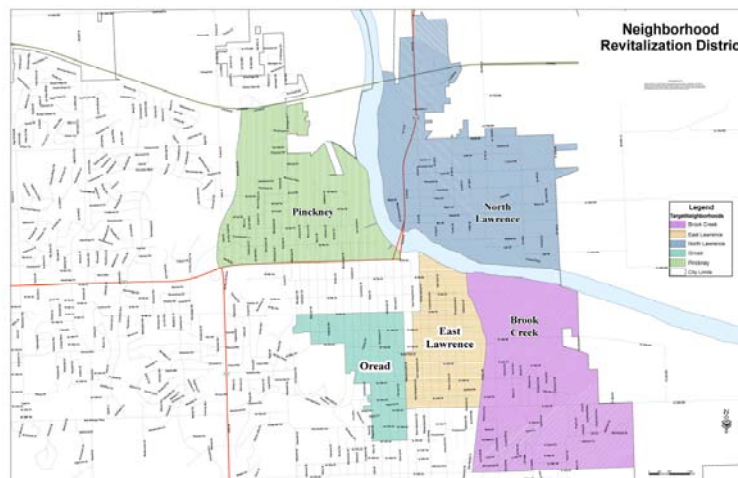


# City of Lawrence



## Neighborhood Revitalization Plan Neighborhoods District



# City of Lawrence Neighborhood Revitalization Plan and Program

This Neighborhood Revitalization Plan ("Plan") is required by the Kansas Neighborhood Revitalization Act (the "Act") (see Appendix 1) in order to create a neighborhood revitalization area intended to encourage both reinvestment and improvements to a specific area or district of the community. The governing body of the City of Lawrence has determined that the Neighborhood Revitalization District ("District") described in this Plan is a neighborhood revitalization area as described in K.S.A. 12-17,115(c).

The Governing Body has also determined that the rehabilitation, conservation, and redevelopment of the District is necessary to protect the public health, safety and welfare of the residents of the Neighborhood Revitalization District and the City as a whole, as required by K.S.A. 12-17,116.

In accordance with K.S.A. 12-17,117, the components of this Plan include:

1. A general description of the Plan's purpose;
2. A legal description and map of the District;
3. The existing assessed valuation of the real estate comprising the District;
4. A list of names and addresses of the owners of record within the District;
5. The existing zoning classifications and District boundaries and the existing and proposed land uses within the District;
6. The proposals for improving or expanding municipal services within the District;
7. The term of the Plan;
8. The criteria used to determine what property is eligible for revitalization, including a statement specifying that property, existing buildings, and new construction is eligible for revitalization;
9. The contents, procedure and standard of review for an application for a rebate of property tax increments;
10. A statement specifying the maximum amount and years of eligibility for a rebate of property tax increments; and
11. A section regarding the establishment of a Neighborhood Revitalization Fund.

## **Section 1: Purpose**

The vitality of the District plays a key role in the health and quality of life of the community. The City desires to establish a neighborhood revitalization tax rebate program (the “Program”) to provide incentives for property owners to invest in new development and redevelopment, and to build public and private infrastructure and to protect and revitalize historic properties. The Program is intended to revitalize the city’s core neighborhoods and promote renewed investment, rehabilitation and conservation in residential and commercial properties in the District. The Program provides incentives for both residential and commercial property owners to improve their aging or deteriorating property, or otherwise increase the appraised value of the property. The Program is intended to promote the revitalization and development of residential and commercial properties by stimulating new construction and the rehabilitation, conservation, or redevelopment of the area in order to protect the public health, safety, or welfare of residents of the City.

The Program will provide a valuable incentive to private developers/property owners to redevelop the District and will accomplish important City priorities including, but not limited to, the following:

- Encourage the rehabilitation of historic structures;
- Encourage private parties to construct public infrastructure;
- Encourage housing, commercial, and industrial development in the City;
- Encourage the development of affordable housing;
- Stabilize mature neighborhoods;
- Expand the type and design of housing available in the City;
- Encourage the creation of jobs and employment in the City;
- Assist in reversing the outward migration of residents and the resulting deterioration of neighborhoods within a mature portion of the City;
- Strengthen community pride; and
- Create new long-term tax revenue, without creating a fiscal burden for the City, County, and other taxing jurisdictions.

## **Section 2: Legal Description & Map of Neighborhood Revitalization District**

The District shall include all property included within the area described herein:

Brook Creek Neighborhood: That area of the City of Lawrence, Douglas County, Kansas, bounded on the east by the City Limits; on the north by the Kansas River; on the west by the Santa Fe Spur Line; and on the south by the north side of 19<sup>th</sup> Street to the City Limits, excluding Edgewood Homes.

Also:

East Lawrence Neighborhood: That area of the City of Lawrence, Douglas County, Kansas, bounded on the North by the Kansas River; on the south by 15<sup>th</sup> Street and on the East by the Santa Fe Spur Line. The western boundaries are as follows: Rhode Island Street between the Kansas River and 9<sup>th</sup> Street; the alley behind New Hampshire Street between 9<sup>th</sup> and 11<sup>th</sup> Streets; Rhode Island Street between 11<sup>th</sup> and South Park Streets; and Massachusetts between South Park Street and 15<sup>th</sup> Street.

Also:

North Lawrence Neighborhood: That area of the City of Lawrence, Douglas County, Kansas, bounded on the north and east by the City Limits; on the south and west by the Kansas River.

Also:

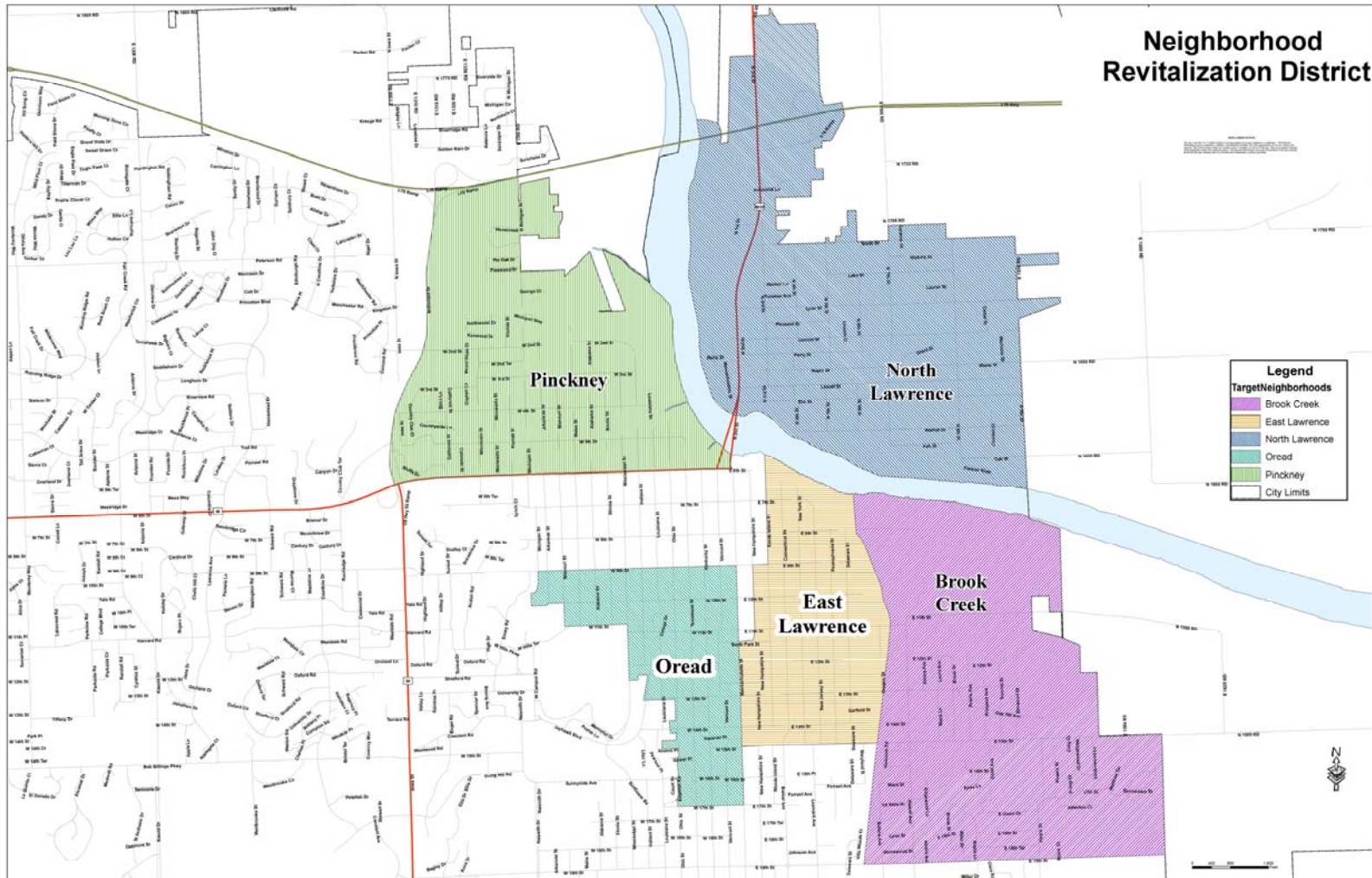
Oread Neighborhood: That area within the City of Lawrence, Douglas County, Kansas, which is bounded by Ninth Street on the north, Massachusetts Street on the east, Seventeenth Street on the south, Michigan Street on the northwest, the University of Kansas on the west to Gower Place, and the west boundary of the properties on the west side of Tennessee Street between 14<sup>th</sup> and 17<sup>th</sup> Streets.

Also:

Pinckney Neighborhood: That area of the City of Lawrence, Douglas County, Kansas, bounded on the south by 6<sup>th</sup> Street; on the west by the West Interchange Road of the Kansas Turnpike; on the north by the Kansas Turnpike and the Kansas River; and on the east by Massachusetts Street.

As depicted below:

## Neighborhood Revitalization District



### **Section 3: Value of Real Properties**

The total number of assessed parcels (2006) in the District is: 4,837

The 2006 appraised value of the real estate in the District is: \$714,450,429

The 2006 assessed value of the real estate in the District is: \$78,376,852

### **Section 4: Owners of Record in the Districts**

See Appendix V – Owners of Record in the Districts

A list of names and addresses of owners of record of real estate within the District are also available upon request from the City Clerk's Office.

### **Section 5: Existing Zoning Classifications and District Boundaries; Existing and Proposed Land Uses**

See Appendix II – Existing Zoning Maps.

See Appendix III – Existing Land Use Maps.

See Appendix IV – Future Land Use Map.

### **Section 6: Proposals for Improving Municipal Services in the District**

The City recognizes the value of municipal services and capital improvements throughout the community. The City is strongly committed to maintaining a substantial presence in the Districts.

Efforts underway or in planning stages include:

*Road Improvements as needed per the City's annual mill and overlay program*

*Two Rivers/ Burroughs Creek Trail Improvements*

*Playground Improvements – ADA Accessibility*

*Intersection Upgrades*

*Sidewalk and Bike path installation*

*Water Main Improvements and Replacements*

*Sanitary Sewer Pumping Station Improvements (North Lawrence, 2007 completion)*

## **Section 7: Term of the Plan**

1. This Plan and tax rebate Program shall be effective upon the adoption of this Plan by ordinance of the Governing Body of the City of Lawrence.
2. This Plan and the District shall expire after two (2) years from the date of adoption unless extended by ordinance of the City Commission prior to its expiration. The City reserves the right to evaluate the Program at any time. The term of the tax rebate for applications approved under this Plan shall be pursuant to Section 10 herein.
3. The Governing Body may repeal, amend or modify this Plan as conditions, policies or priorities of the Governing Body change. If this Plan is repealed or the rebate criteria changed, any approved applications shall be eligible for rebates for the remaining Rebate Term originally provided in the Plan.

The Program is subject to approval of each taxing unit which will be stated in the interlocal agreement between the City and taxing jurisdictions. (See the City Clerk for taxing units who have adopted the Program.)



## **Section 8: Criteria used to Determine what Property is Eligible**

1. All property within the District, as such term is used in the Act, is eligible for Revitalization. Rehabilitation and additions to existing buildings or new construction or both is eligible for Revitalization (collectively "Improvements"). The Governing Body may consider a tax rebate for a property outside of the District eligible under the Plan, if it meets the requirements of K.S.A. 12-17,115 (c). Upon such finding, the Governing Body shall forward such declaration to the participating taxing entities for their consideration.
2. Property used after the Improvements for single or multi-family residential uses is eligible for Revitalization. Property used after the Improvements for commercial or industrial uses is eligible for Revitalization. Mixed-use (both residential/commercial and residential/industrial) property is eligible for Revitalization.
3. Property used after the Improvements for agricultural or any non-commercial, non-industrial or non-residential uses is not eligible.
4. Property within a TIF Redevelopment District is not eligible for Revitalization. Property that has or will receive an ad valorem tax abatement, pursuant to other Kansas authority, is not eligible for Revitalization.
5. As a result of the Improvements, the appraised valuation must increase by \$10,000. Improvements that do not increase the appraised valuation by the foregoing amounts will not be eligible for a property tax rebate.
6. Improvements expected to generate an annual rebate in excess of \$50,000 will not be eligible for a property tax rebate under this plan. These projects will require a separate application and review process and the approval of all participating taxing entities.
7. The Improvements must conform to all codes, rules, and regulations that are in effect at the time the Improvements are made. Improvements must be authorized by public improvement plans or building permit when applicable.
8. Any otherwise eligible property with delinquent property taxes or special assessments shall not be eligible for a rebate until such time as all taxes and assessments have been paid. Property that is not in compliance with or is in violation of any of the applicable codes of the City of Lawrence at the time of application shall be ineligible for the Neighborhood Revitalization Plan. Property with the following land uses defined by the Development Code shall be ineligible for the Neighborhood Revitalization



Plan: Manufactured Homes; Mobile Homes; Sexually Oriented Businesses; Scrap and Salvage Businesses; Telecommunications Facilities; Non-conforming uses, structures and lots.

9. Property within the District that is also within the District established by the 8<sup>th</sup> & Pennsylvania Neighborhood Revitalization Plan or any other adopted Neighborhood Revitalization Plan, must comply with the requirements of the 8<sup>th</sup> & Pennsylvania Neighborhood Revitalization Plan and shall only be eligible for rebates under said 8<sup>th</sup> & Pennsylvania Neighborhood Revitalization Plan.
10. Property within the District that is also within the District established by the Downtown Commercial District Plan or any other adopted Neighborhood Revitalization Plan, must comply with the requirements of the Downtown Commercial District Plan and shall only be eligible for rebates under said Downtown Commercial District Plan.

**Section 9: Contents of an Application for Rebate, Application Procedures and Standards of Criteria Used to Review an Application**

1. Property owners of all eligible property will file an application with the City Clerk on application forms provided by the City. Applications will be provided by the Lawrence City Clerk, located at Lawrence City Hall, 6 East 6<sup>th</sup> Street, Lawrence KS 66044 or online at [www.lawrenceks.org](http://www.lawrenceks.org)
2. Prior to the commencement of construction of any Improvements for which a tax rebate will be requested, the applicant-owner will complete Parts 1, 2 & 3 of the application. The property owner may appeal to the Governing Body and the Governing Body may approve an application for rebate after the commencement of construction of any Improvements but not later than when the substantially completed Improvements are first assessed by a Lawrence Building Official or designee.
3. Parts 1, 2 & 3 of the application must be filed with the City Clerk with a refundable application fee (\$25.00 single family residential and \$100.00 multifamily residential or commercial) prior to the commencement of construction.
4. The City Clerk will forward a copy of Parts 1, 2 & 3 to the County Appraiser for notification and information purposes. Copies of the application will also be forwarded to the Planning and Development Services Department for monitoring purposes.
5. The Planning and Development Services Director or their designee, shall review all applications based on eligibility contained in this Plan. If the application is (i) complete (to the extent required at this point in the process), (ii) involves an eligible property and land use, and (iii) complies with all standards within the Act and this Plan; the Planning and Development Services Director or their designee shall approve such application.
6. The City will notify by letter to the applicant within thirty (30) days of receipt of Parts 1, 2 & 3 of the application, indicating approval or denial of the Application. If denied, the City will state the reason for the denial. If an application is not approved, the property owner may appeal the decision in writing to the Governing Body, where a hearing will be set to determine the property's eligibility.
7. The applicant-owner will file Part 4 of the Application within 10-days after commencing construction of the Improvement. The City shall provide Part 4 of the Application to the County Appraiser.

8. For any Improvement that is completed on or before January 1 of the calendar year, following the commencement of construction, the owner-applicant will file Part 5 of the application with the City certifying the completion of construction, along with an itemized statement of costs. Part 5 of the Application will be filed on or before December 1 of the calendar year, preceding the commencement of the tax rebate period.
9. For any Improvement that is only partially completed as of January 1 of the calendar year, following commencement of construction, the owner-applicant will file Part 5 of the application with the City indicating the status of construction as of January 1 of the calendar year. Part 5 will be filed on or before December 15 of the calendar year, preceding the commencement of the tax rebate period.
10. The City shall provide Part 5 of the application to the County Appraiser.
11. Soon after January 1 of the calendar year, the County Appraiser will conduct an on-site inspection of the Improvements and determine the new valuation of the real estate accordingly. The valuation is then reported to the County Clerk by June 15 of the calendar year. The tax records will be revised.
12. Upon payment in full of the real estate tax for the subject property for the initial and each succeeding year period extending through the Rebate Term, and within an approximately thirty (30) day period following the date of tax distribution by the County to the other taxing units, a tax rebate in the amount of the Tax Increment (defined below) will be made to the owner or the person liable for payment of the taxes on the property or their assignee. If property tax is paid in semiannual payments, the rebate is made after payment of the second installment.
13. The tax rebate will be made by the Finance Director of Lawrence through the Neighborhood Revitalization Fund established in conjunction with the other taxing units participating in an Interlocal Agreement. If the property owner appeals their tax bill to County Appraiser, no payment will be made until the appeal is resolved.

## **Section 10: Amount of Tax Rebate, Rebate Term, and Maximum Rebate Limit**

1. Tax rebates will be provided in the designated District subject to all Criteria for Determination of Eligibility (see Section: 8 & 9) being met and an application being filed. A summary of the tax rebated by property type is listed below in Table 1.

**TABLE 1**

Property Type	Refundable Application Fee <sup>1</sup>	Percent of Rebate	Length of Rebate <sup>2</sup>
Single Family and Two Family Residential	\$25	95%	10 years
Multi-Family Residential	\$100	95%	10 years
Commercial	\$100	95%	10 years
Historic Residential	\$25	95%	15 years
Historic Commercial	\$100	95%	15 years

2. The tax rebate paid shall be equal to 95% of the ad valorem taxes collected from real property located within the District, that are in excess of the amount which would be produced from such property and attributable to the assessed valuation of such property prior to the date of application, subject to limitations contained in this Plan (the "Tax Increment."). If there is no Tax Increment generated for a specific property due to a diminution of appraised values, no tax rebate shall be provided for said property.
3. The annual rebate amount is based on a one-time tax increment, established upon project completion. The annual rebate amount will not adjust for increases in valuation in subsequent years.
4. Douglas County retains 0.5% percent of the Tax Increment Rebate for administrative handling. The remaining Tax Increment Rebate will be placed in the Neighborhood Revitalization Fund to be used for the purposes discussed in this Plan.
5. Maximum rebate time period allowed under the plan shall be 10 years. Qualified historic properties shall be eligible for a 15 year rebate.
6. The maximum amount of cumulative plan rebate shall be \$500,000 for any one year period.

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<sup>1</sup> Refundable with first installment of the rebate.

<sup>2</sup> Properties listed in the National Register of Historic Place, the Register of Historic Kansas Places or properties designated as a Historic Landmark or a contributing structure to a historic district by the City of Lawrence, shall be eligible for a rebate term of 15 years.



## **Section 11: Neighborhood Revitalization Fund**

Upon Governing Body approval of this plan, the Neighborhood Revitalization Fund will be established. Tax amounts not rebated or used for administrative costs shall be used for infrastructure, and other redevelopment improvements within the District. A separate account within the Neighborhood Revitalization Fund will be established for these purposes. A committee consisting of a representative from each participating taxing entity shall make specific project recommendations to the Governing Body consistent with the terms of this plan and the Neighborhood Revitalization Fund. A policy governing such expenditures shall be developed by the committee and approved by the Governing Body. The Governing Body shall make final decisions in the appropriation of such funds for improvement projects within the District. The Neighborhood Revitalization Fund shall not be used as a substitute funding source for existing or planned capital improvements within the District.

#### Appendix I: Summary of the Kansas Neighborhood Revitalization Act

The Kansas Neighborhood Revitalization Act (NRA) allows the governing body of any municipality to pass an ordinance designating an area within that municipality as a “Neighborhood Revitalization Area” if it finds that “the rehabilitation, conservation or redevelopment of the area is necessary to protect the public health, safety or welfare of the residents of the municipality.” K.S.A. 12-17,116.

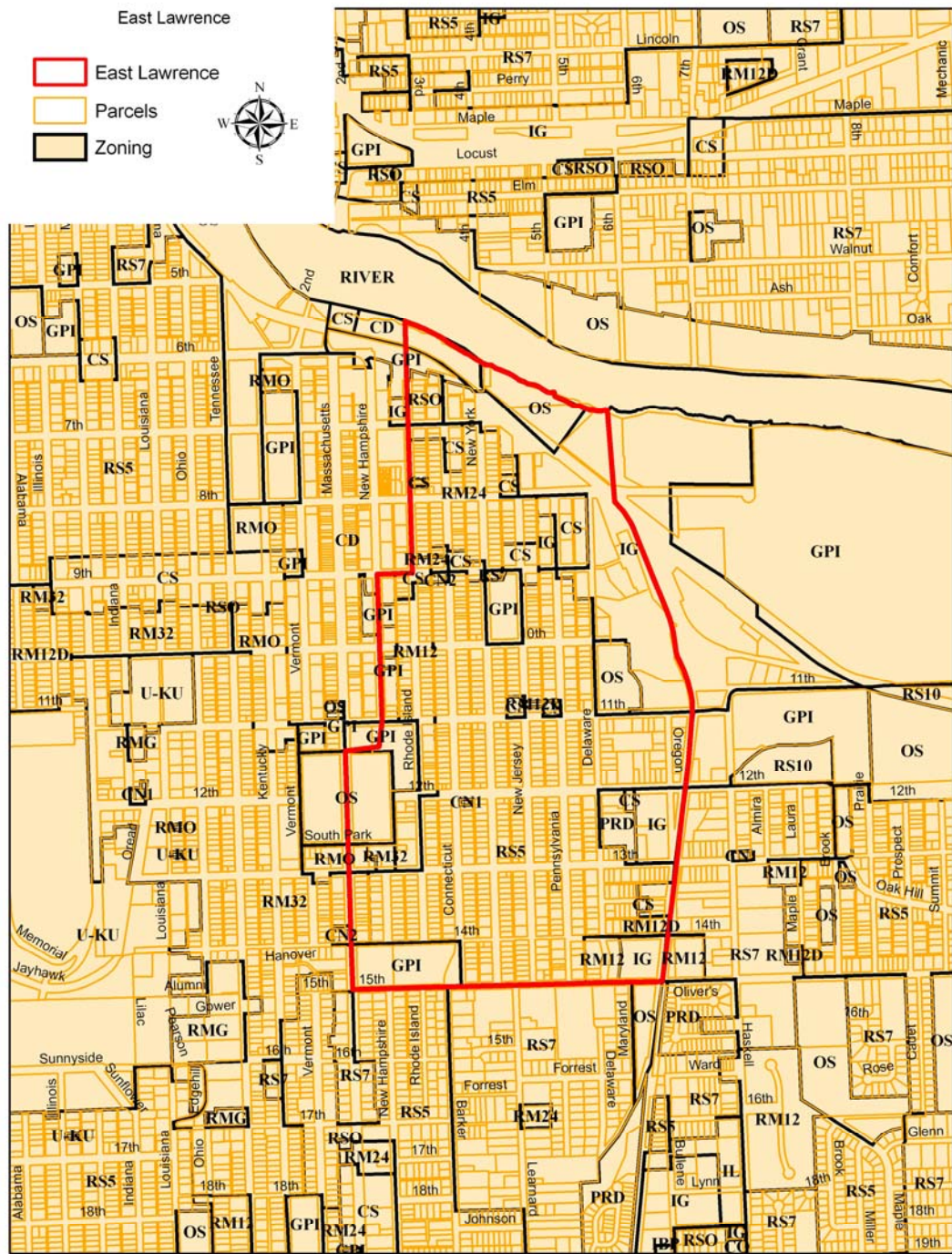
KSA 12-17,115(b) and 12-17,116 provide that all municipalities are authorized to participate in Neighborhood Revitalization Area programs. In addition, KSA 12-17,119, provides that two or more (i.e. all) taxing jurisdictions within a Neighborhood Revitalization Area are specifically authorized to enter into interlocal agreements pursuant to 12-2901 to exercise the powers authorized by the Act (including utilizing all or a part of the other taxing jurisdictions tax increment). The interlocal agreement(s) must be submitted to and approved by the Kansas Attorney General.

The Neighborhood Revitalization Act expressly provides for additional home rule provisions which are not in conflict with this act. KSA 12-17,120 permits cities to enact and enforce additional laws and regulations on the same subject of revitalization, provided they are not in conflict with the Act. This would mean, for example, that cities should be able to adopt provisions permitting use of some of the increment which is not returned to taxpayers, to be used instead for other infrastructure improvements within the NRA District, and conceivably, even for revitalization grants or other incentives that would spur revitalization and rehabilitation in the NRA District. The ability of cities to go beyond the statutes will depend in a large part upon the scope of their agreement with the other taxing jurisdictions.



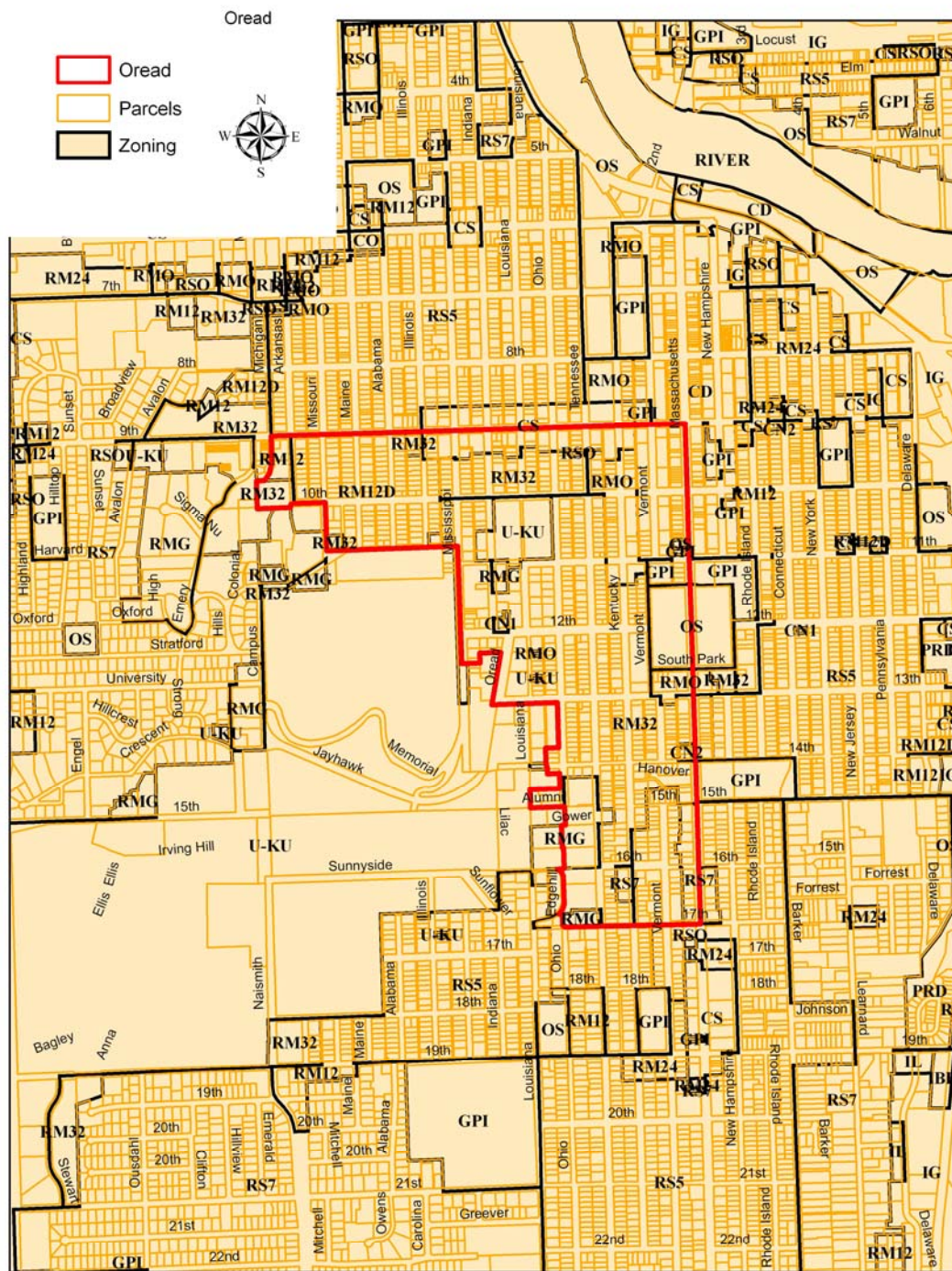
## Appendix II: Zoning Maps







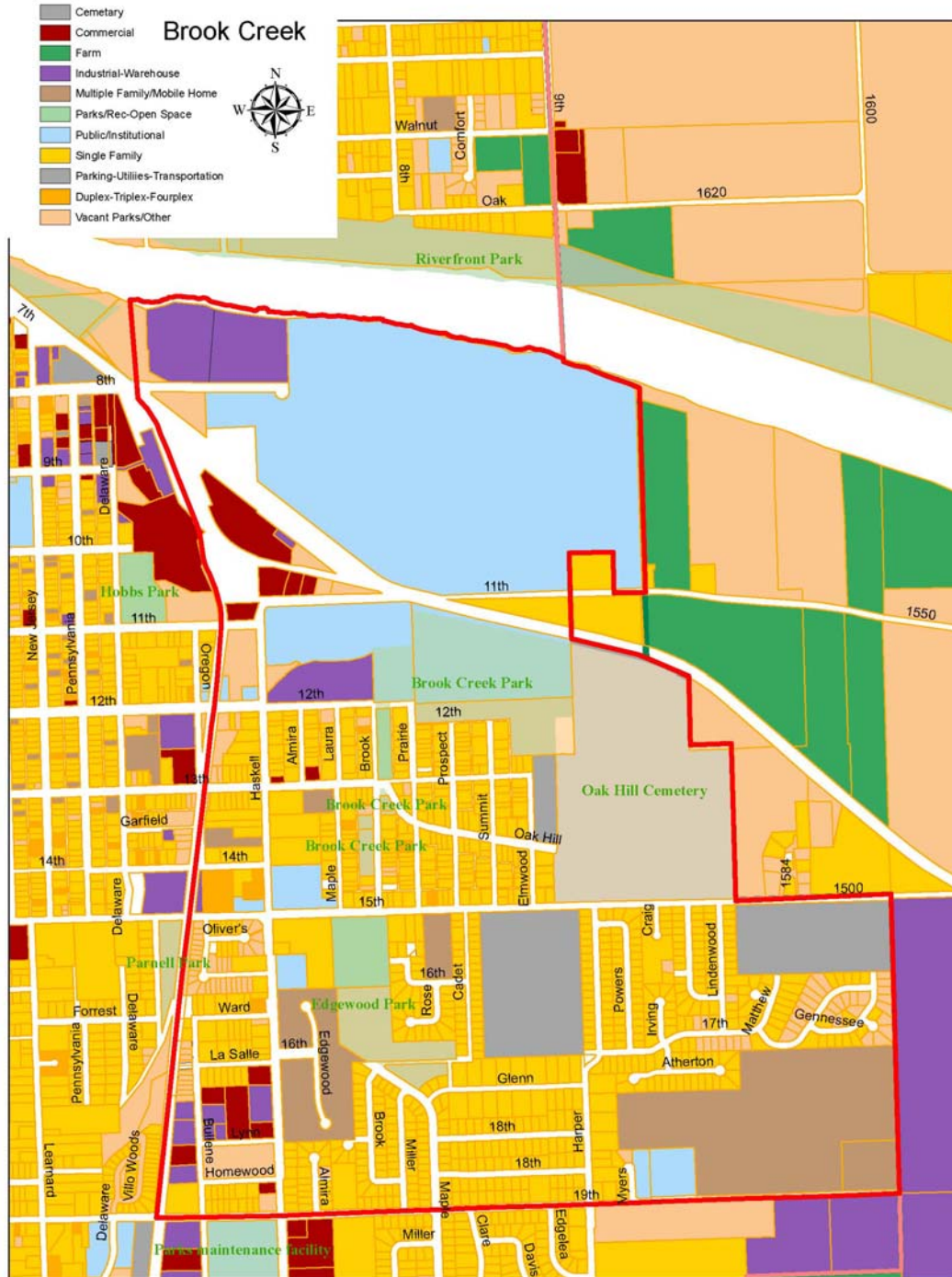








## Appendix III: Land Use Maps















## Appendix IV: Future Land Use Map

(Map 3-2 from Horizon 2020)

