

# WHAT IS THE NEIGHBROHOOD REVITALIZATION PROGRAM? (NRP)



## **ECONOMIC DEVELOPMENT IN ACTION**

The primary intent of the Neighborhood Revitalization Program is to provide communities with a long-term increase and stabilization in their property tax base by encouraging rehabilitation or construction that otherwise might not occur.

# **BENEFITS**

- Provide incentives for housing and commercial improvements through property tax rebates
- Benefit both homeowners and businesses
- Maintain current property tax revenues
- Create new, long-term tax revenue without adding a fiscal burden for the city or county
- Incentivize development where it might not otherwise occur
- · Reverse deterioration and blight

- · Help stabilize land values
- Strengthen the fiscal capacity of our local governments so they may grow and better serve our citizens
- Encourage residential, commercial, and industrial development within the city and county
- Provide more broad appeal and competitive edge for our communities to be considered in new development opportunities

# TAX REBATES AVAILABLE

	PLAN A	PLAN B	PLAN C
	Minimum required increase in valuation \$15,000	Minimum required increase in valuation \$5,000	Minimum required increase in
Year 1	70%	100%	95%
Year 2	65%	100%	90%
Year 3	60%	100%	85%
Year 4	55%	75%	75%
Year 5	50%	75%	70%
Year 6		75%	65%
Year 7		50%	60%
Year 8		50%	55%
Year 9		25%	50%
Year 10		25%	50%
700.70	Ellsworth County City of Ellsworth	Ellsworth County City of Kanopolis City of Holyrood City of Wilson City of Lorraine	Ellsworth County City of Kanopolis City of Wilson City of Lorraine City of Holyrood

# **CRITERIA AND APPLICATION**

- Part I of the application must be completed with the Ellsworth County Appraiser's office before construction begins.
- Part II must be completed following project completion and filed with the Appraiser's office.

  Payment of taxes must be made on time and in full before
- a rebate is issued.

   Applicant must be the legal owner of record of the
- property.

  Check with local city office for compliance with building permit requirements.

Tax Rebates are ONLY applied to the additional taxes resulting from the increased assessed value of the property due to the improvement.

Repairs generally will not increase the assessed value unless there are multiple repairs completed at the same time.







#### WHAT IS THE NEIGHBORHOOD REVITALIZATION PROGRAM?

The NRP allows tax rebates for new construction and the rehabilitation of existing structures. This is a tool to encourage development and rehabilitation which otherwise would not occur. A tax rebate is a refund of property taxes that would otherwise be owed on the actual value ADDED to a property due to a qualified improvement. The rebate applies only to the additional taxes resulting from the increased assessed value of the property due to the improvement.

#### CAN PROPERTY TAXES BE ELIMINATED BY THE TAX REBATE?

Under the NRP, taxes on the assessed value of the property prior to the improvement will not be reduced and will continue to be payable.

#### WHAT IMPROVEMENTS WILL INCREASE THE ASSESSED VALUE?

New construction, additions, and major rehabilitation will in increase the assessed value. Repairs generally will not increase the assessed value unless there are several done at the

# DOES THE NRP COST THE CITY, COUNTY, OR SCHOOLS ANY MONEY?

The NRP is meant to encourage projects that otherwise would not have occurred, which is unrealized taxes for the cities and county. For those properties making improvements, they will continue making the property tax payments at the value assessed prior to the improvements, so there is never a decrease in property taxes received. Over time, the increase in projects will add to the tax roll, resulting in a larger tax base, reduced taxes for the community at large, and reduction in blight, which leads to more growth and more community pride. It is in an investment into the future of the community, for greater benefits in the future, much like spending pennies to get dollars.

In addition, blighted properties reduce in value over time, meaning they contribute less to tax base. Improvements in those properties will increase in valuation, adding stability and dollars to the community, and allowing municipalities to provide more services to the community, and schools to receive more assistance to support education.

### DOES THE REBATE TRANSFER TO NEW OWNERSHIP?

The tax rebate stays with the land; therefore, should the property sell or change hands before the rebate period ends, the new owner would receive the rebate.

#### **CAN MY REBATE BE TERMINATED?**

Delinquent taxes may be cause for termination of the rebate for current and future years.

Failure to build or maintain the property to applicable codes, rules and regulations may cause the rebate to be terminated.

Applications can be obtained at the Ellsworth County Appraiser's Office **Carl Miller** (785)472-3165 210 N. Kansas Ellsworth, KS 67439

