

# RHID

## A Tool for Addressing Housing Gaps

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Kansas Department of Commerce



RURAL HOUSING INCENTIVE DISTRICT

# HOUSING PROGRAMS

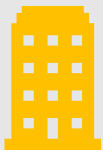
*Kansas Department of Commerce*



**Rural Housing Incentive District (RHID) Act**



**Community Development Block Grants (CDBG) – Housing Rehabilitation**



**Designated Main Street Communities - Upper Story Housing Loan**

# HOUSING RESOURCES IN KANSAS

[kansascommerce.gov/housing](https://kansascommerce.gov/housing)

AD ASTRA



RURAL HOUSING INCENTIVE DISTRICT

# Rural Housing Incentive District

*RHID*

**What:** Designed to aid developers building housing within rural communities by assisting in the financing of public improvements

**How:** Captures the incremental increase in real property taxes created by a housing development project for up to 25 years

**Who:** Any city in Kansas with a population less than 60,000 or a county with a population of less than 80,000

# Permitted uses for RHID reimbursements



- **Certain land acquisition cost**
- **Payment of relocation assistance**
- **Site preparation**
- **Sanitary and storm sewers and lift stations**
- **Drainage conduits, channels, and levees**
- **Street grading, paving, curbs, and gutters**
- **Street lighting**
- **Underground public and limited private utilities**
- **Sidewalks**
- **Water mains and extensions**

## RURAL HOUSING INCENTIVE DISTRICT

# SB90

### *2021 KANSAS LEGISLATION*

- In 2021, RHID was expanded by the KS Legislature to enable the renovation of buildings and structures more than 25 years old on Kansas main streets and downtown districts for residential use
- This expansion allows Kansas communities to include upper story lofts and apartments to benefit from RHID
- Commerce has approved several RHIDs including upper stories since the bill was signed into law last year



RURAL HOUSING INCENTIVE DISTRICT

# RHID IMPLEMENTATION

**STEP 1 - City/County must prepare a Housing Needs Analysis (HNA)**

**The City/County HNA must demonstrate the following:**

- That there is a shortage of quality housing within City/County;
- That the shortage of housing expected to persist;
- That the shortage of housing is a substantial deterrent to future economic growth in City/County; and
- That the future economic well-being of the City/County depends on governing body providing additional incentives for the construction or renovation of quality housing in City/ County





## RURAL HOUSING INCENTIVE DISTRICT

# RHID IMPLEMENTATION

### STEP 2 - City/County Resolution

- Once the HNA is completed, the City/County takes action to adopt a Resolution making certain findings regarding establishment of the RHID and providing the legal description of the property to be contained within the District.
- After publishing the Resolution, a copy of the Resolution and the HNA are sent to the Secretary of Commerce requesting agreement with the findings in the HNA.
- If the Secretary agrees with the findings, the City/County may proceed with the establishment of the District and adopt a plan for the redevelopment or development of the housing project in the District.



RURAL HOUSING INCENTIVE DISTRICT

# RHID IMPLEMENTATION

## STEP 3 - City/County Redevelopment Plan

The City/County must adopt redevelopment plan, including:

- Legal description and map
- Existing assessed valuation
- Names and addresses of all owners
- Description of the housing public facilities project proposed to be constructed or improved and location
- Names and addresses of developer and property owned in District
- Contractual assurances of Developer
- Comprehensive feasibility analysis



# Statutory Checklist for Municipalities

Steps required by K.S.A. 12-5244; 12-5245; 12-5246

## KSA 12-5244

- Establish a proposed District
- Approval of HNA, designated district(s) and Resolution by Secretary of Kansas Department of Commerce

## KSA 12-5245

- City adopts a Resolution stating it's considering adoption of a plan and designation of a district;
- Resolution will provide notice of a public hearing
- Public hearing within 30 to 70 days after adoption date of Resolution
- Resolution published in newspaper min. 1 week, max. 2 weeks before public hearing
- Certified copy of Resolution sent to Planning Commission, School Board, County Commissioners

# Statutory Checklist for Municipalities (cont.)

Steps required by K.S.A. 12-5244; 12-5245; 12-5246

## KSA 12-5246

Public Hearing Held

City rep. will present the proposed plan for housing development

Developer shall be identified

City Commission may then adopt plan and establish the district by Ordinance;

County Commission and School Board notified by certified copy of Resolution;

Boundaries of district must be same as designated in original notice to local gov't. bodies

30-day time period for other local gov't bodies to claim adverse effects

# FOR MORE INFORMATION

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Designed for cities and counties to assist developers in the building of housing in rural communities by financing public improvements and upper story residential in central business districts.



**3<sup>RD</sup>**  
**THURSDAYS**  
**@3 WITH CDBG**

**Thursday, February 17<sup>th</sup>**

**Housing Assessment Tool (HAT)**

PER ASPERA



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