BEFORE THE CITY COUNCIL

OF SENECA, KANSAS.

IN THE MATTER OF THE ADOPTION OF A

NEIGHBORHOOD REVITALIZATION PLAN.

# **NEIGHBORHOOD REVITALIZATION PLAN**

The City Council of the City of Seneca of Nemaha County, Kansas, (herein sometimes called “Governing Body”), pursuant to the Kansas Neighborhood Revitalization Act, K.S.A.1998 Supp. 12-17,114, et. seq., does hereby adopt a Neighborhood Revitalization Plan (herein sometimes called “Plan”) for the City of Seneca as follows:

### PART I

# **FINDINGS**

 1) Pursuant to K.S.A. 1998 Supp.1217,116, the Governing Body finds:

. A. There has been both commercial and residential development in the past three years in Seneca, largely due to the development of a new eighteen hole public golf course and the resulting vacating of the existing nine hole golf course.

 B. The development of the new golf course and the residential area surrounding it has also put pressure on other residential development within the city and created a need for temporary housing (Hotels, motels, bed and breakfasts) to accomodate golfers and business visitors to the city.

C. Two new retail businesses have been opened on the Highway 36 corridor

D. An existing business has done a major expansion resulting in almost doubling that business’ work force. Since the company began with five employees in a garage the business has expanded to three sites (Two in Seneca and one in Hiawatha) and the work force has gone to over 250 employees. Another business of a similar type has also undergone an expansion, although on a smaller scale.

E. Due to these businesses and another twenty-five year old plus manufacturing business in Seneca, the unemployment rate has remained very low in both Nemaha County and the City of Seneca.

F. The expansion of the above businesses has created a need for more development in the upper lower to middle income housing market.

G. The acceptance of Seneca into the Kansas Mainstreet Program has revived and revitalized the interest of the downtown business community in improving their buildings and making the downtown business district more attractive to customers and the community.

H. While not directly affecting neighborhood revitalization, both the public and Catholic Schools are currrently building new grade schools. Moving the new public school to a new location will free up some prime business property for development.

I. Demographic information according to the 2000 U. S. Census about the City of Seneca includes the following:

1) The total population is 2,122 with 985 Males and 1,137 Females

2) Age—74.5% of the population was 18 and over in 2000

 27.0% of the population was 65 and over in 2000

3) 77.8% of the population 25 years and over was a high school graduate or higher

 15.6% of the population 25 years and over had a bachelor’s degree or higher

4) The median household income was $ 31,288 (1999 dollars)

 The median family income was $ 40,819 (1999 dollars)

 The per capita income was $ 19,076 (1999 dollars)

2. Notice of hearing on this Plan has been given pursuant to K.S.A. 1998 Supp. 12-17,117(c) by publication in the “The Courier Tribune”, the official City newspaper, of Seneca on February 18,2009 and February 25, 2009 and proof of such publication has been filed in the office of the City Clerk of the City of Seneca.

3. By reason of the findings made in Part I, paragraph 1, subparagraphs A. through I., herein above, the Governing Body finds that a majority of the conditions required for the designation of areas under the Kansas Neighborhood Revitalization Act, as described in subsection (c) of K.S.A. 1998 Supp. 12-17,115, does exist in the commercial and residential areas of the City of Seneca and that the rehabilitation, conservation and redevelopment of such areas is necessary to protect the public health, safety and welfare of the residents of the City of Seneca.

#### PART II

## NEIGHBORHOOD REVITALIZATION PLAN

## FORMAL DESCRIPTION

1. LEGAL DESCRIPTION OF AREA IN PLAN.

A. Legal description of real estate forming the boundaries of the areas includes:

The incorporated limits of the City of Seneca, Kansas subject to possible future annexation and condemnation.

B. Maps depicting the existing Parcels of real estate covered by this Plan have been prepared and are on file in the office of the County Appraiser of Nemaha County in the GIS file and the same are adopted by reference as a part of the Plan.

2. ASSESSED VALUATION OF COMMERCIAL REAL ESTATE. The 2008 assessed valuation of the commercial real estate included in the Plan is $ 14,629,056 as per records in the office of the Nemaha county Appraiser.

 3. APPRAISED VALUATION. The 2008 appraised valuation of the commercial real estate included in the Plan, listing land and building values separately as per records in the office of the Nemaha County Appraiser, is as follows:

 Land $ 92,617,990

 Buildings $ 17,186,330

 Total $ 109,804,320

4. NAMES AND ADDRESSES OF OWNERS. A listing of the names and mailing addresses of the Owners of record of the real estate included within the Plan is on file in the office of the County Appraiser of Nemaha County and the same is adopted by reference as a part of the Plan.

5. ZONING CLASSIFICATIONS. The City of Seneca has a comprehensive plan and is zoned. Nemaha County does not have a comprehensive plan, zoning classifications or zoning district boundaries.

6. MUNICIPAL SERVICES. Proposals for improving or expanding municipal services as described in K.S.A. 1998 Supp. 12-17,117(a)(5) can be viewed at the office of the City Clerk of the City of Seneca, at the City Hall.

7. REAL PROPERTY ELIGIBLE:

A. All commercial, retail and residential dwellings located on property and all improvements thereon situated in the designated area as set forth in Part II, paragraph 1.A. above within the City of Seneca are eligible to apply for Revitalization under the Plan. The exception to this statement is new residential construction on property that has not been previously occupied by a building that has been demolished.

B. Rehabilitation of and additions to existing buildings and, construction of new buildings in the commercial, retail and residential dwellings categories are each and all eligible to apply for Revitalization under the Plan. The exception to this statement is new construction on property that has not been previously occupied by a building that has been demolished.

8. CRITERIA FOR ELIGIBILITY: PROCEDURE TO COMPLETE APPLICATION

TO QUALIFY.

A. The criteria to be used by the Governing Body to determine what specific real property is eligible for Revitalization and for Property Tax Increment Rebate shall be as follows:

1) (a) Construction of an improvement must have begun on or after the date on which an Application To Qualify And To Participate has been approved by the County Appraiser of Nemaha County.

(b) Construction must be completed and such fact reported to the

Nemaha County Appraiser no later than the second January 1st following the date on which the County Appraiser conditionally approved the Application under Part II of the Application To Qualify And To Participate. If the construction is reported after the said second January 1st, the Conditional Approval will become null and void and the Improvements, if any, thereto completed will not be eligible to participate in the Plan and Rebate Program.

2) In order to qualify for Revitalization and to be eligible to receive a Rebate, a Parcel of real estate must have a minimum increase of $15,000.00 for residential and retail properties and $ 20,000.00 for commercial and non-retail properties in the County Appraiser’s appraised value. The increase in the appraised value must be as a direct result of a qualified Construction and Improvement on a Parcel of commercial, retail or residential real estate.

3) (a) All new construction and all improvements to existing property must comply with all applicable zoning, building, improvement, sanitary, and construction codes, rules, regulations, resolutions, and ordinances in effect at the time the improvements are made; and

(b) To maintain its eligibility, such Parcel must continue to remain in compliance with all applicable zoning, building, improvement, sanitary, and construction codes, rules, regulations, resolutions and ordinances in effect during the entire period of time the Parcel remains eligible for Rebates.

4) Any Parcel that is delinquent in the payment of any ad valorem property tax assessment or special assessment shall not be eligible for any Rebate.

5) The Owner of commercial property that is eligible for Property Tax Increment Rebates under any adopted Neighborhood Revitalization Plan and that is also eligible for property tax exemption under K.S.A. 1998 Supp. 79201a. Second. or any other existing ad valorem tax exemption law, will be eligible to secure relief under only one such Plan or law, as the Owner shall elect.

6) Eligibility for Rebates is subject to the adoption and approval of a Plan by each taxing district. A list of taxing districts in the City of Seneca that have adopted a Neighborhood Revitalization Plan shall be maintained in the office of the County Clerk of Nemaha County.

7) In the event of a transfer of ownership of a Parcel during the eligible Rebate period, such Parcel and the new Owner thereof shall remain eligible to apply for the Rebate during the remainder of the time for which such Parcel remains eligible for Rebates.

8) (a) Multiple qualified improvements to the same Parcel completed within one calendar year shall be treated as one improvement.

(b) Multiple qualified improvements made to the same Parcel in different or succeeding years, which meet the minimum requirements in any given year, are eligible for an additional Rebate period. The total Rebate in any succeeding year will be calculated and determined after the initial qualified Rebate is determined, and will be based upon the additional increase in the assessed value directly resulting from the succeeding qualified improvement.

9) Rebates shall be payable only after Application is made and approved pursuant to Part II, Paragraphs 8., 9. and 10.of the Plan. Rebates approved for payment shall be made on one of the distribution dates provided for in K.S.A. 121678a next following approval for payment of the Rebate or not more that 60 days after payment, whichever is earlier.

B. In completing an Application To Qualify And To Participate, the Applicant shall:

1) If required, secure a building permit prior to commencement of construction on the parcel

2) Prior to commencement of construction, complete all portions of Part I of the Application, sign and date the Application, and file all copies thereof in the office of the County Appraiser of Nemaha County.

3) Concurrently with filing the Application with the Nemaha County Appraiser, the Applicant shall pay to the Nemaha County Appraiser a non-refundable Application Fee of $35.00.

4) Following filing of the Application, the Nemaha County Appraiser will take action on the Application and will complete Part II thereof. Following completion of Part II, the County Appraiser of Nemaha County shall deliver a true and correct photocopy of the completed Part I and Part II of the Application to the Owner. If deemed necessary in the opinion of the Nemaha County Appraiser, the Nemaha County Appraiser has the option to inspect the property prior to completing Part II of the Application.

5) As to any Construction and Improvement which is only partially completed as of the January 1st immediately following the conditional approval of the County Appraiser of the applicable County under Part II of the Application, the Owner shall report such fact in person to the County Appraiser of the applicable county and shall complete Part III(a) of the Application.

6) As to any Construction and Improvement which is reported by the Owner, pursuant to Paragraph 7.B.5) above, as being only partially completed, the County Appraiser of Nemaha County shall appraise such partially completed Construction and Improvement as of the January 1st immediately following the applicable conditional approval under Part II of the Application by the County Appraiser of the applicable county. Such partially completed Construction and Improvement shall have taxes levied, assessed, and collected thereon in the usual and customary manner and the same shall not be eligible in the year of such levy and assessment as a partially completed Construction and Improvement for a Rebate under the Plan.

7) After any Construction and Improvement is completed, the Owner shall report such fact in person to the County Appraiser of the applicable county and shall complete Part III(b) of the Application.

8) After the Owner shall have completed Part III(b) of the Application and filed the same with the Nemaha County Appraiser, the Nemaha County Appraiser shall determine the increase in the appraised value of the Parcel of real estate described in the Application which is directly attributable to the Construction and Improvement described in Parts I, II and III of the Application, from the value of the Parcel as of the January 1 immediately preceding the approval of the Application by the Nemaha County Appraiser concerning the Parcel, following which, the Nemaha County Appraiser shall complete Part IV of the Application.

9) If the Owner is aggrieved by any act, action or omission of the County Appraiser of the applicable county pursuant to Parts II and/or IV of the Application the Owner, if possible, shall first complete such remedial action as may be necessary to secure the required approval of the Nemaha County Appraiser. If the Owner cannot secure the approval of the Nemaha County Appraiser, then the Owner may appeal the Nemaha County Appraiser’s decision to the City Council of the City of Seneca and thence to the District Court using the procedures provided set forth in Part II, Paragraph 9.B.2)(b) of the Plan herein below.

10) In completing an Application To Qualify And To Participate all actions required by this Paragraph 7.B. shall be made and completed by either the Owner or the Owner’s agent or all owners must sign if multiple owners.

C. The form attached hereto as Exhibit A and entitled “Application To Qualify And To Participate” is hereby approved and adopted as to content for use in completing an Application pursuant to this Paragraph 7. The form is intended to be administrative in nature and as such may be amended or revised at the discretion of the Nemaha County Appraiser in performing his/her duties as regards the approved intent of the City of Seneca Neighborhood Revitalization Plan.

9. CONTENT OF APPLICATION FOR REBATE. The content of the form “Application for Rebate”, as authorized under K.S.A. 1998 Supp. 1217,118, is set forth in the document which is attached hereto as Exhibit B and is hereby adopted as a part of the Plan. However, the form, as set forth in Exhibit B, is intended to be administrative in nature. As such the form may be amended or revised at the discretion of the Board of County Commissioners of Nemaha County to comply with requirements of the various Nemaha County administrative offices and the approved Plan.

10. PROCEDURE FOR APPLYING FOR REBATE. The procedure for submission of an Application for Rebate of Property Tax Increments is as follows:

A. Application for Rebate forms will be mailed from the Nemaha County Appraiser. The Application for Rebate form must be completed by the Owner of any parcel of real estate approved for Revitalization.

 B. 1) If the Nemaha County Appraiser approves the Owner’s Application for Rebate, then the Owner shall file such Application with the County Clerk of Nemaha County.

 2) If the County Appraiser of Nemaha County does not approve the Application, then the Owner, if possible, shall amend the Application as may be necessary to secure the approval of County Appraiser of Nemaha County and shall thereupon proceed to file the Application with the County Clerk of Nemaha County. If the County Appraiser of Nemaha County will not approve the Application, then the Owner may appeal the Nemaha County Appraiser’s decision to the City Council of the City of Seneca in the manner provided for the filing of appeal by Taxpayers in K.S.A. 1996 Supp. 79-1606(a) and (b). Upon the filing of any such appeal, the same shall be heard by the said Council prior to the September 1st following the filing of any such appeal. If the Council likewise disapproves such Application, then the Taxpayer may appeal to the District Court of the County of Nemaha in the manner authorized by K.S.A. 19-223.

C. An Application for Rebate approved for payment as a Claim pursuant to Paragraph 9. shall be submitted to and paid by the County Treasurer of Nemaha County. Such payment shall be made only at the next occurring time provided for the distribution of taxes by the County Treasurer of Nemaha County pursuant to K.S.A. 12-1678a (c) or not more than 60 days after payment of the most recently assessed ad valorem tax on the parcel (whichever is earlier) which follows the approval for payment of an Application for Rebate.

D. The Application for Rebate provided for in this Paragraph 9. may be made in person or by U.S. Mail by the Taxpayer or the Taxpayer’s agent or attorney.

11. CRITERIA TO BE USED WHEN CONSIDERING MERIT OF APPLICATIONS FOR REBATE. The standards or criteria to be used when reviewing Applications for Rebate for approval or disapproval thereof are as follows:

A. The Parcel must meet all criteria for eligibility as set forth in Part II, Paragraph 7. above as of the date that the Application for Rebate is filed.

B. The Procedure for submission of an Application for Rebate as set forth in Part II, Paragraph 9. must have been completely and correctly complied with.

C. All ad valorem taxes and all special assessments levied against the Parcel on which the Rebate is sought must have been paid in full by May 10 of the current year prior to filing of the application for Rebate on or before June 5 following the May 10 deadline.

D. The Application for Rebate must be filed on or before the June 5th next following the May 10th deadline for the payment of all taxes for which the Rebate is sought. Failure to pay by May 10th will result in ineligibility to participate in the plan for one (1) year.

E. In the case of multiple Owners of a property eligible for a Rebate, absent a written agreement providing otherwise, the Rebate will be made payable to all Owners of record.

12. MAXIMUM TAX REBATABLE; YEARS OF ELIGIBILITY.

A. The amount of the Rebate is the resulting increase in the ad valorem tax, if any, which is directly attributable to the Construction and Improvement to the qualified Parcel and to the increase in assessed valuation directly resulting therefrom, in each given year during the period of eligibility, calculated in accordance with the applicable percentage amounts as set forth in the following table:

RESIDENTIAL PROPERTY

|  |  |
| --- | --- |
|  | Percentage of Property Tax |
|  Years of Eligibility  |      Increment Rebatable\*     |
|  |  |
| Year 1 | 75% |
| Year 2 | 75% |
| Year 3 | 75% |
| Year 4 | 75% |
| Year 5 | 75% |

\*Percentage rebatable is of the increase in the amount of ad valorem property tax (tax increment) directly resulting from the qualified Construction and Improvement.

COMMERCIAL AND RETAIL PROPERTY

|  |  |
| --- | --- |
|  | Percentage of Property Tax |
|  Years of Eligibility  |      Increment Rebatable\*     |
|  |  |
| Year 1 | 100% |
| Year 2 | 100% |
| Year 3 | 100% |
| Year 4 | 100% |
| Year 5 | 100% |
| Year 6 | 100% |
| Year 7 | 100% |
| Year 8 | 100% |
| Year 9 | 100% |
| Year 10 | 100% |

\*Percentage rebatable is of the increase in the amount of ad valorem property tax (tax increment) directly resulting from the qualified Construction and Improvement.

B. 1) Five percent (5%) of the Increment on any given Parcel, for each year, shall be retained by NemahaCounty for services rendered in connection with administration of the Plan, subject, however, to the condition that a minimum amount of $25.00 shall be retained per Rebate transaction.

2) Property Tax Increment not Rebated to the Taxpayer in accordance with the table set forth in Paragraph 11.A. above or retained by the applicable County pursuant to Paragraph 11.B.1) above shall be distributed to the Taxing Districts for whom the Increment was collected.

C. A Residential Parcel determined qualified for Rebates shall be entitled to such rebates for a period of five (5) years provided the property declared qualified shall continuously maintain such qualification.

D. A Commercial or Retail Parcel determined qualified for Rebates shall be entitled to such rebates for a period of ten (10) years provided the property declared qualified shall continuously maintain such qualification.

13. DURATION OF PLAN; CONTINUATION OF REBATES ON QUALIFIED PROPERTY.

A. Unless hereafter repealed prior thereto, this Plan shall remain in full force and effect for a period of five (5) years from the effective date of this document. The governing body shall start review of the plan in August prior to the expiration date and take applicable action to keep a Revitalization Plan in effect or let it expire with the current plan.

B. At any time during the period that this Plan remains in effect, any Owner of eligible real property may apply for Revitalization of such real property pursuant to Part II, Paragraph 7. of the Plan.

C. Unless otherwise provided for by any law of the State of Kansas hereafter enacted, any and all real property which shall have qualified for Revitalization and for Rebates prior to the final termination date of the Plan as provided in Paragraphs 12.A. and 12.B. above shall continue to be and remain qualified for Rebates pursuant to Part II, Paragraphs 8., 9., 10. and 11. of the Plan notwithstanding the fact that other real property described in Part II, Paragraph 1. of the Plan which has not theretofore qualified for participation under the Plan will no longer be eligible to do so.

14. DEFINITIONS

A. When the words or terms “Applicant”, “Applicant for Rebate”, “Owner” or “Taxpayer”, are used and referred to in the Plan, the same, where applicable, include the plural, as well as the singular.

B. As used in this Plan:

1) The term “Applicant” means and refers to each and every person filing an Application pursuant to Part II, Paragraphs 7. and 9. of this Plan. Such word also means and refers to “Owner” and “Taxpayer” as defined in this Plan.

2) The term “Application” means and refers to each and all Applications which shall be filed pursuant to Part II, Paragraph 7. of this Plan.

3) The term “Application for Rebate” means and refers to Applications filed pursuant to Part II, Paragraphs 8. and 9. of this Plan.

4) The term “Council” means and refers to the City Council of the City of Seneca, Kansas.

5) The term “Construction and Improvement” means and refers to rehabilitation of and additions to existing buildings or new construction, or both, which are completed and qualified under the Plan.

6) The term “County Appraiser” means and refers to the County Appraiser of Nemaha County, Kansas.

7) The term “County Clerk” means and refers to the County Clerk of Nemaha County, Kansas.

8) The term “County Treasurer” means and refers to the County Treasurer of Nemaha County, Kansas.

9) The term “District Court” means and refers to the District Court of Nemaha County, Kansas.

10) The term “Governing Body” means and refers to the City Council of the City of Seneca, Kansas.

11) The term “Increment” means and refers to that amount of ad valorem taxes collected from the Parcel qualified under the Plan which is in excess of the amount which was produced from such Parcel and was attributable to the assessed valuation of such Parcel prior to the qualification of the Parcel under the Plan and which is directly attributable to that part of the assessed valuation of the Parcel directly resulting from the Revitalization of the Parcel under the Plan. The term “Property Tax Increment”, where used in the Plan is synonymous with the word “Increment” as defined herein.

12) The term “NRA” means and refers to the Kansas Neighborhood Revitalization Act as set forth in K.S.A. 1998 Supp. 12-17,114 et. seq.

13) The term “Owner” means the Owner of real estate which is described in an Application and in an Application for Rebate when filed pursuant to the Plan. Owner also means and refers to “Applicant” and “Taxpayer” as defined in this Plan.

14) The term “Parcel” means and refers to the tract or piece or parcel of real estate which is described by the County Appraiser of the applicable County parcel number and by legal description in the Application and in the Application for Rebate.

15) The term “Plan” means and refers to this Revitalization Plan adopted pursuant to the Kansas Neighborhood Revitalization Act (NRA).

16) The term “Rebate” means and refers to that part of the ad valorem property tax paid by a Taxpayer on a Parcel qualified under the Plan that is attributable to the increase in the assessed valuation of the Parcel which is directly attributable to Revitalization and which is refundable to the Taxpayer by a taxing district which has adopted a plan under the NRA.

17) The term “Revitalization” means and refers to all Construction and Improvement completed on a Parcel which is qualified under the Plan.

18) The term “Taxpayer” means and refers to the Owner of a qualified Parcel who pays the ad valorem property taxes levied and assessed thereon.

19) The term “Taxing District” means and refers to Nemaha County and any and every other unit of local government within Nemaha County which shall have adopted an NRA Plan and for whose use and purposes any Property Tax Increment shall be hereafter levied and collected.

15. AMENDMENT OR REPEAL.

A. This plan may at any time hereafter, in whole or in part, be amended, supplemented, or repealed using the procedures set forth in Paragraph 14.B. below.

B. Prior to amending, supplementing, or repealing this Plan, or any part thereof, the Governing Body shall first publish notice of a public hearing upon the feasibility of any such change at least once each week for two (2) consecutive weeks in the “The Courier Tribune”, the official City newspaper. Such notice shall set forth the specific change or changes proposed, or a summary thereof, and shall advise of the time and place at which such proposed supplement, amendment or repeal shall be heard.

APPROVED AND ADOPTED BY THE CITY COUNCIL OF THE CITY OF SENECA, KANSAS ON THIS THE 18TH DAY OF MARCH, 2009, AND EFFECTIVE MARCH 18, 2009.

CITY OF SENECA, STATE OF KANSAS

BY: THE CITY COUNCIL

ATTEST:

Joe Mitchell, Mayor

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Jane F. Strathman, City Clerk