

The Neighborhood Revitalization Program

Authorized by K.S.A 12-17,114 - 12-17,120, the Neighborhood Revitalization Act gave local governments and citizens in Kansas the power to improve their communities. This program promotes the revitalization and development of the City of Ottawa by stimulating new construction and the rehabilitation and development of the city in order to enhance the public health, safety or welfare of the residents of the City.

How does the City promote revitalization?

By issuing a property tax rebate as an incentive to make improvements to property within certain areas of the city.

What areas are already designated as neighborhood revitalization areas?

There are four areas already designated as neighborhood revitalization areas. If you have any questions about whether or not your property is in a revitalization area, please contact the City's Planning Department.

Central Business District: From the north city limits south on Hickory St. to river, east along river to Cedar St., south on Cedar St. to Pontiac St., east on Pontiac St., to Poplar St., south on Poplar St. to 1st St., east on 1st St. to Sycamore St., south on Sycamore St. to 2nd St., west on 2nd St. to Poplar St., south on Poplar St. to 3rd St., west on 3rd St. to Cedar St., south on Cedar St. to 5th St., west on 5th St. to Hickory St., south on Hickory St. to 7th St., west on 7th St. to Princeton St., south on Princeton St., to 9th St., west on 9th St. to Main St., south on Main St. to 13th St., then back north on Main St. to 11th St., west on 11th to Walnut St., north on Walnut St. to 9th St., west on 9th St. to Ash St., north on Ash St. to 7th St., east on 7th St. to Locust St., north on Locust St. to 2nd St., west on 2nd St. to Ash St., then along the levy back to the railroad right-of-way north to Keokuk St., east on Keokuk St. to Main St., north on Main St. to Logan St., west on Logan St. to King St., north on King St. to the north city limits.

East 1: From corner of Hickory St. and Logan St. north to Massasoit St., east on Massasoit St., to Mulberry St., north on Mulberry St. to Blackhawk St., east on Blackhawk St. to Cherry St., south on Cherry St. to Logan St., west on Logan St. to Hickory St.

East 2: From 3rd St. and Cherry St. south to 9th St., west on 9th St. to Lincoln St., north on Lincoln St. to 7th St., west on 7th St. to Burrough St., north on Burrough St. to 3rd St. to include Estabrook St.

West 1: From Wilson St. and Locust St. west to Cleveland St., south on Cleveland St. to Forest St., east on Forest St. to Locust St., north on Locust St. to Wilson St.

West 2: From 7th St. and Ash St. west to Beech St., south on Beech St. to 8th St., east on 8th St. to Olive St., south on Olive St. to 9th St., east on 9th St. to Ash St., north on Ash St. to 7th St.

What types of improvements are eligible?

For residential properties, rehabilitation, additions or new construction of any residential dwelling structure, including single and multi-family units, is permitted provided that the new assessed value of the

property is increased by at least 25%.

For commercial properties, rehabilitation, additions or new construction of any office, institutional or commercial structure, is permitted provided the new assessed value of the property is increased by at least 20%.

What is the criteria for determining what property is eligible for revitalization?

1. The property is within one of the neighborhood revitalization areas.
2. Construction of the improvements must have begun after the date the neighborhood was designated as a neighborhood revitalization area.
3. The assessed value of the residential property must be increased by 25%.
4. The assessed value of the commercial property must be increased by 20%.
5. The improvements must conform with Ottawa’s Comprehensive Land Use Plan and Zoning Ordinance in effect at the time the improvements are made.
6. The new, as well as existing, improvements on the property must conform with all other codes, rules, and regulations in effect at the time the building permit is issued.
7. Any owner of property who becomes delinquent in any tax payment and/or special assessment for one (1) year shall not be eligible for any rebate or future rebate.
8. Owners of commercial property eligible for tax incentives under any adopted Neighborhood Revitalization Plan and any existing tax abatement program pursuant to Article 11, Section 13 of the Kansas Constitution and Ottawa Resolution 835-94, may submit only one application per project. It should be noted that the criteria for determining the eligibility of the property for revitalization is the same criteria used in reviewing and approving applications for a rebate of property tax increments.

Who applies for the rebate?

1. The contractor or owner of a new structure must apply for the rebate before construction of the new structure begins.
2. The owner of the property being remodeled must apply for the rebate before any remodeling work begins.
3. The application for the tax rebate stays with the land, not the applicant.

How do I apply for a rebate?

1. Before construction is started on a new structure or any improvements for which a tax rebate will be requested, the applicant-owner shall contact the City’s Planning Department for an application.

2. Part 1 of the application must be completely filled out and filed with the City's Planning Department to commence the review process. A \$25 application fee shall be paid to the City at the time the application is submitted.

3. Part 1 of the application will be forwarded to the review committee consisting of one member from each participating entity. If 2/3 of the members of the review committee agree that the application meets the intent of the NRA, the application will be forwarded for consideration by the full governing bodies of each participating entity. If 2/3 of the governing bodies of the participating entities agree that the application meets the intent of the NRA, the application will be forwarded.

4. Upon approval, the City's Planning Department shall forward a copy of Parts I & II of the application to the County Appraiser, County Treasurer, and County Clerk for notification and information purposes only.

5. The City's Planning Department will notify the applicant that their application meets the intent of the NRA program and has been approved by all three governing bodies.

6. The owner/contractor shall notify the City's Inspection Division when the construction/remodel work is completed. The City's Inspection Division will do a final inspection to determine if the work is completed and all work conforms with all other codes, rules and regulations. The City's Inspection Division will then submit a Certificate of Occupancy to the City's Planning Department.

7. Base value of a property for rebate purposes may be established by the Review Committee when the property description or improvement differ significantly from the most recent appraisal record. In addition, if the period of time for improvement completion extends beyond two years, the lowest property appraisal will be assigned the base value.

8. On January 1 of year following the of completion date, the City will call the appraisers office and get the new appraised value. The City will then forward a copy of Part III of the application to the County Appraiser, who will verify if the new appraised value is 25% or 20% higher than the original appraisal value.

9. Once the County Appraiser has determined if the application meets the criteria for the NRA program, the County Appraiser will mail or fax a signed copy of Part III of the application to the City's Planning Department. The City's Planning Department will then forward a copy of the signed Part II of the application along with a copy of the Certificate of Occupancy to the County Clerk.

10. The City's Planning Department will notify the applicant on whether their application has been approved and when they should expect to receive their first year tax rebate.

11. Upon payment of the real estate taxes in full by the taxpayer, the rebate in the amount of the tax increment minus the \$50 administration fee retained by the county, will be made within thirty (30) days after the next distribution date as specified in K.S.A. 12-1678a, and amendments thereto. The tax rebate shall be made by the County Treasurer's Office of Franklin County through the Neighborhood Revitalization Fund established in conjunction with the other taxing units participating in an Interlocal Agreement.

Can my property be annexed into an existing neighborhood revitalization area?

Possibly. For information on annexation into an existing area, contact the City's Planning Department at 229-3620.

Under what conditions can my rebate be terminated?

1. Failure to build or maintain the property to applicable codes, rules and regulations shall cause the rebate application to be terminated.
2. The owner/applicant fails to pay property taxes for, one (1) year the property will be removed from the eligible rebate program. In addition, any late fees, fines, surcharges are not eligible for rebate.

How long can I receive a rebate?

Central Business District:

Residential -----	Maximum of 5 years
Commercial -----	Maximum of 10 years

Non Central Business District:

Single-Family, Owner Occupied -----	Maximum of 5 years
Single/Multi Family, Rental -----	Maximum of 5 years

The Review Committee will establish the rebate period and amount for each application which will be adopted by each governing body when the application is considered.

What will my rebate be?

Your rebate is based on the amount your taxes have increased due to the improvements to the structure or improvements made to the property. As an example: Your taxes for your vacant property for 1999 was \$500 you built a new single family house and your property taxes for 2000 was \$1,000, you would be eligible for a tax rebate on the \$500 your taxes increased. The percentage of the amount you would get back is based on the chart below. For example, say your property is in the Non Central Business District the first year rebate you be 100% of the \$500 minus the \$50 administration fee the County will retain. Years 2 and 3 would be 75% of the \$500 minus the \$50 administration fee. Years 4 and 5 would be 50% of the \$500 minus the \$50 administration fee.

How much of my property taxes can be returned to me as a rebate?

<u>Central Business District:</u>	<u>Length</u>	<u>Maximum % of rebate of Improvement</u>
Residential	Year 1-5:	100%
Commercial	Year 1-5:	100%
	Year 6:	50%
	Year 7:	40%
	Year 8:	30%
	Year 9:	20%
	Year 10:	10%
<u>Non Central Business District:</u>	<u>Length</u>	<u>Maximum % of rebate of Improvement</u>
Single-Family, Owner Occupied	Year 1:	100%
	Year 2-3:	75%
.....	Year 4-5:	50%

Single-Family, Rental	Year 1:	100%
.....	Year 2-3:	50%
	Year 4-5:	25%
Multi-Family, Rental	Year 1:	100%
Year 2-3:.....	50%	
	Year 4-5:	25%

Your rebate will start the first year after completion date on the Certificate of Occupancy issued by the City's Inspection Division.

Who should I call if I have a question?

City's Planning Department
229-3620