

City of De Soto, Kansas



Neighborhood Revitalization Program

**Community Development Department
P. O. Box C
DeSoto, KS 66018
(913) 583-1182
FAX (913) 583-3123**

I. Overview

This plan is required by state law (K.S.A. 12-17,117, 1999 Supp.) in order to establish a property tax rebate program that will encourage improvements within the RH (Residential-Historic ‘Old Town’) District of DeSoto. The sections of this plan include the following:

- Description of RH District
- Proposals For Improving Or Expanding Municipal Services Within The RH District
- Existing And Proposed Land Uses Within The RH District
- Neighborhood Revitalization Program Criteria
- Neighborhood Revitalization Program Application And Review Procedure
- Exhibits

The Neighborhood Revitalization Program is designed to promote improvements to eligible properties within the RH District of the City, which represents the oldest section of the City. Property owners within this district that make improvements to their residential or commercial properties will be eligible to receive rebates on their property taxes from the City of DeSoto, Johnson County, Johnson County Parks and Recreation District, Johnson County Library District, Johnson County Community College, and DeSoto USD #232. This plan is a tool that would ensure the continued stability of DeSoto’s central area.

The above governing bodies have determined that this area is of utmost importance to the quality-of-life within DeSoto and have supported the creation of the Neighborhood Revitalization Program per K.S.A. 12-17,117.

The above governing bodies have also voted to authorize the County to create a Neighborhood Revitalization Fund per K.S.A. 12-17,118 whereby the property tax rebates derived from increment improvements to properties are put into this fund by the County and then subsequently sent, upon verification by the County, to eligible property owners within the City’s RH District.

The above governing bodies have held a public hearing per K.S.A. 12-17,116 and have determined that the RH (Residential-Historic “Old Town”) District of the City is a ‘Neighborhood Revitalization Area’ and thus meets the criteria per K.S.A. 12-17, 115 under the following:

3) “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.”

II. Description Of The Residential-Historic “Old-Town” District

The RH District is the oldest area of DeSoto and is located in the northwestern part of the City.

A. Legal Description Of RH District

Point of beginning of North Right-of-Way line of Lexington Avenue, thence northerly along eastern extension of Wycoff View subdivision to center line of 85th Street, thence easterly to center line of Kickapoo Street, thence northerly and westerly to northeast corner of Dicken Hills lot 1, thence westerly to the eastern Right-of-Way of United States Government Railroad, thence northeasterly to center line of 84th Street, thence westerly to center line of Lakeview Drive, thence north northeasterly to east line of Oak Drive, thence northerly to the south Right-of-Way of Santa Fe Railroad, thence easterly to the western extension of Kaw Estates, thence southerly to the north Right-of-Way of Lexington Avenue, thence southwesterly to the Point of Beginning.

B. RH District Map

Please see Exhibit C

C. Current Valuation Of Land And Buildings Within The RH District

Please see Exhibit D

D. Names And Addresses Of Owners Of Record Within The RH District

Please see Exhibit D

III. Proposals For Improving Or Expanding Municipal Services Within The RH District

The City of DeSoto is committed to maintaining and improving water lines, sewer lines, roads, and streets within this district. The City will also improve code enforcement activities within this district.

In partnership with the community, the City purchased the former DeSoto Junior High building and land on 84th Street in the RH District. The City, in the long run, plans to use this building for an upgraded City Hall and an improved Community Center that will provide better services to the citizens of DeSoto. The City anticipates the completion of these improvements by June 2000.

IV. Existing And Proposed Land Uses Within The RH District

Please see Exhibit C for a map that shows existing land uses (zoning) within the City, including the RH District. Please see Exhibit D for a map that shows proposed (future) land uses within the City, including the RH District.

V. Neighborhood Revitalization Program Criteria

The following criteria are used by the City to determine which properties are eligible to receive property tax rebates under the Neighborhood Revitalization Program:

1. Property improvements must have commenced on or after September 1, 2000, date of implementation of this program, and before August 31, 2010, date of termination of this program.
2. The property must be located within the RH District of the City, must be zoned commercial or residential, and must have at least a 5% increase in assessed property value. Vacant properties are not eligible.
3. All property improvements construction must conform to the building, zoning, and city codes of the City of DeSoto for the entire period of time that the property is receiving tax rebates under this program.
4. Any properties that are delinquent in the payment of any ad valorem property tax assessment, Johnson County personal property tax or special assessment shall not be eligible for the Neighborhood Revitalization Program. Properties found to be delinquent shall no longer be eligible in that year or any succeeding year of the tax rebate period.
5. The establishment of property tax rebates under this program is subject to the initial adoption and approval of the Neighborhood Revitalization Program and subsequent annual review of this program by the DeSoto City Council, Johnson County, Johnson County Parks and Recreation District, Johnson County Library District, Johnson County Community College, and DeSoto USD #232.
6. If a transfer of ownership of a property occurs during the period that the property is participating in the Neighborhood Revitalization Program, the new owner of record of that property shall receive the tax rebate during the remaining period of time that such property is eligible for under this program.
7. Multiple qualified improvements made to one property and completed within one calendar year shall be considered as one improvement for tax rebate purposes. Only one improvement per 10-year commercial property abatement period and only one improvement per 5-year residential property abatement period shall qualify for tax increment rebates under this program.

8. The tax rebate:

a) The amount of the tax rebate under this program shall be determined by multiplying the **“increment”** by **“11.5 % residential or 25% commercial rate”** by **“mill levy”** minus 5% commercial and 5% or \$75 residential, whichever is greater, to be retained by Johnson County as a processing fee. The “mill levy” shall be the sum of the mill levies for the City of DeSoto, Johnson County, Johnson County Parks and Recreation District, Johnson County Library District, Johnson County Community College, and the DeSoto USD #232. The “increment” shall be calculated by subtracting the assessed property value before improvements are started, as determined by the Johnson County Appraiser, from the value determined by the Johnson County Appraiser after the property improvements are made. The “before” assessed value shall be the assessed valuation calculated for the calendar year before the property improvements were started. The “after” assessed value shall be the assessed valuation after the improvement is 100% complete, even if the project spans more than one calendar year. The incremental value of the property improvement may be less than its construction cost. The “increment” shall remain constant throughout the tax rebate period, regardless of subsequent assessed valuation changes due to reappraisal.

Example of tax rebate for residential:

“Before” Property Value: \$ 90,000
“After” Property Value: \$ 110,000
“Increment”: \$ 20,000
Residential, 11.5% rate
Assessment Value: \$2,300
Mill Levy: 119.714 mills or .119714
Gross Tax Rebate: \$275.34
Minus \$75 County Processing Fee: \$75.00
Net Tax Rebate: \$200.34

Example of tax rebate for commercial:

“Before” Property Value:
\$500,000
“After” Property Value:
\$600,000
“Increment”: \$100,000
Commercial, 25% rate
Assessment Value:
\$25,000
Mill Levy: 119.714 mills or
.119714
Gross Tax Rebate:
\$2,992.85
Minus 5%County
Processing Fee:
\$149.64
Net Tax Rebate:
\$2,843.21

b) The owner of record of the eligible property must apply for the Neighborhood Revitalization Program prior to receipt of a building permit and prior to starting any improvements. The City shall be responsible for contacting the Johnson County Appraiser’s Office upon completion of the property improvements and upon final inspection and meeting of the program requirements as is described in

the Neighborhood Revitalization Program application. Johnson County will then handle the accounting and rebate of the tax increment.

- c) Property improvements that increase total assessed property value by at least **5%** shall be eligible to receive tax rebates under this program.
- d) The property tax rebate shall be distributed annually for 10 consecutive years for commercial properties and annually for 5 consecutive years for residential properties, unless the owner of record is delinquent on property taxes. Any tax rebate in effect at the time of termination of this program shall be treated by affected taxing units as if the Neighborhood Revitalization Program and interlocal agreements are still in effect. However, no new applications to this program will be accepted after the date of termination of this program.

VI: Neighborhood Revitalization Program Application And Review Procedure

A sample application form is attached as Exhibit G to this plan.

A. Overview of Neighborhood Revitalization Plan Process

The City of DeSoto will offer and advertise the availability of the Neighborhood Revitalization Program throughout the life of the program. Prior to starting property improvements, the property owner would need to submit the Neighborhood Revitalization Program application form to the City. This application would be attached to the applicant's building permit application. The tax rebate application shall stipulate the type of property improvement to be made and a timetable for project completion. Once the tax rebate and building permit applications have been submitted to the City, the City Planning and Zoning Department may authorize approval of the project. The City, once the applicant meets the program criteria and obtains a building permit for the property, shall notify the County that the property is eligible for the Neighborhood Revitalization Program. The City, upon project completion and final inspection, must also notify the Johnson County Appraiser that the property should be reappraised as of the following January 1 to determine the property value that shall be used to calculate the property tax increment value added by the improvements. At the time established by law, the Johnson County Clerk shall mail property tax assessments based on the property's new assessed value. The owner of record of the eligible property shall submit proof of payment of the entire property tax bill to the Johnson County Treasurer to begin the property tax rebate issuance procedure.

The property tax rebate, minus a 5% County processing charge for commercial properties, and a 5% or \$75, whichever is greater, County processing charge for residential properties, shall be issued by the Johnson County Treasurer after proof of payment of the property tax bill has been received and within 30 days after the distribution date established by state law.

B. Procedure For Application Submission

The Neighborhood Revitalization Program shall receive applications on and after its adoption by the City Council of DeSoto, Johnson County, Johnson County Parks and Recreation District, Johnson County Library District, Johnson County Community College, and DeSoto USD #232. Once adoption of this program and interlocal agreements are obtained, the City will process program applications as they are received with no monthly or quarterly deadlines.

Neighborhood Revitalization Program applications will be made available at DeSoto City Hall, the DeSoto Multi-Service Center, the DeSoto City Chamber of Commerce, local financial institutions, and local real estate agencies. Questions about the Neighborhood Revitalization Program should be addressed to the City Planning and Zoning Department at DeSoto City Hall.

The Johnson County Treasurer shall perform the calculation of the final tax rebate amount based on the actual assessed value of the property. For each year in which tax rebates are paid, the Johnson County Treasurer will submit a report to the participating taxing units showing the property's "before" value, "after" value, and the amount of the tax rebate.

The City Planning and Zoning Department shall be responsible for reporting the cumulative status of tax rebates made on behalf of property owners during the rebate period. The Neighborhood Revitalization Program report shall include the following:

- Number of Applications Received
- Number of Applications Approved
- Number of Tax Rebates Issued
- Total Dollar Value of Rebates Paid
- Other matters deemed to be important to the participating taxing units in determining the program's success.

This report shall be distributed to each participating taxing unit and the public on request.

C. Application Form Contents

The Neighborhood Revitalization Program application shall ask the following questions or cover the following issues, all of which must be completed by the owner of record of the property.

1. Name
2. Current Tax Year
3. Phone number and mailing address of owner of record
4. Property Address
5. Zoning District
6. Parcel Identification Number

7. Legal Description of Property
8. Copy of most recent paid tax statement showing legal description and address to be improved
9. Attached copy of building permit application
10. Type of improvement proposed
11. Proposed/Existing Use for Property
12. Estimated Start and Completion Date for Improvements
13. Estimated Costs of Improvements

D. Criteria Used By City Planning and Zoning Department In Review And Approval Of Applications:

For initial eligibility review and approval:

1. Date application received
2. Is Property Located Within RH District?
3. Is most recent paid tax statement, showing no payment delinquencies, attached?
4. "Before" Value Of Eligible Property
5. Date of completion, final inspection, and reappraisal by county appraiser

Conditions that must be met and verified before authorization of payment of increment tax rebate:

6. New appraisal value of property by Johnson County Appraiser.
7. Calculation of actual tax rebate by Johnson County Clerk based upon taxes generated by the property improvements.
8. Date of receipt of proof of property tax payment
9. Johnson County Treasurer's Section

Exhibits

A: Resolution

B: Interlocal Agreement

C: RH District Map

D: Property Valuation Information for Properties Within RH District

E: Existing Land Uses/Zoning Map for City

F: Proposed/Future Land Uses Map for City

G: Neighborhood Revitalization Program Application

NEIGHBORHOOD REVITALIZATION PROGRAM APPLICATION

CITY OF DE SOTO, KANSAS

NEIGHBORHOOD REVITALIZATION PROGRAM APPLICATION

Section One: To be filled out by Applicant Only

Owner of Record: _____ Current Tax Year: _____
Phone: _____ Mailing Address: _____

Property Address: _____ Zoning District: _____

Parcel Identification Number: (Can be obtained from property tax statement or Johnson County Clerk's Office):

Legal Description of Property (Can be obtained from Johnson County Clerk's Office):

Proposed Improvements to Property: New Construction Remodel/Rehabilitation
 Interior Exterior

Proposed/Existing Use of Property: Commercial Residential

Estimated Start Date of Construction: _____

Estimated Completion Date of Construction: _____

Estimated Costs of Improvements: _____

Owner of Record Signature: _____ Date: _____

Section Two: City Planning and Zoning Department Use Only

Date of Application Receipt: _____

Building Permit Application Attached? Yes No Building Permit No: _____

Is Property in RH District of City? Yes No

Current Property Tax Statement Attached? Yes No Property Tax Delinquent? Yes No

Base Year Property Value: Land: _____ + Building: _____ = Total: _____

Approved Denied

By: _____ Date: _____

(CITY OF DE SOTO)

Date of Project Completion and Final Inspection: _____

Section Three: For County Use Only
CITY OF DE SOTO, KANSAS
NEIGHBORHOOD REVITALIZATION PROGRAM

Current Tax Year: _____
 Parcel ID: _____
 Building Permit No: _____

Reappraisal of Property
 (For County Appraiser Use Only)
 Base Year Appraised Value of Property: _____
 Taxing Unit(s) _____
 Land Use _____
 Land Value _____
 Building Value _____
 Total Appraised Property Value _____
 Valuation Subject to Rebate:
 Taxing Unit(s) _____
 Land Use _____
 Land Value _____
 Building Value _____
 Total New Appraised Property Value _____
 Tax Increment Available to Rebate _____

Approved: _____ Date: _____
 (JOHNSON COUNTY APPRAISER'S OFFICE)

(For Johnson County Clerk Use Only)
 Base Year Appraised Value of Property: _____
 Taxing Unit(s) _____
 Land Use _____
 Land Value _____
 Building Value _____
 Total Appraised Property Value _____

Valuation Subject to Rebate:
 Taxing Unit(s) _____
 Land Use _____
 Land Value _____
 Building Value _____
 Total New Appraised Property Value: _____

Tax Increment Available for Rebate: _____

Apportionment of Rebate:

Name of Fund	Mill Levy	Total Amount
Johnson County		
City of DeSoto		
Johnson County Parks and Recreation District		
Johnson County Library District		
DeSoto USD 232		
TOTAL TAX REBATE		

Tax Increment: _____
 Minus ___ 5% Processing Fee for Commercial/ ___ 5%, min. of \$75, Proc. Fee for Residential: _____
 Net Rebate to Applicant: _____

Audited and Approved: _____ Date: _____
 (JOHNSON COUNTY CLERK'S OFFICE)

