

Eligibility Guidelines

The following criteria will be used to determine properties eligible under the Neighborhood Revitalization Plan.

- All improvements must conform to zoning, building and other applicable regulations in effect in the Neighborhood Revitalization Plan target area at the time the improvements are made and remain in conformance with such regulations for the length of the rebate period;
- Construction of improvements must have begun on or after the date of inclusion of the property in the NRP target area;
- Improvements must increase the appraised value by at least 15% or \$5,000, **whichever is greater**, for all Residential, Commercial and Industrial properties;
- Properties delinquent in tax payments or special assessments or under appeal or protest **are not eligible** until such delinquent payments or assessments have been paid;
- Properties eligible for tax incentives under any other program shall be eligible to submit applications under only one program at a time;
- Only **owners** are eligible for tax rebates;
- Tax rebates **transfer with ownership of property and remain with the improved property**, as per the original abatement schedule;
- Tax rebates are based on the increase of appraised value as of January 1 following the year of 100% completion and will be contingent with final inspections and issuance of certificate of occupancy.

Before you begin.....

- **Prior to Construction you must obtain a building permit and make application for the Neighborhood Revitalization Program with the City of Herington.**
- **You will be notified by the City of Herington that you are approved for the project to begin construction.**
- **Upon completion of your project, Part 2 of the application will need to be completed. The City of Herington will do an inspection of the property and notify Dickinson County Appraisers Office to determine the new valuation. The reappraisal process is effective at the beginning of each year.**

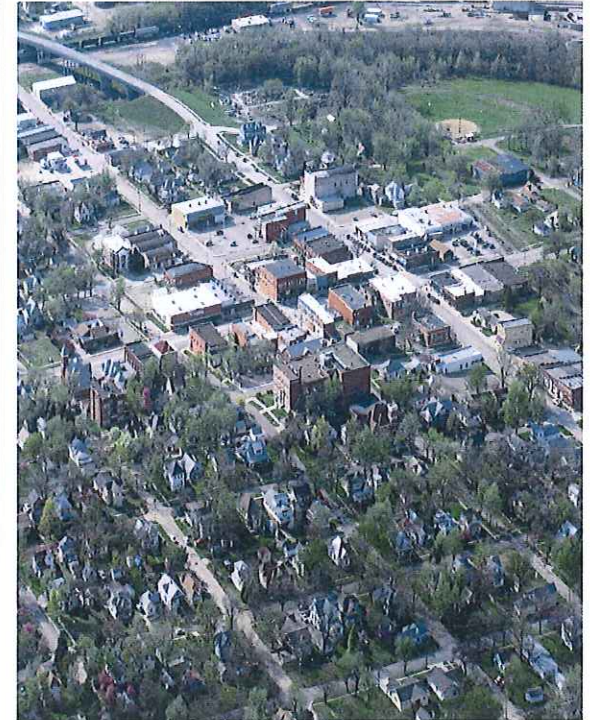
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HERINGTON

NEIGHBORHOOD REVITALIZATION PLAN



CITY OF HERINGTON

17 N. BROADWAY

HERINGTON, KS. 67449

785-258-2271

Interlocal Cooperation Agreement by and between
the City of Herington, Dickinson County and
USD #487 of Dickinson County.

Dated: September 18, 2012

BUILDING OR REMODELING

MIGHT PAY YOU BACK!

If you are building a new structure or making significant improvements to RESIDENTIAL, COMMERCIAL OR INDUSTRIAL property in Herington, your project may be eligible for this tax rebate program.

RATE OF TAX REBATE ON THE INCREASE IN APPRAISED VALUE

YEAR 1	100%
YEAR 2	100%
YEAR 3	90%
YEAR 4	80%
YEAR 5	70%
YEAR 6	60%
YEAR 7	50%
YEAR 8	40%
YEAR 9	30%
YEAR 10	20%
YEAR 11	0%

What type of improvement projects are allowed? New construction, room additions and major rehabilitation projects that require a building permit and increase the appraised value are allowed projects. Repairs generally will not increase the appraised value, unless there are several major repairs completed at the same time. To qualify, improvements must increase the value by at least 15% or \$5,000, whichever is the greater amount.

How does the tax rebate program work?

It is a refund of the incremental increase in taxes paid because of a qualified improvement. The rebate applies only to the additional taxes resulting from the increase in the appraised value of the property due to the improvements. The property taxes prior to the improvement will continue to be payable. Taxes must be paid when due for the rebate to be issued.

How is the amount of tax rebate

determined? After the project is complete and the project is determined eligible, property owners will receive a 100% rebate the first and second year on the increase in their taxes the next time they pay taxes in full. The percentage of rebate decreases by 10% each year after that for a 10 year period. (See Chart) The rebate is calculated from the property tax increase due to the improvements.

How does this rebate affect my current property taxes? It does not affect your current property taxes. You will be responsible to pay all taxes that are due. The rebate will follow your payment in full. (only on the amount of increase in value)

How long does the rebate last? What if the property is sold? The rebate will last 10 years, and the payment is made to the owner of record at the time of the rebate. The rebate stays with the property, so if you sell it, the remaining rebates go to the new owner.

Is there a minimum amount I need to spend on the improvements to my residential, commercial or industrial building? You will need to spend \$5,000 or raise the assessed value by 15% of your building, whichever is greater.

Are new homes allowed in the rebate program? New construction on vacant lots in the city limits of Herington, will be eligible for tax rebates for 10 years.

When can you expect your rebate? Your tax rebate will begin the following January. After you have made full payment of your annual taxes, Dickinson County will send you the appropriate rebate.

When will the rebate be mailed? A check will be mailed in January (if the amount due in taxes is paid in full in December) or June (if you have paid your taxes in 2 installments with the 2nd half paid in May). *Only 1 rebate check will be sent each year, not 2 if you pay in December and May.*

What if the taxes are not paid and become delinquent? Participation in the program will be cancelled immediately.