

Rebates provide incentives

By Tom Betz

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A program giving Sherman County property owners a tax incentive to fix up homes and businesses and encourage new construction has boosted the county's assessed valuation by nearly \$2 million over the past two years.

The county's Neighborhood Revitalization Program allows home and business owners to apply for a tax rebate for improvements.

Sherman County Appraiser Terry Ballard said the rebate program has drawn more than 70 approved applications, with at least 15 in the construction phase.

He said the residential projects have ranged from remodeling to adding garages and porches, but include at least six new homes.

He said because the program is available throughout the county, some of the new homes are out in the country.

On the commercial side, Ballard said, the program has been used for a couple of ministorage buildings, additions to businesses and new business buildings.

The county program, which began two years ago, is scheduled to end this year, Ballard said, unless the city, county and school board approve an extension.

Some of the larger commercial projects under the program have been the remodeling of the Valero Truck Stop south of I-70, the Steakhouse Diner and a new shop and storage building for Frontier Equity Co-op (now Frontier Ag). He said the Goodland Energy Center applied for rebates on a shop building put up last year.

The center is working on at least two other approved projects, including the Goodland Energy Resources power plant and the E Caruso ethanol plant. Ballard said once these are done, he will appraise them and determine the assessed value. Under the commercial and industrial properties section of the program, a project of over \$3 million would have a 90 percent tax rebate for the first six years and a 75 percent rebate for the next four.

The Valero remodeling appraised at



THE STEAKHOUSE DINER, behind Taco John's was one of the larger projects under Sherman County's Neighborhood Revitalization program to receive a property tax rebate.
— Photo by Pat Schiefen/The Goodland Star-News

\$820,130, and the new shop and storage building for Frontier Equity at \$828,450. The Steakhouse Diner came in at \$338,430.

The Valero and Frontier Equity projects meet the middle tier of the commercial rebates of between \$500,000 and \$3 million. Projects in that level get 90 percent tax rebate for the first six years, then it drops down on a sliding scale to 20 percent the 10th year.

Ballard said he is sure some of the projects would have been done without the incentive program, but said some people have told him the program made them decide to go ahead.

Ballard said contractors have applications and make potential clients aware of the program. He said it is a simple one-page form, and the owner has to provide some additional information such as description of project, photos or plans. He said there is a \$50 filing fee and a 1 percent administrative fee.

"I think the word is getting out," Ballard said, "with all the publicity and the help of those who have used the program."

He said information is on the Sherman County web site. For homeowners who make a minimum of \$5,000 increase in assessed valuation, the program provides 90 percent tax rebate for the first three years and drops on a sliding scale to 20 percent in the 10th year.

Ballard said there is a special provision to encourage owners of houses valued at \$25,000 or less to make improvements. That program gives a tax rebate of 95 percent for the first five years and 50 percent for the next five years.

However, Ballard said, there have been few owners of the less-expensive houses take advantage of the program. He said part of that may be that many of those houses are rental property and the owners do not feel the cost of improvements can be recouped.

He said the program was approved by the state Legislature in 1994, and when the Sherman County Economic Development Council decided to pursue it for Sherman County, 53 counties already had similar programs.

Ballard, who serves Sherman and Rawlins

counties, said Rawlins County implemented the rebate program last year.

"I think it is somewhat unique in Sherman County because it goes border to border and covers all types of property," Ballard said. "I feel the program helps change the county economic conditions."

He sees no reason not to extend the program beyond the end of this year.

"It has added some to our workload," he said, "but the benefits to the property owners more than override that factor."

He said he is glad the members of the Economic Development Council — especially Duane Timm, who was representing the First National Bank — worked through all the hoops with the state to get the program set up and get the city, county and school district to approve the program.

"What other program do we have that provides some tax relief to the property owners, and especially the homeowners?" Ballard asked. "Everyone gets some benefit."

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