Neighborhood Revitalization Adopting Ordinance

Ordinance No. S-526

AN ORDINANCE ADOPTING A NEIGHBORHOOD REVITALIZATION PLAN AND DESIGNATING A NEIGHBORHOOD REVITALIZATION AREA.

WHEREAS, the City Commission of Chanute, Kansas pursuant to the authority provided in K.S.A. 12-17,114 et seq. wishes to adopt a plan to assist the revitalization of certain designated areas of Chanute; and

WHEREAS, the City Commission of Chanute, Kansas pursuant to public notice did hold a public hearing on August 12, 2019 to hear and consider public comment on the Neighborhood Revitalization Plan.

NOW, THEREFORE, BE IT ORDAINED

Section 1. Neighborhood Revitalization Plan. That the City Commission does hereby adopt the Neighborhood Revitalization Plan, attached herein, labeled Exhibit A and incorporated by reference as if fully set forth herein.

Section 2. Designation of Neighborhood Revitalization Area. That the City Commission hereby designates the real property described in Part 1 of the Neighborhood Revitalization Plan as the Neighborhood Revitalization Area, finds that the following conditions exist within the Area: 1) a predominance of buildings which, by reason of dilapidation or obsolescence, are detrimental to public health, safety and welfare; 2) a substantial number of deteriorating structures which impair the sound growth of the county, retards the provision of housing and constitutes an economic liability and 3) a predominance of buildings which, by reason of age, history or architecture, are significant and should be restored to productive use, and finds that the rehabilitation, conservation and redevelopment of said area is necessary to protect the health, safety and welfare of the residents of the city.

Section 3. That this ordinance shall be in full force and effective upon publication in the official city newspaper. Passed this 12th day of August, 2019.

H. Sam Budreau, Mayor

ATTEST: [Signature]
City Clerk
Exhibit A

Neighborhood Revitalization Plan

Purpose and Factual Findings

This plan is intended to promote the revitalization of the area of the City of Chanute through the rehabilitation, conservation or redevelopment of the area in order to protect the public health, safety or welfare of the residents of the city. More specifically, certain incentives will be used for the acquisition and/or the removal of abandoned structures and a tax rebate incentive will be available for certain improvements within the area.

In accordance with the provisions of K.S.A. 12-17, 117 et seq., the City Commission has held a public hearing and considered the existing conditions and alternatives with respect to the designated area, the criteria and standards for a tax rebate and the necessity for interlocal cooperation among the other taxing units. Accordingly, the Commission has carefully reviewed; evaluated and determined the area meets one or more of the conditions to be designated as a “neighborhood revitalization area/dilapidated structure”.

Part 1
Legal description of Neighborhood Revitalization Area

The Neighborhood Revitalization Area will include the City of Chanute boundaries defined by Resolution No. 2017-67 adopted December 11, 2017.

The area will also include any property annexed into the City of Chanute boundaries after December 11, 2017 throughout the term of this program.

The area will also include any public property that is sold or otherwise transferred to private ownership during the term of this program.

Not included within the Neighborhood Revitalization Area will be properties identified by legal description commonly known as properties owned by The City of Chanute, Neosho County Community College, Neosho County and USD 413.

City of Chanute property within the Osa Martin Addition and Safari Industrial Park WILL be included in the Neighborhood Revitalization Area and eligible for the tax rebate program under private development.

Part 2
Assessed Valuation of Real Property

The assessed valuation of the real estate contained in the Area is:

$56,365,514.00
Part 3  
Listing Participating Owners of Record in Area

A list of names and address of owners of record of real estate within the Area are also available upon request from the City Clerk’s office.

Part 4

A. Existing Zoning Classifications and Boundaries
B. Existing and Proposed Land Uses

Part 5  
Proposals for Improving the Area

The City recognizes the value of municipal services and capital improvements throughout the community. The City is strongly committed to maintaining a substantial presence in the Area.

Efforts underway or in planning stages include:

Road improvements as needed per the City’s annual street repair and maintenance program
Intersection Upgrades
Sidewalk and bike path installation
Water Main improvements and replacements
Sanitary Sewer Improvements and replacements
Economic Development efforts and programs to encourage business growth
Economic Development efforts and programs to encourage residential growth and development.

Include:
[ ] Public Safety
[ ] Transportation
[ ] Parks and Recreation
[ ] Sewage
[ ] Utilities
Part 6
Property Eligible for a Tax Rebate

Residential Property:

1. Rehabilitation, alterations and additions to any existing residential structure, including the alteration of a single-family home into a multi-family dwelling, shall be eligible.
2. Construction of new residential structures, including the conversion of all or part of a non-residential structure into a residential structure, shall be eligible.
3. Eligible residential property may be located anywhere in the neighborhood revitalization area.

Commercial/Industrial Property:

1. Rehabilitation, alterations and additions to any existing commercial structure used for retail, office, manufacturing, warehousing, institutional or other commercial or industrial purposes shall be eligible.
2. Construction of new commercial structures, including the conversion of all or part of a non-commercial structure into a commercial structure, used for retail, office, manufacturing, warehousing, institutional or other commercial or industrial purposes shall be eligible.
3. Improvements to existing or construction of new structures used for public utility or railroad purposes shall not be eligible.
4. Eligible commercial or industrial property may be located anywhere in the neighborhood revitalization area.

Part 7
Criteria for Determination of Eligibility

1. Construction of an improvement must have been commenced on or after August 14, 2019, the effective date of enactment of the tax rebate program.
2. Any application where permits are required by code, permit must be acquired from city offices after approval of this application and prior to any construction.
3. The minimum investment must also reflect a $7,500 increase in the appraised value for residential, commercial and industrial property.
4. Property eligible for tax incentives under any other program adopted pursuant to statutory or constitutional authority shall be eligible to submit only one application per project.
5. Construction must be completed in one year from the date the application is approved.
6. The City Commission has the authority to grant extensions up to 2 years for commercial properties and 1 year for residential properties if conditions warrant.
Part 8

Contents of Application for Tax Rebate

A. General Information

1. Owner’s Name
2. Owner’s Mailing Address
4. Parcel ID No.
5. Address of Property
6. Legal Description of Property
7. Day Phone Number
8. Proposed Property Use
9. Improvements
10. Estimated Date of Completion
11. Estimated Cost of Improvements
12. Proof of Historical Register Listing
13. List of Buildings Proposed to be or actually demolished
14. If Residential Rental Property, a list of tenants occupying the building when purchased (or present tenants if unknown) date of tenant occupancy or relocation
15. County Appraiser’s Statement of Appraised Valuation

Commencement of Construction

1. Date of commencement of construction.

B. Status of Construction/Completion

1. Incomplete project as of January 1 following commencement.
2. Complete project as of January 1 following commencement
3. County Treasurers Statement of Tax Status

Part 9

Procedure for Submission of an Application

1. The Applicant shall obtain an application for Tax Rebate from the Chanute Regional Development office; online at ChanuteRDA.com or Chanute City Clerk.
2. The applicant shall complete and sign Part I of the application and file the original with the City Clerk within 30 days prior to issuance of a building permit, if required by code.
3. The application shall be forwarded to the Neosho County Appraiser’s Office for determination of the existing appraised valuation of the improvements.
4. Upon completion by the Appraiser’s office the application will be returned to the applicant. The applicant shall certify the status of the improvement project as of January 1 following the commencement of the construction by completing and signing Part II of the application. The applicant shall file the application with the appraiser’s office on or before December 1, preceding the commencement of the tax rebate period.
5. On or about January 1, the County Appraiser shall conduct an on-site inspection of the construction project and determine the new valuation of the real estate and shall complete his or her portion of the application and shall report the new valuation to the County Clerk by June 15. The tax records on the project shall be revised by the County Clerk’s office.

6. Upon determination by the Appraiser’s office that the improvements meet the criteria for rebate and by the Treasurers office that the taxes and assessments on the property are not delinquent, the City Commission shall certify that the project and application does or does not meet the requirements for a tax rebate and shall notify the applicant and the County Clerk’s office upon approval.

7. Upon the payment, in full, of the real estate tax for the subject property for the initial and each succeeding tax year extending through the specified rebate period, a tax rebate shall be made to the applicant. The tax rebate shall be made within 30 days following the date of tax distributions by the Neosho County Treasurer. The County Clerk shall inform the Chanute City Commission 30 days prior to the expiration of the final rebate period for each property receiving a tax rebate.

Part 10

Standards and Criteria for Review and Approval

1. The property for which a rebate is requested shall conform to all applicable city or county 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 may be terminated.

2. Any property owner that is delinquent in any tax payment or special assessment, including BID assessments shall not be eligible for a rebate until such time as all taxes and assessments have been paid.

3. Following establishment of the increase in appraised value resulting from a specific improvement, the fixed rebate percentage shall be applied to the change in appraised value of the structure.

4. The Chanute City Commission shall have the authority and discretion to approve or reject applications based on the eligibility standards and review criteria contained herein. If an applicant is dissatisfied with the commission’s decision, a written appeal may be submitted to the commission for final determination.
Part 11
Statement Specifying Rebate Formula

Program Period:

The Neighborhood Revitalization fund and tax rebate incentive program shall expire on December 31, 2020. The program will be reviewed annually beginning December 2019 at which time the commission will consider modifications and extensions.

Rebate Period:

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<tbody>
<tr>
<td>Residential</td>
<td>10 Years</td>
</tr>
<tr>
<td>Commercial/Industrial</td>
<td>10 Years</td>
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Rebate Amount:

(*5% to remain in the Neighborhood Revitalization Fund to assist with the county’s administrative costs associated with this program. 5% to go to the Chanute Regional Development Authority to promote economic development efforts as described in Part 5 of the Neighborhood Revitalization Plan

### Residential Properties -- New/Rehabilitation Projects

*Increase in Appraised Value of:*

<table>
<thead>
<tr>
<th>$10,000 +</th>
<th>1-3 yr -- 90%</th>
<th>6 yr -- 60%</th>
<th>9 yr -- 30%</th>
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<tbody>
<tr>
<td>4 yr -- 80%</td>
<td>7 yr -- 70%</td>
<td>10 yr -- 20%</td>
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<tr>
<td>5 yr -- 70%</td>
<td>8 yr -- 60%</td>
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<tr>
<td>6 yr -- 60%</td>
<td>9 yr -- 50%</td>
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<tr>
<td>7 yr -- 50%</td>
<td>10 yr -- 20%</td>
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<td>8 yr -- 40%</td>
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<td>9 yr -- 30%</td>
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<td>10 yr -- 20%</td>
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### Commercial Properties --

*New/Rehabilitation Projects

*Increase in Appraised Value of:*

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<thead>
<tr>
<th>$10,000 - $500,000</th>
<th>$500,000 - $3,000,000</th>
<th>$3,000,000 +</th>
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<tbody>
<tr>
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<td>1-6 yr -- 90%</td>
<td>1-6 yr -- 90%</td>
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<tr>
<td>4 yr -- 80%</td>
<td>7 yr -- 70%</td>
<td>7-10 yr -- 75%</td>
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<td>5 yr -- 70%</td>
<td>8 yr -- 60%</td>
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<td>6 yr -- 60%</td>
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<td>7 yr -- 50%</td>
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<td>9 yr -- 30%</td>
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<tr>
<td>10 yr -- 20%</td>
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</table>
Neighborhood Revitalization Area
*Properties specifically excluded are defined in Part 1
(Full size map on file with City Clerk)

Chanute, Kansas
66720