

City Council Committee Meeting Notice

CITY COUNCIL
City Hall, 215 SE 7th Street, Suite 255
Topeka, KS 66603-3914
Tel: (785) 368-3710
Fax: (785) 368-3958
www.topeka.org

Committee: Policy & Finance

Meeting Date: March 21, 2023

Time: 1:00pm

Location: 1st Floor Conference Room; Cyrus K. Holliday Bldg 620 SE
Madison (*Virtual attendance option available*)

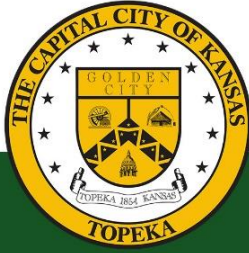
Agenda:

- 1) Call to order
- 2) Elect 2023 Chair
- 3) NOTO Improvement Fund
- 4) Property Tax Homestead Exemption
- 5) ARPA Grant Update
- 6) Other Items
- 7) Adjourn

STAFF REQUESTED: Stephen Wade, City Manager
Amanda Stanley, City Attorney
Freddy Mawyin, Chief Financial Officer
Rachelle Mathews, Deputy Director Finance

COMMITTEE MEMBERS: Christina Valdivia-Alcalá – District 2
Spencer Duncan – District 8
Hannah Naeger – District 6

*** Please call the Council Office by 5:00pm on the date prior to the meeting to request Zoom link. ***



CITY OF TOPEKA

Rachelle Mathews, Deputy Director of
Administrative & Financial Services
City Hall, 215 SE 7th St., Topeka, KS 66603

rmathews@topeka.org
Tel: 785-368-2544
www.topeka.org

To: Policy and Finance Committee

From: Rachelle Mathews, Deputy Director of Administrative and Financial Services
Adam Vaughn Budget Manager

Date: March 16th, 2023

Re: Property Tax and Rental Rebates

There are many cities across the country offer Property Tax Rebate and Renter Rebate programs as a way to assist citizens in need. Property Tax Rebate programs give tax money back to qualified residents. Renter Rebate programs assist struggling residents with their rent. Four Kansas cities – Shawnee, Roeland Park, Merriam, and Prairie Village – administer similar programs. This memo summarizes the work in these cities as well as the State of Kansas’ rebate programs and recent legislature bills.

Program Overview of the Kansas Cities

The City of Shawneeⁱ recently initiated a property tax rebate pilot program. Eligible residents can receive a 100% rebate - up to \$500 - of the City’s property taxes. Special assessment rebates are exempt under this program. Program applicants must: 1) be a resident of Shawnee, 2) be current on property taxes and special assessments, and 3) meet the Very Low Income requirements as outlined by the Department of Housing and Urban Development. The City of Shawnee allocated approximately \$98,000 for this program through the use of a Community Improvement District.

Roeland Park,ⁱⁱ and Merriamⁱⁱⁱ utilize the same eligibility requirements for their programs. However, funding is allocated from the city’s General Fund. Prairie Village^{iv} has an additional eligibility requirement: applicants must occupy a home that is appraised by the county at or below the previous year’s average property value.

Program Administration Outline by City

The City of Shawnee’s^v pilot program has received approximately 56 applications and denied six due to eligibility requirements. An application comes in through the City Clerk’s Office and is then input into a database where the Finance Director verifies the applicants’ tax information. The number of applications received and timeframe to complete the process has allowed current staff to administer the program.

Roeland Park received 19 applicants and refunded a total of \$10,255 in 2021. Roeland Park’s^{vi} program is administered by their Code Enforcement Officer. Applications are accepted all year. In June, the City Council reviews the applications and upon approval the Finance Director sends out the refunds to eligible applicants.

Prairie Village^{vii} has completed one year of their program, rebating a total of \$14,015 to 27 eligible applicants thus far. The City Clerk administers the program, so there are no additional administrative costs.

Merriam^{viii} is also in its first year of its program and has issued 19 rebates totaling just under \$12,000. The Community Development Department oversees the program.

State of Kansas Programs

The State of Kansas^{lxxx} has a Homestead Refund program which rebates a portion of property tax paid on homes. The refund is a percentage of the property tax paid (excluding special assessments) and is based on total household income. The maximum refund is \$700 per eligible individual. To qualify, the resident must have a 2021 income of \$36,600 or less, and be born before 1966, permanently disabled, or have dependent children throughout all of 2021.

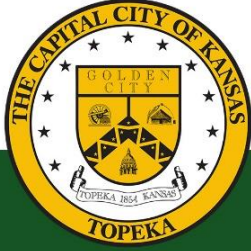
The State also offers the Kansas Property Tax Relief program. This program is for homeowners with a household income of \$20,900 or less and who were born before January 1, 1956. The refund from this program is 75% of the property taxes paid for a principal residence. Residents can only receive a refund from one of the state programs.

Recent Legislature Bills

In 2022, the Kansas Legislature passed a bill^{xi} which refunds excess property tax of residents when compared to their base year property tax (i.e. the year the individual is eligible for the refund or 2021 at the latest). To qualify, individuals must be 1) at least 65 years old or a disabled veteran, 2) reside in a homestead with an appraised value of \$350,000 or less for the entire year, and 3) have a household income of \$50,000 or less. Individuals seeking a refund would not be eligible to utilize the Homestead Refund or the Selective Assistance for Effective Senior Relief Credit programs.

Other States' Programs

Many states offer similar Property Tax and Rental Rebate programs. Pennsylvania^{xii}, Colorado^{xiii}, and Connecticut^{xiv} utilize the following eligibility requirements: residents applying must be 65 or older, widowed, or disabled. New York^{xv} and Missouri^{xvi} also offer Property Tax Rebate programs for the elderly and residents of lower income. Pennsylvania finances their program through the State's lottery fund. Connecticut's Renter Rebate program utilizes an income scale and is based on the amount of rent and utility payments the applicant made in the previous calendar year.



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- ⁱ [Property Tax Rebate Pilot Program](#)
 - ⁱⁱ [2022 Property Tax Rebate Program](#)
 - ⁱⁱⁱ [Residential City Property Tax Rebate Program City of Merriam](#)
 - ^{iv} [Property Tax Rebate Program | City of Prairie Village \(pvkansas.com\)](#)
 - ^v Finance Department, City of Shawnee, Kansas
 - ^{vi} Finance Department, City of Roeland Park, Kansas
 - ^{vii} City Clerk Office, City of Prairie Village, Kansas
 - ^{viii} Finance Department, City of Merriam, Kansas
 - ^{ix} [Homestead Refund Claim \(kansas.gov\)](#)
 - ^x [2021 Homestead or Property Tax Refund for Homeowners Instruction Booklet and Forms Rev. 8-21 \(ksrevenue.gov\)](#)
 - ^{xi} [ccrb_hb2239_01_033122pm.pdf \(kslegislature.org\)](#)
 - ^{xii} [Apply For Your Property Tax/Rent Rebate Online With myPATH \(DPO-87\)](#)
 - ^{xiii} [Property Tax/Rent/Heat Credit \(PTC\) Rebate | Department of Revenue - Taxation \(colorado.gov\)](#)
 - ^{xiv} [Renters Rebate for Elderly/Disabled Renters Tax Relief Program](#)
 - ^{xv} [NYS Budget offers property tax rebate \(news10.com\)](#)
 - ^{xvi} [Services | Property Tax Credit or Circuit Breaker \(stlouis-mo.gov\)](#)

1 RESOLUTION NO. _____

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3 A RESOLUTION introduced by Councilmember Spencer Duncan, establishing a City
4 Property Tax Rebate for certain low-income households

5
6 WHEREAS, residential property appraisal values have increased by almost 14% in
7 Shawnee County; and

8 WHEREAS, at least 91% of Shawnee County residential properties have increased
9 in their appraisal value; and

10 WHEREAS, the City has sufficient resources in its 2024 budget to provide City
11 property tax relief to low-income households.

12 NOW, THEREFORE, BE IT RESOLVED BY THE GOVERNING OF THE CITY OF
13 TOPEKA, KANSAS, that:

14 1. The Governing Body authorizes the City Manager to establish a City
15 residential property tax rebate program that includes, but is not limited to, the following
16 restrictions:

17 (a) The applicant must own and occupy a residence within the City.

18 (b) The property must have no violations of the Property Maintenance Code, TMC
19 Chap 8.60, or any other codes adopted by the City.

20 (c) The applicant must be current on all property taxes and special assessments,
21 including Code assessments, on the property that is the subject of the rebate application.

22 (d) The applicant's household income must be at or below the Department of
23 Housing and Urban Development (HUD) Income Guidelines for 2023.

24 (e) The applicant's income eligibility will be based on the income of all persons
25 residing at the residence.

26 2. Based upon budgetary restraints, the City Manager will determine the total

27 amount of funds available, the application process, the rebate amount and any other
28 conditions or restrictions.

29 3. The program will terminate after the budgeted funds have been exhausted.

30 ADOPTED and APPROVED by the Governing Body on _____

31 _____.

32 CITY OF TOPEKA, KANSAS

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Michael Padilla, Mayor

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39 ATTEST:

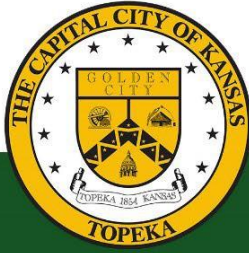
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44 _____
Brenda Younger, City Clerk



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To: Spencer Duncan, Chair
Policy and Finance Committee Members
From: Rachelle Mathews, Deputy Director of Administrative and Financial Services;
Date: March 13th, 2023
Subject: American Rescue Plan Social Service Grant Update

As of March 10th, 2023, the City has issued initial payments of \$4,256,493 in American Rescue Plan (ARPA) funding to 44 of the 49 total recipients. There are five outstanding initial payments that in various stages of SAM.Gov federal approval. The Finance Department has reached out to our contacts in the federal system to assist these recipients in navigating the SAM.Gov process.

The Finance Department has also received draw requests on the second half of the ARPA funding. To date we have issued an additional \$119,900 in drawdowns. This brings to the total aid to the community to \$4,376,393 and \$5,623,607 left to be disbursed.

Total ARPA Allocation (49)		\$ 10,000,000
Initial Payouts (44)	4,256,493	
Additional Draw Downs	119,900	
Total Disbursements	4,376,393	
Remaining Funding		<u>\$ 5,623,607</u>

The first group of progress reports are due to Finance by April 30th, 2023 with the second group of reports following closely due July 30th 2023.