Appraiser shall verify that attached to NR Applications for projects within the City of Concordia is a Certificate of Occupancy or waiver signed by the City Building Inspector. Next, the Clerk will verify that the applicant is not delinquent on any property taxes or assessments.
- E. The County Appraiser shall determine the new market valuation of the real estate and shall complete the NR Application noting the incremental appraised market value and whether or not it meets the \$20,000 threshold to qualify for the rebates in this Plan.
- F. The County Appraiser shall notify the applicant whether the project qualifies for the tax rebates. If a project does not qualify, the Appraiser shall provide a written explanation to the applicant of the reason it fails to qualify.
- G. The County Clerk shall revise the tax status of applicants who have received final approval for rebates by noting on relevant County records the approved incremental value that qualifies for property tax rebates.

11) The Maximum Amount and Years of Eligibility for a Rebate of Property Tax Increments.

A. Approved applicants with qualifying projects will receive the following property tax rebates, for taxes attributable to the incremental value, from the participating taxing entities:

Program Year	Rebate Percentage
Year 1	95%
Year 2	70%
Year 3	60%
Year 4	50%
Year 5	25%
Year 6 & Beyond	0%

12) How the Rebate Will Be Made Available to the Developer/Owner.

A. Upon full payment of all taxes by the applicant for the initial and each succeeding tax year extending through the specified rebate period, and upon approval of the property by the County Appraiser for the rebate plan, the County will rebate the approved portion of those taxes on the subject property to the developer/owner within 30 days after the next distribution date as specified in K.S.A. 12-1678a and amendments thereto.

B. The tax rebate amount is based on the property's appraised market value increment between January 1st of the application year and January 1st following the completion year directly attributable to the improvement itself. The actual rebate may vary year-to-year depending upon the approved mill levy for all participating taxing entities and upon changes to property tax laws enacted by the Kansas legislature. The tax rebate shall be made from the *Neighborhood Revitalization Fund* established by Cloud County in conjunction with the other taxing units participating in the *Cloud County Neighborhood Revitalization District 2018 - Interlocal Agreement*.

13) Adoption of Plan by Taxing Entities.

Any taxing entity participating with the County in the tax rebate program will do so by entering into an Interlocal Agreement with the County by which this Plan is adopted.

The Interlocal Agreement will also provide, among other things, for the means and procedures whereby a taxing entity may cease its participation in the Interlocal Agreement and thereby in the Plan, and where force majeure warrants a suspension or elimination, by one or more participating taxing entity, of the rebate program prior to the scheduled expiration of the Interlocal Agreement.

CONCORDIA REDEVELOPMENT DISTRICT 2000 TAX INCREMENT FINANCING DISTRICT

AUGUST 30, 2000 TO AUGUST 30, 2020



EXHIBIT B

**Cloud County Neighborhood Revitalization District 2018 -
Application for Tax Rebate**