

CITY OF AUGUSTA

NEIGHBORHOOD

REVITALIZATION PLAN

ADOPTED MARCH 3, 2003

ORDINANCE NO. 1855

**(Amended March 6, 2006—Ordinance No. 1919)
(Amended April 6, 2009—Ordinance No. 1981)
(Amended March 7, 2011—Ordinance No. 2017)
(Amended March 5, 2012—Ordinance No. 2033)
(Amended March 4, 2013—Ordinance No. 2048)**

Section 1: Purpose and Factual Findings

This Plan is intended to promote the revitalization of certain areas of the City of Augusta through the rehabilitation, conservation or redevelopment of those areas in order to protect the public health, safety or welfare of the residents of the City. More specifically, a tax rebate incentive will be available for certain improvements or renovation of property within the area.

In accordance with the provisions of K.S.A. 12-17, 114 et seq., the City Council has 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 Council has carefully reviewed, evaluated and determined the Area meets one or more of the conditions to be designated as a “neighborhood revitalization area.”

Section 2: Legal Description of Neighborhood Revitalization Areas

The legal description of the Augusta Neighborhood Revitalization Areas is attached to this plan as Exhibit A.

Section 3: Map of Neighborhood Revitalization Areas

A map outlining the Neighborhood Revitalization Areas for the City of Augusta is attached to this plan as Exhibit B.

Section 4: Appraised Valuation of Real Property

The appraised valuations of the real estate contained in the Neighborhood Revitalization Area are available at the Augusta City Hall, via the Butler County GIS Mapping database.

Section 5: Listing of Owners of Record in Area

The names and addresses of each owner of record of real estate within the Neighborhood Revitalization Area are available at the Augusta City Hall, via the Butler County GIS Mapping database.

Section 6: Zoning and Land Uses

The City of Augusta Zoning Map and the Future Land Use Map, which show the zoning classifications and land uses in the Neighborhood Revitalization Area, are hereby incorporated by reference and are available at City Hall.

Section 7: Property Eligible for a Tax Rebate

Residential Property:

1. Rehabilitation¹, alterations and additions to any existing residential structure, including the alteration of a single-family home into a multi-family dwelling, shall be eligible. Improvements to existing or construction of new residential accessory structures, such as garages and storage buildings, shall also 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.

Commercial/Industrial/Retail 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.

Section 8: Standards and Criteria for Eligibility, Review, and Approval

Applications for tax rebate under the Neighborhood Revitalization Program will be considered under the following standards and criteria:

1. All improvements must conform to zoning, building, and other applicable regulations in effect in the Neighborhood Revitalization Program target area at the time the improvements are made and remain in conformance with such regulations for the length of the rebate period, or the rebate may be terminated. All improvements will require the proper permits to be secured through the City Inspector's Office prior to any work commencing.
2. Construction of an improvement must have begun on or after the official publication date of the plan approved by the Council on March 4th, 2013. Provided, however, that no application will be processed until the Attorney General's office has issued its approval of the Plan's interlocal agreement.

¹ Projects that are more likely to increase a structure's appraised value include additions, windows, siding, etc. Projects such as painting and carpet are eligible, but may not result in much, if any, increase in value (and consequently, little if any tax rebate).

3. An application for rebate must be filed with the City of Augusta within 60 days of the issuance of a building permit.
4. The estimated construction cost of the project, as shown on the corresponding building permit, must reflect a minimum value of:
 - a. Residential: At least \$5,000.00 or ten percent (10%) of the assessed valuation of the building(s) on the property as determined by the County Appraiser's current records, whichever is higher.
 - b. Commercial/Industrial: At least \$10,000.00 or fifteen percent (15%) of the assessed valuation of the building(s) on the property as determined by the County Appraiser's current records, whichever is higher.
5. Any property approved for a rebate under this program that becomes delinquent in any tax payment or special assessment shall not be eligible for a rebate and forfeits any current and future rebates. However, a property's rebate may be reinstated at the sole discretion of the City of Augusta, under the following conditions:
 - a. That the delinquent taxes or special assessments are paid in full no later than 45 days after their due date.
 - b. That a property's rebate may only be reinstated one time during the rebate period.

No property shall be granted such consideration for reinstatement if it was disqualified from the program prior to the official publication date of the plan approved by the Council on March 4th, 2013.

6. City and County Staff shall have the authority and discretion to approve or reject applications based on the eligibility standards and review criteria contained herein. If any applicant is dissatisfied with City Staff's decision, a written appeal may be submitted to the Augusta City Council for final determination. If any applicant is dissatisfied with County Staff's decision, a written appeal may be submitted to the Butler County Board of Commissioners.
7. Properties eligible for tax incentives under any other program shall be eligible to submit applications under only one program at a time.
8. Only owners are eligible for tax rebates.
9. If a property that has been approved for a tax rebate is sold, the rebate remains in effect and will transfer to the new property owner.
10. Rebate of taxes on additional new value beyond \$200,000 for residential properties and \$500,000 for commercial properties is not permitted under this program.

Section 9: Application Procedure

1. **APPLICATION FORMS:** Obtain a tax rebate application from the City of Augusta.
2. **COMPLETE PART 1: Prior to the commencement of construction AND no later than 60 days after the issuance of a building permit,** the applicant shall complete and sign Part 1 of the application and file the original with the City of Augusta. A non-refundable \$25 application fee must accompany the application.
3. **PRELIMINARY APPROVAL AND COUNTY INSPECTION:** The City of Augusta will forward the application to the County after verifying that the property is within the Neighborhood Revitalization Area and that the project meets all criteria, including minimum investment. Within fifteen (15) working days, the County Appraiser's office will inspect the property and return a copy of Part 1 to the City indicating their concurrence with the City's approval of the project.
4. **NOTICE OF FINAL APPROVAL AND PROJECT CONSTRUCTION:** The City will then notify the property owner of final approval, and construction may begin. **NOTE: Commencing construction prior to receiving this notice from the City may be cause for the project to be ruled ineligible.** The owner will have a maximum of one year to complete the project unless otherwise approved by the City and County. Applicants are not allowed to "phase-in" improvements, and a property may only have one active rebate at a time.
5. **COMPLETE PART 2 (IF NECESSARY):** If the project is not complete by January 1 following commencement of the project, the applicant shall file Part 2 of the application with the City of Augusta, and the City will forward Part 2 to the County. This will assist the County Appraiser in tracking projects entering the program.
6. **COMPLETE PART 3: Immediately upon completion of the project,** the applicant shall file Part 3 of the application with the City of Augusta. The City of Augusta will then conduct an on-site inspection of the project to confirm completion, issue any occupancy permits, and will then forward Part 3 of the application to the Butler County Appraiser's Office. This step must be completed by December 1 in order for the rebate to take effect the following January.
7. **NEW VALUATION:** In the January following the submittal of Part 3, the Butler County Appraiser's Office will conduct an onsite inspection on the construction project to determine the new valuation of the real estate, complete the appraiser's portion of the application and return to the City of Augusta. The Appraiser's Office will report the new valuation to the Butler County Clerk by June 15. Tax

records on the project will be revised by the Butler County Clerk's Office to reflect the change in valuation.

8. **REBATE AFTER TAXES ARE PAID:** Upon full payment of the real estate tax for the subject property for the initial and succeeding tax years of the rebate period, Butler County will make the appropriate rebate to the applicant. A check will be mailed in January (if paid in full by December payment date), or in June (if paid in full by May payment date). No rebate payments will be made for any property with open valuation and/or classification appeals until all disputes have been fully litigated.

Section 10: Rebate Formula

Program Period: The Neighborhood Revitalization Plan with tax rebate incentive program shall terminate one year following the effective date of the adopting ordinance, unless terminated sooner by State action or extended by the participating parties to the interlocal agreement.

Rebate Period: Area 1: 10 years for rehabilitations, alterations, or additions.
Area 1: 10 years for new construction on a vacant lot (if demolishing an existing structure, rebate can be maximized by leaving the lot vacant until the next regular appraisal in January).
Area 2: 5 years for rehabilitations, alterations, additions, or new construction on a vacant lot

Rebate Amount: 95% of tax corresponding to the first \$200,000 of increase in appraised value for residential construction and first \$500,000 for commercial construction resulting from the specific improvements identified on the application. This applies to the increase of the appraised value of the building only, not the land. The increase in appraised value will not necessarily match the construction cost shown on the building permit.²

The rebate percentage (95%) shall remain constant for the duration of the rebate period. For rehabilitations, alterations, or additions, the 95% rebate is applied only to the added appraised value resulting from the original improvements. For new construction, the 95% rebate is applied to the annual appraised value of the property, which may fluctuate with market conditions. Under no circumstances will the appraised value eligible for rebate on any property exceed the base value of the original improvements.

² Projects that are more likely to increase a structure's appraised value include additions, windows, siding, etc. Projects such as painting and carpet are eligible, but may not result in much, if any, increase in value (and consequently, little if any tax rebate).

The other five percent (5%) of the tax corresponding to the increase in appraised value will be retained by the Butler County Clerk's Office to cover administrative costs that include data entry, database management, software licensing and updates, and rebate calculation and processing.