

**NEIGHBORHOOD REVITALIZATION PLAN  
CIMARRON, KANSAS  
2010**

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## Purpose and Factual Findings

This plan is required by state statute (K.S.A. 12-17,114 et seq.) in order to create an incremental tax rebate program intended to encourage reinvestment and improvement of blighted, declining areas of the community pursuant to the State Neighborhood Revitalization Act. The components of the plan include establishing the Neighborhood Revitalization Area boundaries, proposals for improving municipal services and establishing local eligibility criteria and application procedures for the tax rebate program.

The Neighborhood Revitalization Plan also serves as the City's strategy to stimulate and promote the revitalization of the City of Cimarron, Kansas, through the rehabilitation, conservation or redevelopment of the area in order to protect the public health, safety or welfare of the residents of the Neighborhood Revitalization Areas and the municipality as a whole.

Cimarron has an aging and deteriorating housing base. According to the office of the Gray County Appraiser, of the 670 existing homes built in Cimarron through 2009, 198 or 30% were built before 1939, compared with the state average of 24.5 percent. Almost half, 47%, of the homes in the city were built prior to 1959.

A survey of housing needs countywide indicates a major shortfall of all types of housing exists. New or improved multi-family and individual living units for families with children are badly needed. According to 2000 Census information, Gray County ranks third lowest among all Kansas counties for rental vacancy rate, and sixth lowest for homeowner vacancy rate. There is a similar need for new or improved multiple unit facilities for senior citizens. There is an obvious need for incentives to facilitate persons or companies in the construction of new multi-family living units. Those same incentives are needed to encourage owners to rehabilitate existing multiple units and homes.

A good measure of the health of the retail sector is the *retail pull factor*, which measures per capita sales tax collection in terms relative to the surrounding areas. The pull factor is the county per capita sales tax divided by the state per capita sales tax. A pull factor greater than 1.0 means that retail business is being attracted into the county. A value less than 1.0 means retail business is being lost to other areas. Gray County's pull factor since 2002 has ranged from 0.47 to 0.55. Neighboring counties in 2008 rated at 1.15 in Finney County and 0.97 in Ford County.

Gray County's population growth is below state and national norms and also below those of neighboring counties. From 2000 to 2008, Gray County saw a decline of 215 persons or 4%, while Finney County increased 1% and Ford county increased 2%. The state average during that time was a 4% increase (U.S. Bureau of Census). Shortage of available and/or adequate housing contributes to population decline.

Purposes for implementing a Neighborhood Revitalization Plan include:

- Stabilize blighted neighborhoods by rehabilitation or replacement of older homes
- Provide incentives for affordable housing to persons with limited resources
- Encourage non-profit and religious organizations to revitalize areas and homes

- Encourage property owners to improve homes
- Encourage additions to existing housing
- Encourage construction of new multi-family housing
- Eventually increase tax base and make affordable housing more available
- Enable private investments with no fiscal burden on taxing jurisdictions
- Encourage new businesses and expansion or improvement of existing businesses
- Encourage economic development

In accordance with the provisions of K.S.A. 12-17,114 et seq., the City Council, along with Gray County Commissioners, Unified School District 102 Board of Education and Cimarron Township Board, have 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 taxing units. Accordingly, the City Council has carefully reviewed, evaluated and determined that a majority of the conditions as described in K.S.A. 12-17,115(c) exist in the City of Cimarron under the Kansas Neighborhood Revitalization Act and that the rehabilitation, conservation and redevelopment thereof is necessary to protect the public health, safety and welfare of the residents of the city.

**Legal Description**  
**Neighborhood Revitalization Area**

The total area of the Neighborhood Revitalization District is all properties lying within or annexed to the City of Cimarron, Kansas. Any properties subject to annexation to the City of Cimarron will automatically be included in the plan area upon completion of annexation.

**Assessed Valuation of Real Property**

Existing valuation and ownership is available upon request at the Gray County Appraiser's Office. The latest assessed valuation for land and building value is as follows:

Land	\$939,450
Improvements	\$8,685,225
Total	\$9,738,113

**Capital Improvement Planned for the Revitalization Area**

The City of Cimarron is committed to maintaining and improving the water lines, sewer lines, electric distribution system, and streets and alleys within the area. The City will continue using KDOT programs for highway improvements for Highways 23 and 50.

Downtown revitalization has been completed with new streetscape including lighting, sidewalks and water line replacement. An extension of the streetscape is planned for the remaining downtown area to complete downtown revitalization.

Park and recreation improvements are planned, including a walking trail from the downtown area to the city park and a trail around the park. Dying trees have been

removed and replaced at the park, and replacement of restroom facilities and an updated play area is planned.

### **Zoning Classifications and Districts**

The existing zoning districts within the Neighborhood Revitalization Area Boundary are:

- R-1A Single Family Residential District
- R-1B Single Family Residential District
- RP-2 Planned medium Density Residential
- CP-0 Planned Commercial Office District
- CP-1 Planned General Commercial District
- CP-2 Planned Central Business District
- CP-3 Planned Highway Service Commercial District
- IP-1 Planned Light Industrial District
- IP-2 Planned medium Industrial District

### **Property Eligible for a Tax Rebate**

#### Residential Property in all Districts:

1. Rehabilitation, alterations and additions to any existing residential structure, including the alteration of a single-family home into a duplex dwelling, shall be eligible.
2. Single-family dwellings originally placed on site more than sixty years prior to date of application may be razed and replaced with a new multi- or single-family home. Amount of rebate will be based on difference in valuation of the original home and the new home. A new home built on an established appraised vacant lot will not be eligible.
3. Conversion of all or part of an existing non-residential structure into a residential structure shall be eligible so long as compliant with current zoning codes.
4. Improvements to existing or construction of new residential detached accessory structures such as gazebos, storage buildings, workshops, swimming pools, etc., shall not be eligible.
5. 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 revitalization area.

### **Criteria for Determination of Eligibility**

**Commercial/Industrial Property:**

The minimum investment for a commercial improvement is \$15,000.00. Amount of rebate is based on difference in appraised valuation. Invoices and receipts must be provided.

All commercial properties within the Neighborhood Revitalization Area are eligible for a stepped rebate for ten (10) years on the amount of increased ad valorem property taxes, as measured from the amount of tax prior to the improvement to the amount of tax after the improvement was complete (hereafter “tax increase”). Any special assessments levied against the property will not be included in the rebate formula. The amount of the rebate is as follows, with administration fees withheld from the rebate amount:

1 <sup>st</sup> year	100%
2 <sup>nd</sup> year	90%
3 <sup>rd</sup> year	80%
4 <sup>th</sup> year	70%
5 <sup>th</sup> year	60%
6 <sup>th</sup> year	50%
7 <sup>th</sup> year	40%
8 <sup>th</sup> year	30%
9 <sup>th</sup> year	20%
10 <sup>th</sup> , final year	10%

Remainder of tax rebates will transfer with ownership, for commercial property only.

**Residential Property:**

Any improvement to or replacement of an existing single family residence requires a minimum investment of \$15,000. Invoices and receipts must be provided. The increase in property tax due to the improvement will be rebated at a rate of 95%, less administration fees, for a maximum of five years. Any special assessments levied against the property will not be included in the rebate formula.

1 <sup>st</sup> year	95%
2 <sup>nd</sup> year	95%
3 <sup>rd</sup> year	95%
4 <sup>th</sup> year	95%
5 <sup>th</sup> year	95%

### **For All Eligible Properties:**

1. Construction must have been started and completed after the effective date of the program with written notification to City of owner's intent to participate under proposed program criteria being received by the City after the date of formal approval of the program by the City Council.
2. AN APPLICATION FOR REBATE MUST BE FILED WITHIN SIXTY (60) DAYS OF THE ISSUANCE OF A BUILDING PERMIT.
3. The following amount will be withheld annually by the County for administration of the plan: 5% of the increased tax bill or \$50.00, whichever is greater, the first year; and 5% of the increased tax bill or \$25, whichever is greater, for remaining years of rebate. In addition, a \$25.00 up-front, non-refundable application fee will be charged to cover the City office's time and administration.
4. Qualified improvements or new construction eligible for tax rebates under the Neighborhood Revitalization Plan may submit only one application per piece of property, unless approved by City Council action.
5. New, as well as existing, improvements on the property must conform to all applicable codes, rules, laws, ordinances and regulations in effect at the time the improvements are made, and for the length of the rebate or the rebate may be terminated.
6. Any property that is delinquent in any tax payment, special assessment or city-administered utility shall not be eligible. If a delinquency occurs after entry into the rebate program, the property shall no longer be eligible for a rebate.
7. Construction must be completed within one year. Extensions beyond that period will be considered on a case-by-case basis.
8. The following improvements are not eligible for a tax rebate:
  - Surface parking lots except as an accessory to a contiguous improvement
  - Railroads and utilities
  - Swimming pools, gazebos, residential storage buildings and workshops.
  - Mini warehouses
  - Any property which has or will receive IRB (Internal Revenue Bond) financing and/or a tax abatement
9. Only owners are eligible for tax rebates. In the case of multiple owners of a property eligible for rebate, absent a written agreement providing otherwise, the rebate will be made payable to all owners of record.

## **Contents of Application for Tax Rebate**

Applicants for the Neighborhood Revitalization Act tax rebate program should include the following information and be submitted on the following form. Each application shall require a \$25 application fee.

Please note: It is the responsibility of the person applying for this grant to obtain the necessary permits and meet any and all local, state, and federal laws/regulations/codes.

**APPLICATION FOR TAX REBATE - RESIDENTIAL**

City of Cimarron Neighborhood Revitalization Program

(Please Print or Type)

Part 1

OWNER'S NAME \_\_\_\_\_ DAY PHONE NO. \_\_\_\_\_

OWNER'S MAILING ADDRESS \_\_\_\_\_

PROPERTY ADDRESS \_\_\_\_\_

PARCEL IDENTIFICATION NUMBER \_\_\_\_\_

(Take Parcel ID number and legal description from your tax statement or call the County Clerk's Office)

LEGAL DESCRIPTION OF PROPERTY \_\_\_\_\_

\_\_\_\_\_

(Use additional sheets if necessary)

PROPERTY USE     Rental                       Owner-occupied

PROPOSED IMPROVEMENTS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Be specific – use additional sheets if necessary)

TOTAL COST OF IMPROVEMENTS \$ \_\_\_\_\_  ACTUAL  ESTIMATED

CONSTRUCTION TO BEGIN ON \_\_\_\_\_, 20\_\_

ESTIMATED DATE OF COMPLETION \_\_\_\_\_, 20\_\_

(Must be completed in one year. Extensions beyond that period will be considered in advance on a case-by-case basis.)

LIST BUILDINGS TO BE DEMOLISHED \_\_\_\_\_

\_\_\_\_\_

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_

(Applicant's Signature)

For City Use Only

THE ABOVE APPLICATION [ ] IS [ ] IS NOT IN CONFORMANCE WITH THE REQUIREMENTS OF THE CITY OF CIMARRON NEIGHBORHOOD REVITALIZATION PROGRAM.

IF NOT IN CONFORMANCE, REASON: \_\_\_\_\_

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_

Part 2

AS OF JANUARY 1 FOLLOWING COMMENCEMENT OF CONSTRUCTION, THE IMPROVEMENTS ARE [ ] COMPLETE [ ] INCOMPLETE (Check One)

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Property Owner's Signature)

*For County Appraiser's Use Only*

The appraised valuation of this property is:

	Prior to Improvement	After Improvement	Amount Subject to Rebate
Land	\$ _____	\$ _____	\$ _____
Improvements	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Gray County Appraiser's Office)

*For County Treasurer's Use Only*

AS OF \_\_\_\_\_ TAXES AND SPECIAL ASSESSMENTS ON THIS PARCEL OF PROPERTY [ ] ARE [ ] ARE NOT CURRENT

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Gray County Treasurer's Office)

*For City Clerk's Use Only*

AS OF \_\_\_\_\_ CITY-ADMINISTERED UTILITIES ON THIS PARCEL OF PROPERTY [ ] ARE [ ] ARE NOT CURRENT

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Cimarron City Clerk's Office)

**APPLICATION FOR TAX REBATE – COMMERCIAL / INDUSTRIAL**  
City of Cimarron Neighborhood Revitalization Program

(Please Print or Type)

Part 1

OWNER'S NAME \_\_\_\_\_ DAY PHONE NO. \_\_\_\_\_

OWNER'S MAILING ADDRESS \_\_\_\_\_

PROPERTY ADDRESS \_\_\_\_\_

PARCEL IDENTIFICATION NUMBER \_\_\_\_\_

(Take Parcel ID number and legal description from your tax statement or call the County Clerk's Office)

LEGAL DESCRIPTION OF PROPERTY \_\_\_\_\_

\_\_\_\_\_

(Use additional sheets if necessary)

PROPERTY USE     Rental                       Owner-occupied

PROPOSED IMPROVEMENTS \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

(Be specific – use additional sheets if necessary)

TOTAL COST OF IMPROVEMENTS \$ \_\_\_\_\_  ACTUAL     ESTIMATED

CONSTRUCTION TO BEGIN ON \_\_\_\_\_, 20\_\_

ESTIMATED DATE OF COMPLETION \_\_\_\_\_, 20\_\_

(Must be completed in one year. Extensions beyond that period will be considered in advance on a case-by-case basis.)

LIST BUILDINGS TO BE DEMOLISHED \_\_\_\_\_

\_\_\_\_\_

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_

(Applicant's Signature)

For City Use Only

THE ABOVE APPLICATION [ ] IS [ ] IS NOT IN CONFORMANCE WITH THE REQUIREMENTS OF THE CITY OF CIMARRON NEIGHBORHOOD REVITALIZATION PROGRAM.

IF NOT IN CONFORMANCE, REASON: \_\_\_\_\_

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_

Part 2

AS OF JANUARY 1 FOLLOWING COMMENCEMENT OF CONSTRUCTION, THE IMPROVEMENTS ARE [ ] COMPLETE [ ] INCOMPLETE (Check One)

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Property Owner's Signature)

*For County Appraiser's Use Only*

The appraised valuation of this property is:

	Prior to Improvement	After Improvement	Amount Subject to Rebate
Land	\$ _____	\$ _____	\$ _____
Improvements	\$ _____	\$ _____	\$ _____
Total	\$ _____	\$ _____	\$ _____

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Gray County Appraiser's Office)

*For County Treasurer's Use Only*

AS OF \_\_\_\_\_ TAXES AND SPECIAL ASSESSMENTS ON THIS PARCEL OF PROPERTY [ ] ARE [ ] ARE NOT CURRENT

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Gray County Treasurer's Office)

*For City Clerk's Use Only*

AS OF \_\_\_\_\_ CITY-ADMINISTERED UTILITIES ON THIS PARCEL OF PROPERTY [ ] ARE [ ] ARE NOT CURRENT

BY \_\_\_\_\_ DATE \_\_\_\_\_, 20\_\_  
(Cimarron City Clerk's Office)

## **Procedure for Submission of an Application**

### Overview of Process

1. The City will offer and advertise the availability of the tax rebate program periodically throughout the year.
2. Persons or businesses planning improvement projects may submit an application to the City Council at any time for a predetermination of eligibility.
3. The improvement plan will stipulate the type of improvement to be made, renderings, a timetable for completion and any supporting documents appropriate for the type of application.
4. Prior to beginning the project, the owner shall apply for a building permit that shall be attached to the application.
5. Once the application and the building permit have been submitted, the City Council shall determine eligibility of the project for the tax rebate.
6. At completion, the owner shall request a reappraisal by the County Appraiser which will determine the property value and shall be used to calculate the tax value increment added by the improvements.
7. At the customary time, the County Treasurer shall mail tax statements based on the new appraised value.
8. The property owner shall submit proof of payment of the entire tax bill to the County Treasurer to initiate the tax rebate procedure.
9. Only a percentage of the increase in taxes will be rebated less any applicable administrative fees (5% or \$50.00, whichever is greater the first year; then 5% or \$25.00 whichever is greater for remaining years). In accordance with state law, the rebate must be issued within thirty days after proof of payment has been submitted by an approved applicant. Any special assessments levied against the property will not be included in the rebate formula
10. Only projects that have been predetermined to be eligible shall receive a rebate.

### How To/Where To

This program will begin receiving applications after its adoption by the governing body of the City of Cimarron and the execution of the Interlocal Agreement with Gray County,

Unified School District #102 and Cimarron Township. Thereafter, the City will process applications as they are submitted with no monthly or quarterly deadlines. Applications will be available at the

Cimarron City Hall, 119 S. Main St., Cimarron KS 67835. (Phone 620-855-2215)

The County Treasurer will perform the calculation of the final rebate amount based on the actual appraised value. The County Treasurer will submit an annual report to the City Clerk showing the property valuation before and after appraisal and the amount of the rebate.

1. The Applicant shall obtain an Application for Tax Rebate from City Hall, available Monday through Friday (excepting holidays) from 8:00 a.m. to 5:00 p.m.
2. The applicant shall complete and sign Part 1 of the application and file the original, accompanied by a \$25 application fee, with City Hall within 60 days following issuance of the building permit . A valid copy of the building permit must be attached to the application.
3. After review and preliminary approval, the City Clerk shall forward the application to the Gray County Treasurer's Office to determine if the taxes and special assessments are current.
4. Upon completion by the Treasurer's office, the City will return the application to the applicant. The applicant shall certify the status of the improvement project as of January 1 following the commencement of construction by completing and signing Part 2 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. Following 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 1. The tax records on the project shall be revised by the County Clerk's Office.
6. Upon determination by the County Appraiser's office of the value of the improvements and a determination by the County Treasurer's office that the taxes and assessments on the property are not delinquent, the City Clerk 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 Treasurer's and County Clerk's Office of the rebate percentage due for each year of the rebate period.

7. Upon the payment 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 less applicable administrative fees as specified in the Interlocal Agreements. The tax rebate shall be made within 30 days after the next tax distribution date as specified in K.S.A. 12-1678a, following payment and submittal of a receipt by the applicant to the County Treasurer. The tax rebate shall be made from the Neighborhood Revitalization Fund established by Gray County and other taxing units participating in the Interlocal Agreement. The City Clerk shall make periodic reports on the tax rebate program to the City Council and other taxing units accordingly.
8. The City Clerk shall inform the County Clerk 30 days prior to the expiration of the final rebate period for each property receiving a tax rebate.

#### Standards and Criteria for Review and Approval

1. The property for which a rebate is requested shall conform with all applicable city 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. The property must meet all qualifications established herein for participation in the tax rebate program.
3. Any property that becomes delinquent in any tax payment or special assessment collection period or city-administered utilities shall not be eligible to continue in the program. A written appeal may be submitted to the city council for reconsideration.
4. Following establishment of the increase in assessed value resulting from a specific improvement, the fixed rebate percentage shall be applied to any change in assessed value during subsequent years for the duration of the rebate term.
5. The Cimarron City Council 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 City Council's decision, a no-cost written appeal may be submitted to the Cimarron Planning and Zoning Commission for determination.

**Statement Specifying Rebate Formula and Term**

Program Period:

The Neighborhood Revitalization fund and tax rebate incentive program shall expire on December 31, 2015 but may be extended in 2015 for a 5 year period until December 31, 2020 by participation in a renewed interlocal agreement by taxing entities.

Rebate Period and Amounts:

Residential .....5 years

1 <sup>st</sup> year	95%
2 <sup>nd</sup> year	95%
3 <sup>rd</sup> year	95%
4 <sup>th</sup> year	95%
5 <sup>th</sup> year	95%

Commercial and Industrial ..... 10 years

1 <sup>st</sup> year	100%
2 <sup>nd</sup> year	90%
3 <sup>rd</sup> year	80%
4 <sup>th</sup> year	70%
5 <sup>th</sup> year	60%
6 <sup>th</sup> year	50%
7 <sup>th</sup> year	40%
8 <sup>th</sup> year	30%
9 <sup>th</sup> year	20%
10 <sup>th</sup> , final year	10%

The following amount will be withheld annually by Gray County to offset expenses and handling costs of the Neighborhood Revitalization Program: 5% of the increased tax bill or \$50.00, whichever is greater, the first year; and 5% of the increased tax bill or \$25, whichever is greater, for remaining years.