Coffeyville
KANSAS

Economic Development Incentive Utilization Guidelines

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Table of Contents

Redevelopment Projects ... 3
Neighborhood Revitalization District ... 4
Tax Increment Financing (TIF) ... 7
State Historic Rehabilitation Tax Credit ... 11
Brownfields Targeted Assessment ... 13
Downtown Redevelopment Program ... 14
Infrastructure Development ... 16
Community Improvement District (CID) ... 17
Transportation Development District (TDD) ... 20
KDOT Economic Development Program ... 23
KDOT State Rail Service Improvement Fund ... 24
KDOT Kansas Airport Improvement Program ... 25
City Connecting Link Resurfacing Program (KLINK) ... 26
Geometric Improvement Program (GI) ... 27
Incentive Programs for Job Creation & Capital Projects ... 28
Rural Opportunity Zone (ROZ) ... 29
Local Employee Inducement Program ... 30
High Performance Incentive program (HPIP) ... 32
Promoting Employment Across Kansas (PEAK) ... 33
Machinery & Equipment Expense Deduction ... 35
Sales and Property Tax Exemptions ... 36
Other State Tax Incentives and Business Initiatives ... 37
Loan Programs ... 38
E-Community Business Loan ... 39
CDBG Micro-Loan ... 41
USDA RDA revolving loan fund ... 43
Coffeyville small business loan program ... 45
KDOT Transportation Economic Development Loan Program (TEDL) ... 46
Southeast Kansas Revolving Loan Fund ... 47
Rural Economic Development Loan & Grant (REDLG) ... 50
USDA Business & Industry Guaranteed Loans (B&I) ... 51

USDA Rural Energy for America Program Guaranteed Loan Program (REAP Loans) 53
U.S. Small Business Administration 504 Program 55
Worker Training Incentives 56
Kansas Industrial Training (Kit) & Kansas Industrial Retraining (KIR) Programs 57
Workforce Aligned with Industry Demand (Workforce AID) 58
Bond Financing Programs 59
Sales Tax Revenue (STAR) Bonds 60
Industrial Revenue Bonds 63
Kansas Private Activity Bond (PAB) 66
Community Development Block Grant Programs 67
Small Cities CDBG Economic Development Program 68
Housing Programs 69
Infill Development Grant 70
Minor Home Repair Program 71
Distressed Property Reinvestment Program 72
Moderate Income Housing Program - Coffeyville 74
First Time Homebuyer Program - KHRC 75
Home Rental Development Program 76
Low Income Housing Tax Credit (LIHTC) 77
Weatherization Assistance Program 79
Entrepreneur Support Programs 80
Innovation Growth Program 81
Other Development Programs 82
Template for Incentive Guidelines 83

Redevelopment Projects

Neighborhood Improvement District (NID)

Tax Increment Financing (TIF)

State Historic Rehabilitation Tax Credit

Brownfields Targeted Assessment

Downtown Redevelopment Program

NEIGHBORHOOD REVITALIZATION DISTRICT

PURPOSE

The intent and purpose of this plan, also referred to as a tax rebate, is to encourage the rehabilitation of existing structures and the construction of new structures.

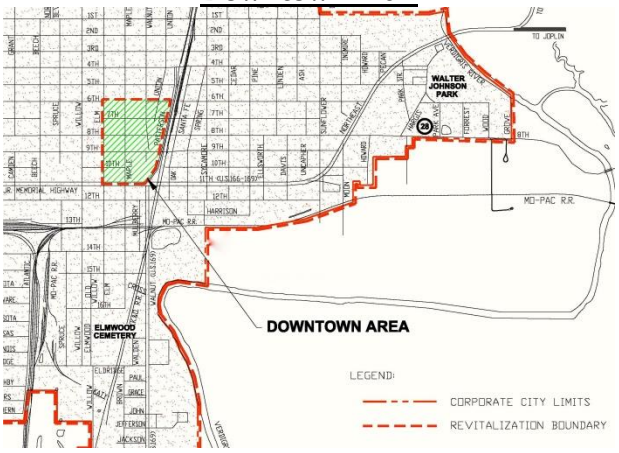
AUTHORIZATION

K.S.A. 12-17,114 et seq. and Coffeyville City Resolution No. R-04-61 passed on May 11, 2004.

ELIGIBLE AREAS

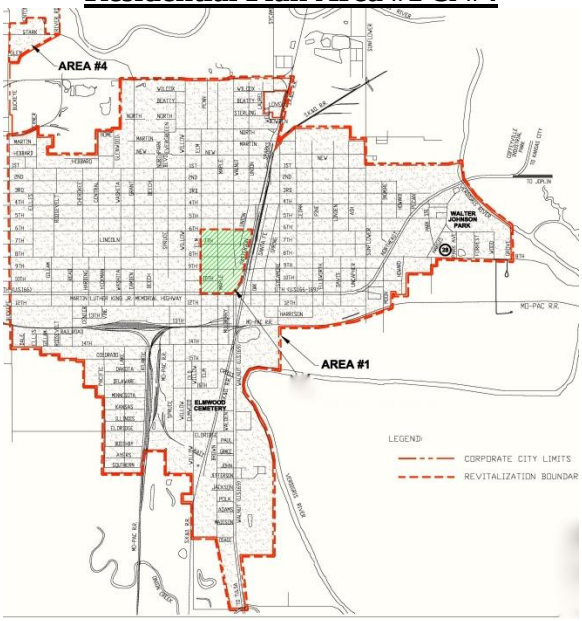
There are six Neighborhood Revitalization Districts in Coffeyville, Downtown, Residential areas 1-4, and a Commercial area. Below is a table showing the rebate amounts properties in these areas are eligible for.

Downtown Plan



Years 1—5 ..... 100%
Year 6 ..... 80%
Year 7 ..... 60%
Year 8 ..... 40%
Year 9 ..... 20%
Year 10 ..... 10%

Residential Plan Area #1 & #4



Residential

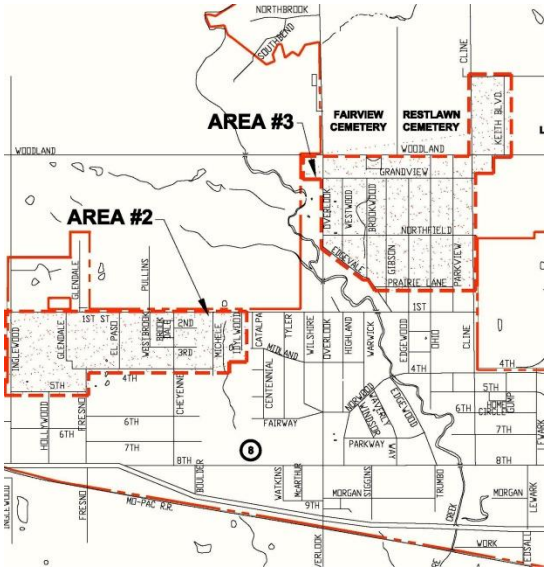
Years 1—5 .....100%
Years 6—10 .....50%

Commercial

Years 1—5 .....50%
Years 6—10 .....25%

Residential Plan Area #2 and #3

Residential & Commercial



Years 1– 5 .....50%
Years 6—10 .....25%

Any property listed on the National or State Historic Register is eligible for a 100% rebate in any area. All Areas are indicated on the map on the right.

ELIGIBLE APPLICANTS

Only properties located in the above districts are eligible for this program.

ELIGIBILITY CRITERIA

- Only one tax rebate application per project may be submitted. The rebate will be based only upon the increased assessed value attributed to the eligible improvement.
- An application for rebate must be filed within sixty (60) days of the issuance of a building permit.
- The assessed value increase will be determined by the resulting classification of the improvement. The minimum increase in assessed value due to the eligible improvement will be 5% for residential property and 5% for commercial property as determined by the Montgomery County Appraiser. The assessed value increase will be determined the first full year of eligibility after completion and will be used throughout the years of eligibility.
- This program is limited to real property. Personal property taxes are not eligible for rebate.
- Any property taxpayer that is delinquent on any tax payment and/or special assessment will not be eligible for any rebate. All rebates will be terminated if the property taxpayer becomes delinquent with the payment of taxes on any property owned by the taxpayer.
- The new, as well as the existing improvements on the property must conform with all other codes, rules, and regulations in effect at the time the improvements are made, and for the length of the rebate, or the rebate may be terminated.
- Any remaining rebate available under this Plan shall be payable to the owner of the property or the person who is liable for payment of the taxes on the revitalized property, regardless of who actually made the improvements.

APPLICATION/APPROVAL PROCEDURE

1. Obtain Application for Tax Rebate from the Building Inspector when obtaining a building permit application.
2. File application with the Building Inspector within 60 days following issuance of the building permit along with a $25 application fee check written to the Montgomery County Appraiser.
3. An application for a rebate of property tax increments will contain the following information:
   - Owner's name, mailing address & telephone number
   - Address of property
   - Legal description of property
   - Parcel I.D. number
   - Building permit number
   - Existing & Proposed use of property
   - Proposed improvement
   - Estimated cost of improvements
   - Date construction started
   - Estimated date of completion
   - Signature of Building Inspector indicating project is eligible for tax rebate
   - Signature of Building Inspector indicating construction meets all applicable codes
   - Signature of County Clerk indicating taxes on property owned by applicant are current
   - Signature of County Appraiser indicating project meets minimum assessed valuation requirements
4. The Building Inspector will forward the application to the Montgomery County Appraiser's Office for determination of the existing assessed valuation of the property.

5. The Building Inspector will monitor the project to ensure that all applicable city codes are met.
6. Upon completion of construction, the Building Inspector will notify the County Appraiser that the project is ready for inspection.
7. Upon determination by the Appraiser's office that the improvement meets the percentage test for rebate and by the County Treasurer's office that the taxes and assessments on property owned by the applicant are not delinquent, the Building Inspector will certify that the project and application does or does not meet the requirements for a tax rebate and will notify the applicant.
8. The tax rebate will be made to the property owner within a thirty (30) day period following the date of tax distribution by the County.

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TAX INCREMENT FINANCING (TIF)

PURPOSE

Tax Increment Financing (TIF) is a tool which pledges future gains in taxes to finance improvements which will result in those gains. TIF is designed to channel funding toward improvements in areas where development/redevelopment may not otherwise occur. The existing property and sales tax revenue is "frozen" until the project generates sufficient revenue to pay for redevelopment costs agreed upon between the City and the developer of the project. Under Kansas law, these redevelopment costs may go toward public infrastructure improvements, including road and utility construction, as well as demolition of existing structures, but may not go toward private building construction.

AUTHORIZATION

K.S.A. 12-1770 et seq. and any amendments thereto (The "Act") and K.S.A. 12-17,110 prior to July 1, 1992.

ELIGIBLE AREAS

In Kansas, a TIF project must be located within a "redevelopment district" which may be established by a city in (1) Blighted Areas; (2) Conservation Areas; (3) Enterprise Zones; (4) Major Tourism Areas; (5) Major Commercial Entertainment and Tourism Areas; and (6) Bioscience Development Areas.

HOW THE PROGRAM WORKS

When an area is developed or redeveloped, there is an increase in the value of the property. The increased site value and investment creates more taxable property, which increases tax revenues. The increased tax revenues are the "tax increment." TIFs pledge the future increased revenue for repayment of eligible costs associated with the improvements.

TIF does not result in increased property tax rates or increased sales tax rates. Projects may be funded by the use of special obligation bonds or on a pay as you go basis.

ELIGIBILE USES

Permissible redevelopment project costs or expenses include but are not limited to:

- Acquisition of property within the redevelopment project area;
- Payment of relocation assistance;
- Site preparation, including utility relocations;
- Sanitary and storm sewers and lift stations;
- Drainage conduits, channels, levees and river walk canal facilities;
- Street grading, paving, graveling macadamizing, curbing, guttering, and surfacing;
- Street lighting fixtures, connection and facilities;
- Underground gas, water, heating and electrical services and connections located within the public right-of-way;
- Drives and driveway approaches located within the public right-of-way;
- Water mains and extensions;
- Plazas and arcades;
- Major multi-sport athletic complex;
- Museum facility;
- Parking facilities, including multilevel parking facilities;
- Incubator project equipment;
- Intermodal public infrastructure;
- Landscaping and plantings, fountains, shelters, benches, sculptures, lighting, decorations and similar amenities; and
- All related expenses to redevelop and finance the redevelopment project.

Redevelopment project costs shall not include costs incurred in connection with the construction of buildings or other structures to be owned by or leased to a Developer, except for multi-level parking facilities.

FUNDING

The City may use proceeds of special obligation bonds or full faith and credit tax increment bonds to finance the undertaking of a redevelopment project. The maximum maturity of any such special obligation bonds or full faith and credit tax increment bonds shall be 20 years. The City may also issue revenue bonds, or private activity bonds to benefit a Developer located within a redevelopment district.

Special Obligation Bonds:

The City may issue special obligation bonds to finance permissible expenses of a redevelopment project. Principle and interest on such bonds may be payable:

1. From tax increments allocated to, and paid into a special fund of the City;
2. From revenues of the City derived from or held in connection with the undertaking and carrying out of any redevelopment project;
3. From private sources, contributions, or other financial assistance from the state or federal government;
4. From revenue received by the City from any transient guest or local sales and use taxes;
5. From the increased franchise fees and city sales tax; or
6. From any combination of these methods.

Special obligation bonds are not general obligations of the City, nor in any event shall they give rise to a charge against its general credit or taxing powers or be payable out of any funds or properties other than those sources set forth above. Should the annual increment fall short of the amount necessary to pay the principal and interest of the special obligation bonds issued under this policy, the remaining amount payable is the responsibility of the applicant, not the City.

Full Faith and Credit Bonds

The City may also issue full faith and credit bonds to finance a redevelopment project. These bonds are payable, both as to principal and interest:

1. From the revenue sources identified for special obligation bonds; and
2. From a pledge of the City's full faith and credit to use its ad valorem taxing authority for repayment thereof in the event all other authorized sources of revenue are not sufficient.

Except in extraordinary circumstances in the sole discretion of the Governing Body, the proceeds of full faith and credit tax increment bonds shall only be used to pay for public improvements or public projects which would otherwise be eligible to be paid for with the proceeds of City general obligation bonds.

Reimbursement Authority

TIF can be used to reimburse a Developer for eligible redevelopment project plan costs as opposed to issuing bonds. Under this method, the City may agree to reimburse the Developer for eligible redevelopment project costs over a period of time not to exceed twenty (20) years from the date of redevelopment project plan approval in accordance with the terms set forth in the Redevelopment Agreement. The reimbursement amount is paid solely from all or a portion of the tax increment, and the Developer takes the risk that the portion of the increment pledged for reimbursement will be insufficient to retire the eligible redevelopment project costs.

APPROVAL GUIDELINES

The general objectives of the City in granting TIF for economic development are:

1. Promote, stimulate and develop the general and economic welfare of the State of Kansas and the City;
2. Promote the general welfare of residents through assisting in the development, redevelopment, and revitalization of central business areas, blighted areas, conservation

areas, and environmentally contaminated areas located within the City;
3. Create new and retain existing jobs; and
4. Expand the economic and tax base of the City.

The City recognizes that a simple system of determining the amount of TIF to be granted in order to reach these objectives may not always be equitable if applied uniformly to different kinds of redevelopment project plans. As a result, in determining the actual amount and duration of TIF to be granted, the City shall review each application on a case by case basis and consider the factors and criteria set forth in this Policy including where applicable, a Feasibility Study, as required by state law, as well as the amount and duration of previous TIF projects supported by the City.

All TIF applications shall be considered in light of the "but for" principle, i.e., TIF must make such a difference in the decision of the Applicant that the project would not be economically feasible "but for" the availability of TIF.

APPLICATION PROCEDURE

Applications for TIF should include the following:

- Legal description of the proposed boundaries of the project area;
- Map of the project plan area with accompanying tax parcel ID information;
- A project plan that identifies all the proposed redevelopment project areas and identifies all of the buildings, facilities and other improvements that are proposed to be constructed or improved in each redevelopment project area;
- If applicable, accompanied by a study from qualified personnel providing the information to establish blight or conservation area findings as the basis for establishing the redevelopment district area;
- Information regarding expected capital expenditures by the Applicant;
- An itemization of development assistance requested;
- Summary of the proposed financing plan, including sources and uses of funds;
- A detailed description that of the proposed buildings, facilities and other improvements to be constructed in the project area, including the estimated fair market and assessed value of the improvements and the estimated date in which construction of the improvements will be commenced and completed;
- The proposed relocation plan if any relocation will be required under the project plan.
- Applicable application fee and funding agreement.
- The applicants financial investment;
- The property, sales and other tax and fee revenue that may result from the project;
- The credit worthiness and experience of the applicant.

RECOMMENDED UTILIZATION GUIDELINES

The amount of TIF will not exceed 15% of total project costs, excluding the costs for the addition or replacement of public infrastructure. Favorable consideration will be given to projects that:

- Meet the City's objectives outlined in the Comprehensive Plan, Economic Development Plan, or other area development plans;
- Are anticipated to serve as catalysts for additional development or redevelopment that meets the goals of the city;
- Plans that have a payoff in 12 years or less;
- Provide at least 15% of equity from the developer;
- Provide at least $1 Million in new real and personal property;
- Satisfy unmet retail or commercial demand;

- Incorporate other financing mechanisms to support the project where applicable.

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STATE HISTORIC REHABILITATION TAX CREDIT

PURPOSE

Tax credit equity investments can be an extremely valuable part of a historic or older building rehabilitation financing plan. For profit developers can use the subsidies from tax credits as part of a "gap" financing strategy. In the case of a nonprofit developer, such as a community development corporation, the availability of tax credit equity can help a nonprofit with fundraising by showing prospective donors that tax credit equity will reduce the amount of charitable funds that have to be raised.

ELIGIBLE APPLICANTS

Buildings must be qualified historic structures. Qualified buildings are those that have been listed on the National Register of Historic Places, the Register of Historic Kansas Places, or have been deemed contributors to a National or State Register Historic District.

ELIGIBILITY CRITERIA

- Building may be either income-producing or non-income-producing. Private residences **do** qualify for the State Tax Credit.
- Proposed work must follow a qualified rehabilitation plan. Qualified projects are those that have been reviewed and approved by the State Historic Preservation Office (SHPO) through the application process.
- Applications must be approved by the SHPO before work begins.
- Project expenses must exceed $5,000. You may combine smaller projects in order to exceed the minimum requirement.
- All work must meet the Secretary of the Interior's Standards for Rehabilitation. This will be determined by the SHPO staff during the application process.

FUNDING INFORMATION

- State Tax Credits may be carried forward for 10 years if you are unable to use all of your credits in one year.
- State Tax Credits may also be transferable to other taxpayers. Please contact the SHPO for more information

APPLICATION/APPROVAL PROCEDURE

Applicants must complete both part 1 and part 2 of the application process to be eligible for the tax

1. **Qualified Historic Structure Form** Required if your building is located in a National Register or State Register Historic District. The form will be reviewed to verify that your building is a contributor to the character of the historic district. Must include photographs with form.
2. **Qualified Rehabilitation Certification Form:** Required for all applicants to certify that the proposed project will meet the Secretary of the Interior's Standards for Rehabilitation. The applicant should outline the building's existing condition and all proposed work. Photographs showing all areas of proposed changes are required.. If you are proposing major changes or you are using an architect, additional materials, such as drawings, may be required. The SHPO staff will review the application and materials to certify that all proposed work meets standards. The SHPO will advise applicants and provide technical assistance when needed. Work may begin on the proposed project only after this application has been approved by the SHPO.
3. **Application Processing Fee** An application-processing fee is required. Fees are based on the estimated dollar amount of qualified rehabilitation expenditures. Please submit the appropriate fee as noted below with your application.

Qualified Expenditures	Fee
$5,000 - $25,000	$200
$25,001 - $50,000	$350
$50,001 - $100,000	$500
$100,001 - $500,000	$900
$500,001 - $1,000,000	$1,500
over $1,000,000	$2,000

4. **Rehabilitation Completion Certification**
   This form must be submitted when all work has been completed. Photographs of the finished work must accompany the submission. Upon review and approval by the SHPO, applicants will receive a certificate verifying that they may claim 25 percent of their qualified expenses as credit toward their Kansas state income, privilege, or premiums taxes. Qualified expenses are generally those associated with the physical structure of the building, but other soft costs can be applied as well.

RECOMMENDED UTILIZATION GUIDELINES

The City of Coffeyville encourages eligible properties to seek listing on the National Register of Historic Places, and will support any project that builds on the historic character of applicable buildings rather than detracting from them. When available, staff will provide technical assistance to interested applicants to help ensure the historical assets of the community.

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Kansas State Historical Preservation Office
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Topeka, KS 66615
Phone: (785) 272-8681 ext. 240
Email: cultural_resources@kshs.org
Website: www.kshs.org

BROWNFIELDS TARGETED ASSESSMENT

PURPOSE

A Brownfields site is real property of which the expansion, redevelopment or reuse may be complicated by contamination or perceived contamination on the property. Through this program, KDHE can provide Brownfields Targeted Assessments (BTA) to eligible applicants on projects that benefit community need or job creation, and provide technical assistance to municipalities and the public concerning Brownfields issues at no cost.

AUTHORIZATION

This program was initiated through approval of a federal grant from the EPA.

ELIGIBLE APPLICANTS

The Brownfields Program typically works with local municipalities, not-for-profit, and quasi-government entities to assess properties.
However, a privately owned property may be eligible for funding if the applicant is one of the above-mentioned entities, or if one of the entities writes a letter of support for the project.

ELIGIBILITY CRITERIA

The KDHE Brownfields Program targets projects that have community benefits and support in terms of job creation, economic dependence, green initiatives, or some other community need. Some examples include libraries, community buildings, fire stations, main street storefronts, commercial real estate, parks and recreational paths, all of which are key elements to rural community development or small start-up businesses. The program encourages the redevelopment and reuse of potentially environmentally contaminated properties.

PROGRAM BENEFITS/ELIGIBLE USES

In addition to performing Brownfields assessments on eligible properties, KDHE's Brownfields Program can provide other assistance such as:

- Technical assistance related to federal competitive grants;
- Determining appropriate environmental programs for specific properties;
- Cleanup options;
- Conducting Brownfields workshops across the state; and,
- Individual assistance for communities to discuss specific Brownfields redevelopment concerns.

APPLICATION/APPROVAL PROCEDURE

A KDHE Brownfields Targeted Assessment Application can be found at: http://www.kdheks.gov/brownfields/index.html

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DOWNTOWN REDEVELOPMENT PROGRAM

PURPOSE

The purpose of the Kansas Downtown Redevelopment Act is to promote, stimulate and develop the general and economic welfare of the state of Kansas, its rural and low income communities, by encouraging rehabilitation and use of real property located in downtown areas that have become vacant or minimally utilized by allowing the rebate of real property taxes to properties within a designated area that have undergone approved improvements.

AUTHORIZATION

The Downtown Redevelopment Act (K.S.A. 12-17), passed by the Kansas Legislature in 2004 and implemented by Kansas Administrative Regulations (K.A.R. 110-11) in 2005, establishes the designation of downtown development areas in rural and low income communities with a population of under 50,000.

ELIGIBLE AREAS

Eligible projects must take place in a Kansas community in rural and low income areas with a population of under 50,000.

ELIGIBLE APPLICANTS

The governing body of a city proposing to establish a downtown redevelopment area shall make written application to the Secretary of Commerce.

ELIGIBILITY CRITERIA

The approval of the application will be based on the following criteria:

- The city has a population of less than 50,000 or the proposed redevelopment area qualifies as a distressed community.
- The proposed redevelopment area is located in a well-defined core commercial district of the city.
- If the structures located within the proposed redevelopment area have a vacancy rate that exceeds 15% based on square footage
- The average appraised valuation of the properties located within the proposed redevelopment area has not increased by more than 15% in the past 10 years.

Once a city has been approved and has designed its application process, the owner of real property located within the development area should submit a written application to the local governing body to request downtown redevelopment area tax benefits. After review, the governing body shall either approve or deny the application based on the following criteria:

- The applicant has made within a twelve (12) month period, an investment in improvements to the property or trade fixtures located therein, the value of which is equivalent to or exceeds 25% of the appraised value of the property as determined by the county appraiser, for the immediately preceding tax year; and
- The real property that is the subject of the application is in full compliance with city/county ordinances and resolutions. Favorable consideration will be given to projects that meet the City's objectives outlines in the Comprehensive Plan or Economic Development Plan;
- Are in conformance with the Downtown Redevelopment plan;
- Are anticipated to serve as catalysts for additional development or redevelopment that meets the goals of the City.
- Satisfy unmet retail and non-retail commercial demand.
- Developer has at least 15% equity in the project;

PROGRAM BENEFITS/ELIGIBLE USES

Property that has been approved for downtown redevelopment tax benefits shall be assessed and taxed for real property tax purposes in the same manner that the property would be assesses and taxed as if it had not been approved for the tax benefits. The owner shall receive the tax increment in the form of a rebate of:

1. 100% each year in years one through five.
2. 80% in year six.
3. 60% in year seven.
4. 40% in year eight.
5. 20% in year nine.
6. No rebate will be paid in year 10 or later.

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Infrastructure Development

Community Improvement District (CID)

Transportation Development District (TDD)

KDOT Economic Development Program

KDOT State Rail Service Improvement Fund

KDOT Kansas Airport Improvement Program

KDOT Transportation Economic Development Loan Program

City Connecting Link Resurfacing Program (KLINK)

Geometric Improvement Program (GI)

COMMUNITY IMPROVEMENT DISTRICT (CID)

PURPOSE
A CID is designed to finance public or private facilities, improvements or services for an area determined in partnership between the City and landowners. In many ways, CID's are similar to home associations - providing shared improvements and services paid with revenue generated from a sales tax and/or property assessment initiated by the owners within the District.

AUTHORIZATION
CID: K.S.A. 12-6a26 through K.S.A. 12-6a36, inclusive (the "CID Act").

TYPES OF PROJECTS
Within its boundaries, a CID may fund all phases of the redevelopment/development process associated with the following improvements:

- Buildings
- Transportation improvements
- Utility Improvements
- Parking Facilities
- Streetscape Improvements Including Lighting
- Parks
- Mass Transit Facilities
- Cultural Amenities
- Lakes, Dams, & Ports

OTHER ELIGIBLE USE OF FUNDS
CID's may also directly provide or contract for on-going services including:

- Recreation & Entertainment
- Child Care
- Operation of Transit and Parking Facilities
- Security
- Cleaning & Maintenance
- Tourism Promotion
- Economic Development
- Business Training

In addition to the improvements and services listed on the left, permitted costs include: preparation of reports, plans and specifications; preparation and publication of official documents; fees and expenses of consultants; interest accrued on money borrowed during construction; and establishing bond reserve funds. The City may also charge an administrative fee of up to 5% of the total project cost.

ELIGIBLE AREAS
All CID projects must be located within the physical boundaries of the district. A CID does not have to contain all properties that benefit from the projects. Properties within the CID boundaries do not have to benefit equally from the projects and a property owner's financial participation in the project cost is not required to be in proportion to the financial benefit received.

FUNDING
CIDs may be financed through one or more of the following:

- Property tax special assessments;
- A CID Sales Tax

Any other funds appropriated by the City or County

Property tax special assessments are administered under the same laws governing special improvement districts (K.S.A. 12-6a01); except that no assessments may be levied against the city or county at large. Additional tax law analysis may be necessary if special assessments are utilized and not all benefited properties are within the district.

A Community Improvement District sales tax is in addition to any current city, county, state, and special purpose district sales taxes. CID sales taxes may be imposed in increments of .10% or .25% up to a maximum of 2%. The state collects and distributes CID sales taxes in

the same manner as all other products and services covered under the Kansas retailer's sales tax act. The State Treasurer is authorized to retain 2% of the CID sales taxes collected to defray the State's administrative expenses. CID sales taxes are received quarterly by municipalities and must be deposited into a special purpose fund. Initiation of a CID sales tax may begin only on the first day of January, April, July or October and the Department of Revenue must be given 90 days' notice. The Department of Revenue is authorized to release to the bond trustee, escrow agent or paying agent the amount of sales tax paid by each retailer within the Community Improvement District with the restriction that such information be kept confidential.

The maximum term of a CID special assessment or sales tax is 22 years. CID projects may be funded on a pay-as-you-go basis or through the issuance of bonds. If bonds are utilized, the type of bond, special obligation or full faith and credit, is determined by the proposed revenue source and type of petition submitted by the property owners.

Special obligation bonds are payable solely from CID project revenues. As such, they are not secured by the municipality's general credit or taxing powers. CID special obligation bonds are not subject to the state statutory debt limit.

Full faith and credit bonds are payable, first from CID project revenues, and second from a pledge of the municipality's ad valorem taxing authority, in the event all other authorized sources of revenue are not sufficient. CID full faith and credit bonds may be secured by both a special assessment and a sales tax. In such a case, the yearly special assessment may be reduced by sales tax revenue available to pay debt service. The amount of full faith and credit CID bonds that exceeds 3% of the municipality's assessed valuation applies toward the statutory debt limit.

APPLICATION/APPROVAL PROCEDURE

No Public Hearing

(100% agreement to special assessments without full faith and credit bonds)

- Petition signed by owners of ALL land within the district. Petition contains:
  - General nature of CID project
  - Estimated Cost
  - Proposed method of financing
  - Amount and methods of levying special assessments;
  - Map or boundary description;
  - Legal description
- No notice or public hearing required
- Governing body adopts by simple majority an ordinance or resolution authorizing the district and district financing.
- Publication of ordinance/resolution
- Ordinance/resolution recorded with County register of deeds.

Public Hearing Required

(Any of the following: Less than 100% agreement to special assessments, sales tax, full faith credit bonds)

- Petition submitted signed by owners of 1. More than 55% of the land area; and 2. More than 55% of the assessed value within the district. Petition contains:
  - General nature of CID project
  - Estimated Cost
  - Proposed method of financing
  - Amount and methods of levying special assessments;
  - Map or boundary description;
  - Legal description
- Governing body adopts a resolution calling for public hearing. Notice published twice in the newspaper and sent via certified mail to all property owners within the proposed district.
- Public hearing held
- Governing body adopts by simple majority

an ordinance or resolution authorizing the district and district financing.

- Publication of ordinance/resolution
- Ordinance/resolution recorded with county register of deeds.

RECOMMENDED UTILIZATION GUIDELINES

The decision to establish a CID is within the sole discretion of the City Commission. In determining whether or not to approve a petition to establish a CID, the Governing Body will evaluate whether or not creation of a CID is in the City's best interest, by considering one or more of the following criteria:

- Promotes and supports efforts to develop or redevelop commercial sites to provide for reinvestment in our community;
- Stimulates quality development to enhance the City's economic base;
- Attracts and promotes mixed use development;
- Allows for the construction of infrastructure including the construction of infrastructure beyond what the City would require or otherwise build;
- The projects will be located in an area that has been targeted by the Governing Body for economic development or redevelopment; or has specific site constraints making development more difficult or costly;
- The impact on other infrastructure systems, to include the cost of core system extensions to areas not adjacent to existing systems; the financial risk to the City and any other government units of the financing proposal, to include exposure of the general property tax levy or credit rating;
- Recommendation of the City Finance Team;
- Compliance with uses anticipated in the Comprehensive Plan
- High degree of architectural design and site layout
- Design of infrastructure to meet public and/or private standards.
- Or whatever other factors the City Commission deems relevant to its decision.

Staff will provide technical and logistical support in the development and implementation of required plans, petitions, and development agreements.

CONTACT

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Website:www.actioncouncil.com

TRANSPORTATION DEVELOPMENT DISTRICT (TDD)

PURPOSE

A Transportation Development District or TDD is designed to finance public or private transportation improvements in partnership between the City and landowners. The improvements are paid for by revenue generated from a sales tax and/or property assessment initiated by the owners within the District. The proper use of a TDD can promote, stimulate and develop the general and economic welfare and quality of life in the City of Coffeyville.

AUTHORIZATION

K.S.A. 12-17,140 et seq. and any amendments thereto (the "TDD Act")

HOW THE PROGRAM WORKS

A TDD may be created to act as the entity responsible for developing, improving, maintaining, or operating one or more "projects relative to the transportation needs of the area in which the District is located.

TYPES OF PROJECTS

TDD's may undertake a variety of transportation-related projects to improve, construct, reconstruct, maintain, restore, replace, renew, repair, install, furnish, equip or extend any bridge, street, road, highway access road, interchange, intersection, signing, signalization, parking lot, bus stop, bus station, garage, terminal, hangar, shelter, rest area, dock, wharf, lake or river port, airport, railroad, light rail or other mass transit facility or any other transportation related project or infrastructure including but not limited to utility relocation, sanitary and storm sewers and lift stations, drainage conduits, channels and levees, street light fixtures, connection and facilities, underground gas, water, heating and electrical services and connections located within or without the public right-of-way, sidewalks and pedestrian underpasses or overpasses, and water main and extensions.

RECOMMENDED UTILIZATION GUIDELINES

The decision to establish a TDD is within the sole discretion of the City Commission. In determining whether or not to approve a petition to establish a TDD, the Governing Body will evaluate whether or not creation of a TDD is in the City's best interest, by considering one or more of the following criteria:

- Promotes and supports efforts to develop or redevelop commercial sites to provide for reinvestment in our community;
- Stimulates quality development to enhance the City's economic base;
- Attracts and promotes mixed use development;
- Allows for the construction of infrastructure including the construction of infrastructure beyond what the City would require or otherwise build;
- The projects will be located in an area that has been targeted by the Governing Body for economic development or redevelopment; or has specific site constraints making development more difficult or costly;
- The impact on other infrastructure systems, to include the cost of core system extensions to areas not adjacent to existing systems; the financial risk to the City and any other government units of the financing proposal, to include exposure of the general property tax levy or credit rating;
- Recommendation of the City Finance Team;
- Compliance with uses anticipated in the Comprehensive Plan
- High degree of architectural design and site layout
- Design of infrastructure to meet public and/or private standards.

Or whatever other factors the City Commission deems relevant to its decision.

Staff will provide technical and logistical support in the development and implementation of required plans, petitions, and development agreements.

FUNDING

To pay for the costs of such transportation projects, the Governing Body may impose a TDD sales tax on the selling of tangible personal property at retail or rendering or furnishing services within Transportation Districts in any increment of .10% or .25% not to exceed 1.0% and/or the levy of special assessments upon property within such transportation districts and to issue revenue bonds payable from such sales taxes and/or special assessments.

APPLICATION/APPROVAL PROCEDURE

A valid petition must be submitted with signatures of 100% of the property owners of all the land area within the proposed district, for either a special assessment TDD or a sales tax TDD. A public hearing is required for a sales tax TDD, but is not required for an assessment-only TDD. A TDD may be created by request petition filed with the City Clerk of the City of Coffeyville. There are specific rules that provide filing procedures and content requirements of TDD creating petitions.

The TDD boundaries and the method of financing the project shall not require that all property that is benefited by the project, whether the benefited property is within or without the TDD, be included in the TDD or be subject to an assessment or the TDD sales tax.

The petition must contain a description of the following:

- The general nature of the Transportation Project;
- The proposed uses of all Transportation District funds;
- The maximum cost of the Transportation Project supplemented by a preliminary budget describing each element of the Transportation Project proposed to be paid for by Transportation District sales tax or assessments;
- The proposed method of financing the Transportation Project;
- The proposed method of assessment, if any;
- The proposed amount of any Transportation District sales tax;
- A map and legal description of the proposed Transportation District.

The City reserves the right to request any additional information to supplement the Petition, including those items described above, prior to consideration by the City Commission.

PUBLIC HEARING PROCEDURE

After review of a completed Petition by the TDD Committee, and prior to creating any Transportation District (except a Transportation District financed only by special assessments, for which no public hearing is required) the Governing Body shall, by resolution, direct and order a public hearing on the advisability of creating such Transportation District and the construction of such Transportation Projects therein, and to give notice of the hearing by publication at least once each week for two consecutive weeks in the Coffeyville Journal and by certified mail to all property owners within the proposed Transportation District, the second publication to be at least seven days prior to the hearing and such certified mail sent at least ten days prior to such hearing. The notice of public hearing shall contain the following information:

- The time and place of the hearing;
- The general nature of the proposed Transportation Project;

- The maximum cost of the proposed Transportation Project;
- The proposed method of financing the costs of the Transportation Project;
- The proposed method of assessment, if any;
- The proposed amount of the Transportation District sales tax; and
- A map and legal description of the proposed Transportation District.

After the Public Hearing is conducted on the proposed Transportation District, the City Commission shall determine the advisability of creating a Transportation District setting forth the boundaries thereof, authorizing the proposed Transportation Projects, approving the TDD sales tax, imposing any special assessments and approving the method of financing the same. Such determinations will be made by adoption of an ordinance.

CONTACT

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Email: aheckman@actioncouncil.com
Website:www.actioncouncil.com

KDOT ECONOMIC DEVELOPMENT PROGRAM

PURPOSE
Create net new jobs and capital investment in the State by using transportation investments to recruit new businesses and encourage growth of existing businesses.

ELIGIBLE PROJECTS
Any transportation project that can be shown to support job growth or capital investment in the State are eligible. All modes are eligible, including road projects on and off the state-system, rail projects, airport improvements and public transit investments. Typical projects include access roads, turning lanes, and rail spurs.

ELIGIBLE APPLICANTS
Local Governments, often in partnership with a private business

ELIGIBILITY CRITERIA
- Must address a transportation problem such as enhancing safety, improving access or mobility, or relieving congestion
- Must be non-speculative, meaning the program is not intended to fund improvements merely for future recruitment of businesses
- Other basic infrastructure must be in place or eminent, such as water and other utilities
- Projects cannot just transfer business from one part of the state to another
- Must have the support of local leaders such as elected officials and the chamber of commerce

Kansas Department of Transportation
Pete Van Sickle, Program Manager
Phone: (785) 296-3273
Email: EDProgram@ksdot.org

FUNDING LIMITS
Statewide funding is budgeted at $10 Million annually in reimbursement grants for this program. A 25% minimum local match is generally required, although this is negotiable.

APPROVAL PROCEDURE
If a project's approval is critical to recruit a new business to the State, a decision will be made within 45 days. For projects that are not time-sensitive, projects will be pooled and selected annually as funding is available.

APPLICATION REQUIREMENTS
If you are new to the program, it is strongly recommended that you begin with the General Local Opportunities Application, available at: http://www.ksdot.org/tworks/ecodevo/downloads/genapp2011.docx.

The Economic Development application can be found at: http://www.ksdot.org/tworks/ecodevo/downloads/edapp2011.docx.

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Or

Michael Moriarty
KDOT Economic Development Coordinator
Phone: (785) 296-7960

KDOT STATE RAIL SERVICE IMPROVEMENT FUND

PURPOSE
Improve rail access for businesses and preserve the condition of the state's short line rail network

ELIGIBLE APPLICANTS
Local Governments, short line railroads, port authorities and shippers

PROGRAM BENEFITS/ELIGIBLE USES
Projects that improve the condition or expand the capacity of the state's short line railroads and projects that can be used to recruit or expand business in the state by providing better access to the state's rail network. Typical projects include rail rehabilitation and reconstruction projects, rail spurs, sidings and extensions

FUNDING LIMITS
Statewide funding is budgeted at $5 Million annually in a combination of loans and reimbursements grants. Local match will generally be 30%. Other locally proposed match amounts could be considered depending on project specifics.

APPROVAL PROCEDURE
If a project's approval is critical to recruit a new business to the state, a decision will be made within 45 days. For projects that are not time-sensitive, projects will be pooled and selected annually as funding is available.

APPLICATION PROCESS
It is strongly recommended that you begin with the General Local Partnership Opportunities Application, particularly if you are unfamiliar with the program. The application is available at:http://www.ksdot.org/tworks/ecodevo/downloads/genapp2011.docx.

If the project directly relates to creating jobs and capital investment, applicants should submit the Economic Development Program application, available at: http://www.ksdot.org/tworks/ecodevo/downloads/edapp2011.docx.

For preservation and expansion projects, applicants should submit the State Service Improvement Fund application available at: http://www.ksdot.org/tworks/ecodevo/downloads/railapp2011.docx

SPECIAL PROGRAM REQUIREMENTS
If applicant is a local government, shipper or port authority a Memorandum of Understanding with the serving railroad to provide service and car supply is required. Projects must demonstrate a cost-benefit ratio of one or more.

CONTACT

Kansas Department of Transportation
John Maddox, Program Manager
Phone: (785) 296-3228
Email: freightandrail@ksdot.org

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Or

Alicia Johnson-Turner
KDOT Economic Development Coordinator
Phone: (785) 296-7960

KDOT KANSAS AIRPORT IMPROVEMENT PROGRAM

PURPOSE
Improve and maintain the smaller airports across the state in order to increase access to air travel and air ambulance and to enhance airport and community economic development appeal.

ELIGIBLE APPLICANTS
All public-use airports in Kansas except those classified as Primary airports.

ELIGIBLE PROJECTS
Projects that improve the condition or modernize the state's public use airports, and projects that can be used to recruit or expand business in the state by providing better air access. Typical projects include runway rehabilitation, runway extensions, and airfield equipment upgrades.

FUNDING
Statewide funding is budgeted at $5 Million annually in reimbursement grants. State participation is limited to $800,000 for most projects. Exceptions include full-depth reconstruction of an existing runway, which is eligible for a maximum of $1.2 million, and new runway construction, which is capped at $1.6 million.

A match is required, and it varies by size of community and type of airport. KDOT will participate in the cost of construction and construction engineering at a rate not to exceed:

- 90% for sponsors with a population of less than 3,000 and for privately-owned public-use airports
- 75% for sponsors with a population between 3,000 and 10,000
- 50% for sponsors with a population greater than 10,000
- 95% for planning and design

APPROVAL PROCEDURE
If a project's approval is urgent, particularly if it is critical to recruit a new business to the state, a decision will be made within 45 days. For projects that are not time-sensitive, projects will be pooled and selected annually as funding is available.

APPLICATION REQUIREMENTS
It is recommended that you begin with the General Local Partnership Opportunities Application. The application is available at: www.ksdot.org/tworks/ecodevo/downloads/genapp2011.docx.
If the project directly relates to creating jobs and capital investment, applicants should submit the Economic Development Program application, available at: http://www.ksdot.org/tworks/ecodevo/downloads/edapp2011.docx.
For runway preservation and extension projects, and modernization projects, applicants should submit the State Service Improvement Fund application available at: http://www.ksdot.org/tworks/ecodevo/downloads/airapp2011.docx.

CONTACT
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Kansas Department of Transportation
George Laliberte, Program Manager
Phone: (785) 296-7499
Email: kdotaviation@ksdot.org
OR Alicia Johnson-Turner
KDOT Economic Development Coordinator
Phone: (785) 296-7960
Email: ecodevo@ksdot.org

CITY CONNECTING LINK RESURFACING PROGRAM (KLINK)

PURPOSE
The KLINK program provides reimbursable grants to local governments for the purposes of maintaining state highways that pass through the city limits of a community. KLINK projects are important to communities statewide as it provides funding to address roadway surfacing needs on city connecting links of the State Highway System. Projects range in scope from surface replacement and overlay to minor patching and joint repair.

ELIGIBLE AREAS
KLINK funding is limited to City roadways that also serve as connecting links to the State Highway system.

ELIGIBLE APPLICANTS
Local Governments are eligible to apply.

PROGRAM BENEFITS/ELIGIBLE USES
This local partnership program between the City and KDOT is for the connecting link highway segments maintained by the City. This program is intended to improve the road surface ride qualities of Kansas communities.

FUNDING LIMITS
Through the Local Partnership Program, the state's participation in the cost of the project is 75 percent for cities with a population of less than 10,000 or 50 percent for cities with a population of 10,000 or greater, up to a maximum of $200,000.

APPLICATION PROCEDURE
To apply for KLINK funding, visit the Kansas Department of Transportation website at: http://www.ksdot.org/tworks/ecodevo/programs.html

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GEOMETRIC IMPROVEMENT PROGRAM (GI)

PURPOSE
For the Geometric Improvement Program, the Kansas Department of Transportation (KDOT) administers a local partnership program for highway construction that is intended to improve geometric deficiencies on city connecting links. A "connecting link" is a state highway within the corporate limits of a city. This particular program is called Geometric Improvements. Approved funding must be matched by the City at a ratio of 80/20 State/City to a maximum contribution by the State of $900,000.

ELIGIBLE AREAS
KLINK funding is limited to City roadways that also serve as connecting links to the State Highway system.

ELIGIBLE APPLICANTS
Local Governments are eligible to apply.

PROGRAM BENEFITS/ELIGIBLE USES
This local partnership program between the City and KDOT is for the connecting link highway segments maintained by the City. This program is intended to improve the road surface ride qualities of Kansas communities.

FUNDING LIMITS
The maximum amount the State of Kansas will contribute per project is $900,000. Each project must be matched by the City for the State of Kansas to pay 80% of the project costs, with the City matching these costs by paying 20% of the total project cost.

APPLICATION/APPROVAL PROCEDURE
Geometric improvements should be planned out years in advance of the project. Each of these plans should be in the City's Capital Improvement Plan, and should be approved by the City Commission before an application is submitted to the State of Kansas Department of Transportation.

The application for the Geometric Improvement program is available here: https://www.ksdot.org/Assets/wwwksdotorg/bureaus/burlocalproj/BLPDocuments/1330_GI_APP.pdf

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Kansas Department of Transportation
Bureau of Local Projects
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Incentive Programs for Job Creation & Capital Projects

Rural Opportunity Zone (ROZ)

Local Employee Inducement Program

High Performance Incentive Program (HPIP)

Promoting Employment Across Kansas (PEAK)

Machinery & Equipment Expense Deduction

Sales and Property Tax Exemptions

Other State Tax Incentives and Business Initiatives

Incentive Programs for Job Creation & Capital Projects

RURAL OPPORTUNITY ZONE (ROZ)

PURPOSE

Montgomery County is a Rural Opportunity Zone as of July 1, 2014. This program authorizes the State of Kansas and Montgomery County to offer one or both of the following financial incentives to new full-time residents:

- Kansas income tax waivers for tax years 2015 & 2016
- Student loan repayment up to $15,000

ELIGIBLE AREAS

77 Counties in Kansas, including Montgomery County.

ELIGIBLE APPLICANTS

To be eligible for Kansas **income tax waivers**, individuals must have:

- Established residency in a ROZ county on or after July 1, 2014
- Lived outside Kansas for five or more years immediately prior to establishing residency in a ROZ county
- Earned less than $10,000 in Kansas Source Income in each of the five years immediately prior to establishing residency in a ROZ county

To be eligible for **student loan repayments**, individuals must:

- Establish residency in Montgomery County on or after July 1, 2014
- Hold an associate's, bachelor's or post-graduate degree
- Have an outstanding student loan balance

PROGRAM BENEFITS/ELIGIBLE USES

This program provides financial tax incentives for employees who move to Montgomery County from out of state, and/or moves to Montgomery County after completing a minimum of an associates degree at a public or private educational institution. This is an additional benefit to employers, as this can be used as a recruiting and retention tool for new and existing employees that do not currently live in Montgomery County.

FUNDING LIMITS

There is a limit to the number of applicants that will be approved each year. It is important to contact MCAC, the City of Coffeyville, or Montgomery County to start the process for approval. However, an employer can sponsor a ROZ applicant, which will waive the requirement for first-come-first-served basis for the State and the County.

APPLICATION/APPROVAL PROCEDURE

All interested applicants must contact the Montgomery County Action Council, or Chris Harris, Program Manager of the Kansas Department of Commerce at the contact information listed below.

For an employer sponsored ROZ participant, the employer would need to submit an application via: http://www.kansascommerce.com/index.aspx?NID=697

CONTACT

Montgomery County Action Council
Aaron Heckman, Executive Director
115 S. 6th St.
Independence, KS 67301
Phone: (620)331-3830
Email:ROZ@actioncouncil.com

Kansas Department of Commerce
Chris Harris, Program Manager
Phone: (785) 296-6815
Email: roz@kansascommerce.com

LOCAL EMPLOYEE INDUCEMENT PROGRAM

PURPOSE

The purpose of this program is to provide a guideline for current and future businesses when hiring and recruiting employees to work in a Coffeyville industry. This program will offer businesses financial incentives to promote city residency during the hiring process and beyond for their employees. This program is intended to ensure that the City of Coffeyville retains the maximum number of residents, so that both businesses and the community benefits from new employees moving to the community.

ELIGIBLE APPLICANTS

Businesses in Coffeyville and within 10 miles of the city limits of Coffeyville are eligible for this program. A new or existing business is eligible provided they are hiring a minimum of 10 new employees.

ELIGIBILITY CRITERIA

- Employee Residency shall mean the address listed on an employee's federal and state tax returns, driver's license, and automobile registration if applicable. Employees with a Coffeyville address or zip code will be listed as eligible for the employer incentive.
- To participate, the company agrees to promote the community of Coffeyville and Montgomery County for employee residency within internal human resources initiatives.
- To document employee residency and that the employee commitment and compensation commitment have been met, the company agrees to provide the City by March 1 of each year with
- copies of their Kansas Quarterly wage forms and attached schedules;
- a schedule identifying the hourly base wage rate, base hours worked, hire date, employee residency and job classifications of each employee;
- And any additional schedules necessary to accurately monitor the pay level of the employees to be counted towards the Employee and Compensation Commitment.

The number of employees of each quarter of a commitment period as shown on the Company's Kansas Quarterly Wage Form that meet the residency criteria shall be averaged. Each 12 month period beginning on January 1 of a calendar year, and ending on December 31 of a calendar year will be referred to herin as a commitment period.

PROGRAM BENEFITS/ELIGIBLE USES

This program will encourage employees of a company to locate closer to work, thus establishing an incentive for the employee to maintain employment with the local company. This program is intended to serve as an incentive program for new businesses or expansions, however, current employers may be eligible if the City Commission sees that providing such an incentive to a currently operating company will ensure a large number of new residents will likely move to the community to work closer to home as a result.

FUNDING LIMITS

If the company's percentage of employee residency occurring in Coffeyville, Kansas and Montgomery County, Kansas fall below 60% or 80% respectively for any commitment period, an additional development grant penalty of $25,000 will be due for the applicable commitment period and payable by March 1st of the following year.

Incentive Programs for Job Creation & Capital Projects

APPLICATION/APPROVAL PROCEDURE

To apply for this program, contact the City Manager of the City of Coffeyville at the information listed below. Companies will need to provide an expected number of employees that would currently be eligible for the program, and the number of employees currently residing outside of the City of Coffeyville or Montgomery County. Staff will assist the Human Resources department of the Company to supply materials that will promote living and working in Coffeyville as part of this program.

REPORTING REQUIREMENTS

Annual reports on the employee residency location are required to participate in this program. These are due on the first of March each year.

CONTACT

City of Coffeyville
Gary Bradley, City Manager
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Email: gbradley@coffeyville.com
Website: www.coffeyville.com

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Incentive Programs for Job Creation & Capital Projects

Coffeyville KANSAS

HIGH PERFORMANCE INCENTIVE PROGRAM (HPIP)

PURPOSE

This program provides a 10 percent corporate income tax credit on the qualified capital investment of an eligible company. Qualified capital investment can include such items as the purchase or lease of a facility or equipment, remodeling or build-out costs, fixtures, furniture and computers. Equipment transferred to Kansas from out-of-state is also credited at the original acquisition cost. The 10 percent tax credit is awarded to companies that operate an eligible business, pay above-average wages and invest in employee training. The credits can be used to significantly reduce a company's corporate income tax liability in a given year.

AUTHORIZATION

A key component of HPIP is the completion of the Project Description form, which must be submitted to the Department of Commerce prior to the company signing any document, such as a lease or purchase agreement, which commits the company to locating or expanding in Kansas.

ELIGIBLE APPLICANTS

The 10 percent tax credit is awarded to companies that operate an eligible business, pay above-average wages and invest in employee training.

ELIGIBILITY CRITERIA

Credits must be used within a consecutive 16-year period. The minimum investment threshold to qualify for HPIP is $50,000.

PROGRAM BENEFITS/ELIGIBLE USES

- Up to a 10% tax credit on qualified, new capital investment beyond the first $50,000 of investment (i.e. $2,000,000 investment could potentially result in a $195,000 investment tax credit or 10% of $1,950,000).
- Up to a $50,000 per year (workforce) training tax credit on training expenditures exceeding 2% of company payroll.
- Exemption from sales tax for eligible capital investment/expenditures.
- Eligibility based upon two criteria: (1) pay an above average wage for NAICS category for region of the state; and (2) invest at least two percent of payroll in training **or** participate in one of Commerce's workforce training programs such as KIT or KIR *(depends on timing of contract)*
- Actual investment must occur while the company's worksite is HPIP certified.
- **Investment must be documented to Commerce prior to the company's written or contractual committal to the investment;**
- Maximum of 16-year carry forward on unused credits. Company must become HPIP "re-certified" in any year in which unused credits are applied.
- No job creation required to participate.
- Cannot be used if taxpayer chooses Machinery & Equipment Expense Deduction.

CONTACT

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Craig VanWey
Southeast Regional Project Manager
Business and Community Development Div.
Kansas Department of Commerce
1501 South Joplin St. – Shirk Hall
Pittsburg, KS 66762
Phone: (785) 633-8407
cvanwey@kansascommerce.com
www.kansascommerce.com

PROMOTING EMPLOYMENT ACROSS KANSAS (PEAK)

PURPOSE

The Promoting Employment Across Kansas (PEAK) incentive program allows qualified for-profit and regional or national non-for-profit headquarter companies that are locating new jobs or expanding existing Kansas operation, to retain 95 percent (95%) of the payroll withholding tax of the PEAK jobs for up to ten years.

AUTHORIZATION

Per K.S.A. 74-50,210 through 74-50,216 (also known as the PEAK Act), the Secretary of Commerce has sole discretion to approve qualified companies and determine length of benefit.

ELIGIBLE APPLICANTS

Companies need to create at least five new jobs within two years. High Impact projects that create 100 new jobs within two years can retain 95% of payroll withholding tax for a period of 10 years. The number of years that the withholding tax can be retained depends on how much the annual median wage of the jobs in the project will exceed the current county median wage and the discretion of the Secretary of the Kansas Department of Commerce. If the aggregate median wage of the new jobs does not qualify the project for PEAK, the annual average wage of the new jobs can be used.

ELIGIBILITY CRITERIA

1. A PEAK application must be submitted before locating or creating PEAK-eligible jobs in Kansas.
2. Must create new jobs in Kansas resulting from relocating, locating or expanding a business.
3. For-profit companies shall not have the NAICS assignment of: Industry group 7132 (Gambling Industries) or 8131 (Religious Organizations); (Retail Trade), 61 (Educational Services), 92 (Public Administration) or 221 (Utilities including water & sewer services); Subsector 722 (Food Services and Drinking Places);unless applying as an international or national headquarters or an administrative/back office facility
4. Not-for-profit regional/national headquarters may apply.
5. Shall not be a bioscience company.
6. Shall not be delinquent in the payment of taxes to any federal, state and/or local taxing entities.
7. Shall not be under the protection of the federal bankruptcy code.
8. Must make available to full-time employees adequate health insurance coverage and pay at least 50 percent (50%) of the premium.
9. Must have a median wage for PEAK jobs of at least 100 percent (100%) of the county median wage (CMW) or industry NAICS as published by the Kansas Department of Labor (KDOL) at the time of application for the county in which the jobs will be located.
10. Must create a minimum of 5 PEAK jobs within two years.
11. Must create a minimum of 100 jobs within two years of application regardless of location to receive high impact program benefits.
12. Must be approved by the Secretary of Commerce (Secretary) to participate in program.

APPLICATION/APPROVAL PROCEDURE

Applications are accepted throughout the year and must be received prior to hiring PEAK

jobs/ employees in Kansas. For more information, see our web site at www.kansascommerce.com.

CONTACT

Montgomery County Action Council
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MACHINERY & EQUIPMENT EXPENSE DEDUCTION

PURPOSE
Effective January 1, 2012, Kansas taxpayers will be allowed to claim an expense deduction for business machinery and equipment, placed in service in Kansas during the tax year. The one-time deduction is allowed for each qualified purchase of machinery and equipment in the year that it is placed in service. The deduction is representative of the difference between the cost of the item and the value of the stream of depreciation deductions allowed under normal federal depreciation rules.

ELIGIBLE APPLICANTS
If taxpayer elects to claim expensing deduction, they **cannot** claim tax credits or other incentives under the following: **HPIP credit;** research and development credit; alternative fuel vehicle credit; swine facility improvement credit; historic preservation credit; refinery credit or accelerated depreciation; oil or gas pipeline or accelerated depreciation; integrated coal or coke gasification nitrogen fertilizer plant credit or accelerated depreciation; biomass-to-energy plant credit or accelerated depreciation; integrated coal gasification power plant credit; renewable electric cogeneration facility credit or accelerated depreciation; biofuel storage and blending equipment credit or accelerated depreciation; carbon dioxide capture equipment credit; or film production credit.

ELIGIBILITY CRITERIA
Eligible investment is in machinery and equipment depreciable under the Modified Accelerated Cost Recovery System (MACRS) in section 168 of the Internal Revenue Code, or canned software as defined in section 197 of the Internal Revenue Code. Examples of eligible equipment include manufacturing equipment, office furniture, computers, software, racking. Qualifying property **excludes** residential rental property, nonresidential real property, any railroad grading or tunnel bore or any other property with an applicable recovery period in excess of 25 years.

SPECIAL PROGRAM REQUIREMENTS
The expensing deduction program and HPIP **cannot** both be utilized for the same item/asset. However, expensing & HPIP can be used for the same project. For instance, if a project involves both construction (real property) and M&E purchases (personal property), the M&E purchases could benefit from expensing while the building construction/expansion/renovation investment could benefit from HPIP.

APPLICATION/APPROVAL PROCEDURE
Contact: Jim Weisgerber, Dept. of Revenue, 785-296-2479

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SALES AND PROPERTY TAX EXEMPTIONS

SALES TAX EXEMPTIONS

The Kansas state sales and use tax rate is 6.15 percent. However, there are several sales tax exemptions available which include:

- Labor services related to original construction
- Remodeling costs, furnishings, furniture, machinery and equipment for qualified projects
- New machinery and equipment for manufacturing and distribution. This also includes pre- and post-production machinery and equipment, including raw material handling, waste storage, water purification and oil cleaning, as well as ancillary property such as gas pipes, electrical wiring and pollution control equipment. The installation, repair, and maintenance services performed on this equipment is also exempt.
- Tangible personal property that becomes an ingredient or component part of a finished product
- Tangible personal property that is immediately consumed in the production process, including electric power, natural gas and water
- Incoming and outgoing interstate telephone or transmission services (WATTS)
- Real and personal property financed with an Industrial Revenue Bond

PROPERTY TAX EXEMPTIONS

Machinery and Equipment Property Tax Exemption

Commercial and industrial machinery and equipment acquired by qualified purchase or lease or transferred into the state is exempt from state and local property tax. The exemption pertains to machinery and equipment used in the expansion of an existing facility or the establishment of a new facility. The exemption covers machinery and equipment used in manufacturing or warehousing/distribution, commercial equipment, computers, desks and chairs, copiers and fax machines.

Property Tax Abatement

Cities or counties may exempt real property from ad valorem taxation. The tax abatement can include all or any portion of the appraised buildings, land and improvements. A total or partial tax abatement may be in effect for up to 10 years after the calendar year in which the business commences its operations. Any property tax abatement is the decision of the city or county.

For information about these sales tax exemptions and if your company would qualify, please contact the City of Coffeyville, or the State of Kansas Department of Commerce representative listed below.

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OTHER STATE TAX INCENTIVES AND BUSINESS INITIATIVES

RIGHT TO WORK STATE

Union membership in Kansas is 6.8 percent, which is well below the national average. This right to work law secures the right of employees to decide for themselves whether or not to join or financially support a union.

INVENTORY TAX EXEMPTION

All merchant and manufacturers' inventories are exempt from property taxes. Inventory includes those items that:

- Are primarily held for sale in the ordinary course of business (finished goods);
- Are in process of production for sale (work in progress); or
- Are to be consumed either directly or indirectly in the production of finished goods (raw materials & supplies).

RESEARCH TAX CREDIT

Kansas offers an income tax credit equal to 6.5% of a company's investment in research and development above the average expenditure of the previous three-year period. Twenty-five percent of the allowable annual credit may be claimed in any one year.

NO LOCAL INCOME TAXES

Kansas cities and counties do not impose an earnings tax on personal or corporate income.

NO KANSAS FRANCHISE TAX

Kansas eliminated its franchise tax in 2011.

WORKERS COMPENSATION

Kansas is ranked as the **9th lowest** in the U.S. for worker compensation rates.

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Loan Programs

E-Community Business Loan Program

Community Development Block Grant Micro-Loan Program (CDBG Micro-loan)

USDA RDA Micro-Loan Program

Coffeyville Small Business Loan Program

KDOT Transportation Economic Development Loan Program (TEDL)

Southeast Kansas Revolving Loan Fund

Rural Economic Development Loan & Grant (REDLG)

USDA Business & Industry Guaranteed Loans (B&I)

USDA Rural Energy for America Program Guaranteed Loan Program (REAP Loans)

E-COMMUNITY BUSINESS LOAN

PURPOSE

Downtown Coffeyville, Inc. was selected to partner with NetWork Kansas to establish a locally-administered loan fund to assist entrepreneurs with capital, to increase connectivity to resources available to assist entrepreneurs and small businesses, to initiate activities to generate entrepreneurial development, and to participate in a statewide partnership with other E-Communities. The goal of the E-Community partnership is to increase entrepreneurial activity and develop a self-sustaining ecosystem favorable to long-term entrepreneurial growth. Over $75,000 is available to Coffeyville businesses in this loan fund.

The E-Community program has made a commitment to cultivating an entrepreneurial environment by identifying and developing resources to help local entrepreneurs start or grow businesses. E-Communities have assets available to assist entrepreneurs and small businesses, including a locally administered revolving loan fund and connections to business mentors, training, and other resources.

AUTHORIZATION

A NetWork Kansas E-Community is a partnership that allows a town, a cluster of towns, or an entire county to raise seed money for local entrepreneurs through donations from individuals or businesses within the community. Network Kansas awarded $75,000 to Downtown Coffeyville, Inc. to establish Coffeyville as an E-Community.

ELIGIBLE AREAS

Businesses in and within 5 miles of the Coffeyville city boundaries are eligible for E-Community funding.

ELIGIBLE APPLICANTS

A business must create at least one new job in Coffeyville to be eligible for the program. Applicants must be able to complete a full business plan, financial review and credit check, and be available to meet with the Leadership and Loan Review Board upon request.

PROGRAM BENEFITS/ELIGIBLE USES

The E-Community program is a flexible program that allows new entrepreneurs flexibility with interest rates, repayment schedules, and other typical loan hindrances for new companies. All loan terms are based on credit worthiness, strength of business plan and financial resources, and interview with Loan Advisory Board. Previous loans have been awarded:

- Zero Percent Interest for 12 months;
- 4% interest for term of loan;
- 12 month repayment grace period;
- Interest only payments for 12 months

FUNDING LIMITS

The maximum loan under this program is $40,000 and must be matched at a rate of 60:40. For example a $40,000 loan must have matching funds of $26,667 in either conventional financing from a lender, or private financing from a public entity such as the Montgomery County Action Council or the City of Coffeyville Economic Development Group. Personal funds will not count toward matching fund requirements, but are not discouraged as part of the application package.

APPLICATION/APPROVAL PROCEDURE

Applications are available at www.actioncouncil.com. Applications must be completed ELECTRONICALLY. Hand written applications are not accepted. Three years of previous tax returns (either individual or business), and a spreadsheet detailing the sources and uses of how the business will

utilize E-Community funds, personal funds, and the matching loan funds is required to accompany the completed application.

For assistance in completing the E-Community Application, contact Downtown Coffeyville, Inc., the Montgomery County Action Council, or the Innovative Business Resource Center at the contact numbers listed below.

REPORTING REQUIREMENTS

Annual financial reports are due at the end of each calendar year. Reports must be submitted within 60 days of December 31, 2014.

CONTACT

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807 ½ Walnut Street
Coffeyville, KS 67337
Phone: 620-251-2550
Email: chambercvb@coffeyville.com

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Innovative Business Resource Center
Jim Correll
Executive Vice President
Phone: 620-332-5470

CDBG MICRO-LOAN

PURPOSE
Montgomery County was awarded $100,000 in Community Development Block Grant funds by the Kansas Department of Commerce and Housing in 1999 to be used as a revolving loan fund. The Montgomery County Action Council serves as the facilitator of this fund.

These funds are revolving, and loans are available in $25,000 increments to start-up or existing businesses in Coffeyville. The goal of the program is to keep these funds revolving in the community, constantly stimulating new business and assisting existing businesses.

AUTHORIZATION
The Montgomery County Action Council (MCAC) is the administrator of this loan fund. The Executive Committee of MCAC is the loan review board of this program, with final authorization by County Commissioners of Montgomery County.

ELIGIBLE AREAS
Businesses in Montgomery County are eligible for this loan fund.

ELIGIBLE APPLICANTS
Applicants must complete an application process which is similar to one required by any lender. Businesses are required to create at least one job. In the case of start-up businesses, this requirement is fulfilled by the creation of the applicant's job.

PROGRAM BENEFITS/ELIGIBLE USES
The CDBG Loan program is a flexible program that allows flexibility with interest rates, repayment schedules, and other typical loan hindrances for new companies. All loan terms are based on credit worthiness, strength of business plan and financial resources, and interview with Loan Advisory Board. Previous loans have been awarded:

- Zero Percent Interest for 12 months;
- 5% interest for term of loan;
- Interest only payments for 12 months

FUNDING LIMITS
Loans are limited to $25,000. However, you can apply for both the RDA and CDBG simultaneously, for a total of $50,000. Only one administration charge will be incurred for joint applications.

APPLICATION/APPROVAL PROCEDURE
Applications are available at www.actioncouncil.com. Applications must be completed ELECTRONICALLY. Hand written applications are not accepted. Three years of previous tax returns (either individual or business), and a spreadsheet detailing the sources and uses of how the business will utilize funds is required to accompany the completed application.

For assistance in completing the Application, contact the Montgomery County Action Council at the contact numbers listed below.

REPORTING REQUIREMENTS
Annual financial reports are due at the end of each calendar year. Reports must be submitted within 60 days of December 31, 2014.

SPECIAL PROGRAM REQUIREMENTS
There is a non-refundable $500 application and processing fee for all applications **that are presented to the loan advisory committee.** Funds will be returned if application does not meet initial eligibility standards.

CONTACT

City of Coffeyville
Gary Bradley, City Manager
11 E. 2nd Street, P.O. Box 1629
Coffeyville, KS 67337
Phone: (620)252-6163
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USDA RDA REVOLVING LOAN FUND

PURPOSE

The Rural Development Loan Fund was established in Montgomery County in 1997 and consists of 65% federal grant money and 35% matching funds provided by the Montgomery County Action Council. The goal of the program is to assist start-up or existing manufacturing businesses located in Montgomery County. The RDA Micro-Loan Program's funds revolve in two ways: funds can be accessed by one company more than once, and all loan proceeds go back into the fund to be recycled in the community. RDA Micro-Loans can be made to existing or start-up businesses located anywhere in Montgomery County. Loans of $25,000 or less at favorable interest rates can be used to acquire machinery and equipment or to provide working capital for inventory/materials to be used in production.

AUTHORIZATION

The Montgomery County Action Council (MCAC) is the administrator of this loan fund. The Executive Committee of MCAC is the loan review board of this program.

ELIGIBLE AREAS

RDA Micro-Loans can be made to existing or start-up businesses located anywhere in Montgomery County.

HOW THE PROGRAM WORKS

The RDA Micro-Loan Program's funds revolve in two ways: funds can be accessed by one company more than once, and all loan proceeds go back into the fund to be recycled in the community. Loans of $25,000 or less at favorable interest rates can be used to acquire machinery and equipment or to provide working capital for inventory/materials to be used in production.

ELIGIBILITY CRITERIA

Applicants must complete an application process which is similar to one required by any lender. Businesses are required to create at least one job. In the case of start-up businesses, this requirement is fulfilled by the creation of the applicant's job.

PROGRAM BENEFITS/ELIGIBLE USES

The RDA Loan program is a flexible program that allows flexibility with interest rates, repayment schedules, and other typical loan hindrances for new companies. All loan terms are based on credit worthiness, strength of business plan and financial resources, and interview with Loan Advisory Board. Previous loans have been awarded:

- Zero Percent Interest for 12 months;
- 5% interest for term of loan;
- Interest only payments for 12 months

FUNDING LIMITS

Loans are limited to $25,000. However, you can apply for both the RDA and CDBG simultaneously, for a total of $50,000. Only one administration charge will be incurred for joint applications.

APPLICATION/APPROVAL PROCEDURE

Applications are available at www.actioncouncil.com. Applications must be completed ELECTRONICALLY. Hand written applications are not accepted. Three years of previous tax returns (either individual or business), and a spreadsheet detailing the sources and uses of how the business will utilize funds is required to accompany the completed application.

For assistance in completing the Application, contact the Montgomery County Action Council at the contact numbers listed below.

REPORTING REQUIREMENTS
Annual financial reports are due at the end of each calendar year. Reports must be submitted within 60 days of December 31, 2014.

SPECIAL PROGRAM REQUIREMENTS
There is a non-refundable $500 application and processing fee for all applications **that are presented to the loan advisory committee.** Funds will be returned if application does not meet initial eligibility standards.

CONTACT
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COFFEYVILLE SMALL BUSINESS LOAN PROGRAM

PURPOSE
The program is designed to stimulate economic growth and create jobs that will improve the living conditions of residents in the community. The program provides affordable, non-conventional financing, typically "gap financing," to eligible businesses and development projects that are not able to receive funding elsewhere. Businesses receiving these funds will be required to produce a sufficient number of net new jobs, or in the case of business retention, retain existing jobs.

ELIGIBLE AREAS
Financing under this program is available to all eligible businesses located within the city limits of the City of Coffeyville or within the Coffeyville Industrial Park.

ELIGIBLE APPLICANTS
Loan applicants for the Program must be existing legal businesses, located within the City of Coffeyville, with a proper local business license (if applicable), insurance, and required permits per local, state and federal requirements. If an applicant is a new start-up business and does not have proper licenses or insurance, then these items can be made a condition of funding the loan. The business can be a tenant leasing space or an owner of property where the business is located. The existing business must create one or more new permanent full time equivalent (FTE) jobs.

ELIGIBILITY CRITERIA
No member of the City Commission and no official, employee or agent of the City of Coffeyville, nor any other person who exercises policy or decision-making responsibilities in connection with the planning and implementation of the economic development policies or programs shall directly or indirectly be eligible for this program. Exceptions to this policy can be made only after public disclosure and formal approval by the City Commission and authorized in writing by the City of Coffeyville's legal counsel.

PROGRAM BENEFITS/ELIGIBLE USES
Funds under this program are restricted to certain eligible costs. Some common eligible costs are:

- Operating capital (including license and permit fees if applicable)
- Renovation of leased space or owned buildings (including engineering, architectural, and local permits or fees), new construction, or acquisition of existing commercial or industrial space.
- Purchase of manufacturing equipment (with or without installation costs)
- Furniture, fixtures and equipment (FF&E)

In most cases, loan funds will be disbursed incrementally on a reimbursement basis, or direct payment of vendor/contractor invoices, as eligible costs are verified.

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KDOT TRANSPORTATION ECONOMIC DEVELOPMENT LOAN PROGRAM (TEDL)

PURPOSE
The State will partner with local governments and the private sector to support the State's economy by creating net new jobs and encouraging capital investment. The program provides bridge loans through partnerships with local governments and the private sector..

HOW IT WORKS
TEDL is a reimbursement loan program where incremental revenues that result from private development spurred by development of the transportation improvement are dedicated to pay off the bonds that were used to finance the initial construction of the project. The local unit of government is also required to pledge its' general obligation taxing authority for repayment of the loan.

ELIGIBLE PROJECTS
Roadway projects, most likely interchange and corridor management projects that can be shown to support job growth or capital investment in the State. Only roadway projects are eligible, including road projects on and off the state-systems. Typical projects would most likely be interchanges and other enhancements that increase capacity or improve connectivity.

ELIGIBLE APPLICANTS
Local governments or local government in partnership with a private business

ELIGIBILITY CRITERIA
- Must be non-speculative, meaning the program is not intended to fund improvements merely for future recruitment of businesses
- Requires a three-party agreement between the KDOT, the local government, and the private sector business.
- Other basic infrastructure must be in place or eminent, such as water and other utilities
- Projects cannot just transfer business from one part of the state to another
- Must have the support of local leaders such as elected officials and the chamber of commerce

FUNDING LIMITS
TEDL funding is situational.

APPROVAL PROCEDURE
Applications will be considered as they are received. If a project's approval is critical to recruit a new business to the State, a decision will be made within 45 days.

APPLICATION REQUIREMENTS
Begin with the General Local Opportunities Application, available at http://www.ksdot.org/tworks/ecodevo/downloads/genapp2011.docx.

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Kansas Department of Transportation
Danielle Marten, Program Manager
Phone: (785) 296-0324
Email: trf@ksdot.org

OR

Alicia Johnson-Turner
KDOT Economic Development Coordinator
Phone: (785) 296-7960
Email: ecodevo@ksdot.org

SOUTHEAST KANSAS REVOLVING LOAN FUND

PURPOSE
The purpose of this program is to offer Southeast Kansas businesses gap loan funding. The program is targeted for firms that employ the long-term unemployed and the dislocated worker. Efforts will also be made to encourage industries that not only upgrade the skills of the current labor force, but also alter the current dependence upon labor-intensive lower skilled workers. Funds must be used for projects that save or create jobs.

ELIGIBLE AREAS
Businesses located in the Southeast Kansas Economic Development District (SEKEDD). The SEKEDD includes Allen, Anderson, Bourbon, Cherokee, Coffey, Crawford, Linn, Labette, Montgomery, Neosho, Wilson and Woodson Counties.

ELIGIBLE APPLICANTS
Manufacturing, service and retail businesses may apply subject to the following limitations:

- A loan portfolio of 100% industrial loans is permissible at the discretion of the Regional Loan Advisory Committee. Loans to commercial/service businesses may not exceed 40% of the total RLF loan portfolio. Loans to retail sales businesses may not exceed 5% of the total RLF Loan Portfolio. It is estimated that at least 50% of the loans will be made to existing firms, with the majority being for new jobs as opposed to retention.
- Loans to retail businesses will be limited to firms that have no local competition within a 25 mile radius. Exceptions may be granted on a case-by-case basis.

ELIGIBLE USES
Providing ample security is obtained, at least a second position, the RLF will allow working capital to represent no more than 30% of the total portfolio, with fixed asset loans constituting the remainder.

FUNDING LIMITS
Loans are currently limited to a maximum of $100,000. However, the funds must be used for projects that save or create jobs. Businesses may apply for a maximum of $25,000 per job saved or created by the loan project.

APPLICATION PROCEDURE
A completed application will include a completed application, information on each of the below requirements, as well as a $500 loan application fee that covers the cost of loan origination, credit checks, and staff time in processing the application. The loan application can be found at:
http://www.sekrpc.org/cms/Services/RevolvingLoanFundRLF/tabid/89/Default.aspx

Collateral Requirements
Security arrangements will differ relative to the nature of the project. Personal guarantees may be required. Standard private sector promissory notes will be utilized, including due and payable clauses, and recovery clauses. Real property, furniture, fixtures, machinery may be considered as collateral. Other types of assets may be considered on a case-by-case basis.

Each loan application will be considered on its own merits and in some cases a reduction in leverage may be made, particularly if a first position is available on fixed assets. On fixed-asset loans, the RLF will consider a subordinate lien position.

Loan Terms
Working Capital Loans: 3-5 Years
Equipment and Machinery Loans: 5-7 Years
Building and land: Case by case basis

Interest Rates

The minimum interest rate charge is four percentage points below the current money center prime quoted in the Wall Street Journal. In no event may the interest rate be less than four percent. However, should the prime interest rate exceed fourteen percent, the minimum RLF rate charge is not required to be raised above ten percent if to do so would compromise the ability of the RLF to implement its financing strategy.

Owner Equity/Matching Requirements

The SEKRPC RLF does not provide 100% project financing. All projects will require equity injection. The overall RLF portfolio will maintain the required ratio of two dollars of leverage for every one dollar of RLF investment. Private leveraging will be made concurrently with an RLF loan as a part of the same business development project and may include:

- Capital invested by borrower and others.
- Financing from other private entities
- Ninety percent of the guaranteed portions of SBA 7(a) and 504 debenture loans.

Private investments will not include equity build-up in a borrowers assets or prior capital investments by the borrower.

Credit Reports

Corporate and personal credit reports will be obtained, as needed, to determine the credit worthiness of each applicant.

Appraisal Reports

Appraisals of real property, inventory, equipment, machinery and/or other collateral properties will be obtained, as needed, to certify values stated in the application.

Environmental Reviews

Requests for Environmental Comments will be obtained from state and federal agencies, as necessary, to certify the nature and extent of any potential environmental impacts associated with construction projects.

LOAN APPROVAL PROCESS

1. Applicants will submit completed applications with the information listed above included SEKRPC staff. Staff may provide assistance in the completion of applications that may initially appear to be incomplete or fail to meet any of the RLF program requirements.
2. SEKRPC Board will convene and review the application. They will either approve the application for consideration by the Regional Loan Advisory Committee, or disapprove the loan application, or suspend the application for further documentation and review. The Board will recommend terms and conditions for approved applications.
3. Upon payment by the applicant of a $500.00 loan origination fee, applications that have been approved by the SEKRPC Board will be recommended for final consideration by the SEKRPC Executive Committee. If the loan is not forwarded and approved by the SEKRPC Executive Committee, a fee of $300 will be refunded to the applicant.
4. The SEKRPC Executive Committee may consider applications approved by the Regional Loan Advisory Committee and submitted for review prior to its regularly scheduled meeting. The SEKRPC Executive Committee meets on the first Thursday of each month.
5. The SEKRPC Executive Director will notify applicants of the action of the SEKRPC Executive Committee in writing. This notification will usually occur within 24 hours following the meeting of the Executive Committee.
6. SEKRPC staff will begin the process of completing the loan contract and constructing the loan closing packet. Staff

will work in close communication with the applicant to complete the closing requirements in a timely manner.

7. Applicant will pay all fees necessary to secure and protect SEKRPC's collateral position. This requirement specifically applies to, but is not limited to, mortgage registration filing fees.
8. The loan closing and release of RLF funds should usually occur within 30 days of approval by the SEKRPC Executive Committee.
9. Each application is reviewed on a case by case basis. There is the possibility of a modification in the loan origination fee, terms of notices, etc.

CONTACT

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RURAL ECONOMIC DEVELOPMENT LOAN & GRANT (REDLG)

PURPOSE

The REDLG program provides funding to rural projects through local utility organizations. Under the REDLoan program, USDA provides zero interest loans to local utilities which they, in turn, pass through to local businesses (ultimate recipients) for projects that will create and retain employment in rural areas. The ultimate recipients repay the lending utility directly. The utility is responsible for repayment to the Agency.

Under the REDGrant program, USDA provides grant funds to local utility organizations which use the funding to establish revolving loan funds. Loans are made from the revolving loan fund to projects that will create or retain rural jobs. When the revolving loan fund is terminated, the grant is repaid to the Agency.

ELIGIBLE APPLICANTS

To receive funding under the REDLG program (which will be forwarded to selected eligible projects) an entity must:

- Have borrowed and repaid or pre-paid an insured, direct, or guaranteed loan received under the Rural Electrification Act or,
- Be a not-for-profit utility that is eligible to receive assistance from the Rural Development Electric or Telecommunication Program
- Be a current Rural Development Electric or Telecommunication Programs Borrower

ELIGIBLE PROJECTS

REDLG grantees and borrowers pass the funding on to eligible projects. Examples of eligible projects include:

- Capitalization of revolving loan funds
- Technical assistance in conjunction with projects funded under a zero interest REDLoan
- Business Incubators
- Community Development Assistance to non-profits and public bodies (particularly job creation or enhancement)
- Facilities and equipment for education and training for rural residents to facilitate economic development
- Facilities and equipment for medical care to rural residents
- Telecommunications/computer networks for distance learning or long distance medical care

FUNDING LIMITS

During FY 2014, approximately $91 million is available for loans and $10 million for grants.

APPLICATION/APPROVAL PROCEDURE

To apply for funding for the REDLG program, please contact your Rural Development State Office at the contact information listed below.

CONTACT

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Aaron Heckman
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USDA Rural Development – Business Program
Katie Casper
Iola Area Office
202 West Miller Road
Iola, KS 66749
Phone: (620) 365-2901, Ext. 1427
Email: Katie.casper@ks.usda.gov
Website:
www.rurdev.usda.gov/KS_Home_Contacts.html

USDA BUSINESS & INDUSTRY GUARANTEED LOANS (B&I)

PURPOSE

The purpose of the B&I Guaranteed Loan Program is to improve, develop, or finance business, industry y, and employment and improve the economic and environmental climate in rural communities. This purpose is achieved by bolstering the existing private credit structure through the guarantee of quality loans which will provide lasting community benefits. It is not intended that the guarantee authority will be used for marginal or substandard loans or for relief of lenders having such loans.

ELIGIBLE APPLICANTS

A borrower may be a cooperative organization, corporation, partnership, or other legal entity organized and operated on a profit or nonprofit basis; an Indian tribe on a Federal or State reservation or other federally recognized tribal group; a public body; or an individual. A borrower must be engaged in or proposing to engage in a business that will:

- Provide employment;
- Improve the economic or environmental climate;
- Promote the conservation, development, and use of water for aquaculture; or
- Reduce reliance on nonrenewable energy resources by encouraging the development and construction of solar energy systems and other renewable energy systems.

Individual borrowers must be citizens of the United States (U.S.) or reside in the U.S. after being legally admitted for permanent residence. Corporations or other nonpublic body organization-type borrowers must be at least 51 percent owned by persons who are either citizens of the U.S. or reside in the U.S. after being legally admitted for permanent residence. B&I loans are normally available in rural areas, which include all areas other than cities or towns of more than 50,000 people and the contiguous area of such cities or towns.

PROGRAM BENEFITS/ELIGIBLE USES

Loan purposes must be consistent with the general purpose contained in the regulation. They include but are not limited to the following:

- Business and industrial acquisitions when the loan will keep the business from closing, prevent the loss of employment opportunities, or provide expanded job opportunities.
- Business conversion, enlargement, repair, modernization, or development.
- Purchase and development of land, easements, rights-of-way, buildings, or facilities.
- Purchase of equipment, leasehold improvements, machinery, supplies, or inventory.

GUARANTEE PERCENTAGE

The percentage of guarantee, up to the maximum allowed, is a matter of negotiation between the lender and the Agency. The maximum percentage of guarantee is 80 percent for loans of $5 million or less, 70 percent for loans between $5 and $10 million, and 60 percent for loans exceeding $10 million.

LOAN AMOUNTS/TERMS

Amounts: The total amount of Agency loans to one borrower must not exceed $10 million. The Administrator may, at the Administrator discretion, grant an exception to the $10 million limit for loans of $25 million under certain circumstances. The Secretary may approve guaranteed loans in excess of $25 million, up to $40 million, for rural cooperative organizations that process value-added agricultural commodities.

Terms: The maximum repayment for loans on real estate will not exceed 30 years; machinery and equipment repayment will not exceed the useful life of the machinery and equipment

purchased with loan funds or 15 years, whichever is less; and working capital repayment will not exceed 7 years.

Interest Rates: The interest rate for the guaranteed loan will be negotiated between the lender and the applicant and may be either fixed or variable as long as it is a legal rate. Interest rates are subject to Agency review and approval. The variable interest rate may be adjusted at different intervals during the term of the loan, but the adjustments may not be more often than quarterly.

Collateral: Collateral must have documented value sufficient to protect the interest of the lender and the Agency. The discounted collateral value will normally be at least equal to the loan amount. Lenders will discount collateral consistent with sound loan-to-value policy.

SPECIAL PROGRAM REQUIREMENTS

There is an annual renewal fee which is paid once a year and is required to maintain the enforceability of the guarantee as to the lender. The rate of the annual renewal fee (a specified percentage) is established by Rural Development in an annual notice published in the Federal Register, multiplied by the outstanding principal loan balance as of December 31 of each year, multiplied by the percent of guarantee. The rate is the rate in effect at the time the loan is obligated, and will remain in effect for the life of the loan.

Annual renewal fees are due on January 31. Payments not received by April 1 are considered delinquent and, at the Agency discretion, may result in cancellation of the guarantee to the lender. Holders rights will continue in effect as specified in the Loan Note Guarantee and Assignment Guarantee Agreement. Any delinquent annual renewal fees will bear interest at the note rate and will be deducted from any loss payment due the lender. For loans where the Loan Note Guarantee is issued between October 1 and December 31, the first annual renewal fee payment will be due January 31 of the second year following the date the Loan Note Guarantee was issued.

APPLICATION INFORMATION

Complete applications should be sent to the USDA Rural Development State Office for the project location. A list of offices and additional information can be obtained at: www.rurdev.usda.gov/recd_map.html.

CONTACT

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USDA Rural Development – Business Program
Katie Casper
Iola Area Office
202 West Miller Road
Iola, KS 66749
Phone: (620) 365-2901, Ext. 1427
Email: Katie.casper@ks.usda.gov
Website:
www.rurdev.usda.gov/KS_Home_Contacts.html

USDA RURAL ENERGY FOR AMERICA PROGRAM GUARANTEED LOAN PROGRAM (REAP LOANS)

PURPOSE

The REAP Guaranteed Loan Program encourages the commercial financing of renewable energy (bioenergy, geothermal, hydrogen, solar, wind and hydro power) and energy efficiency projects. Under the program, project developers will work with local lenders, who in turn can apply to USDA Rural Development for a loan guarantee up to 85 percent of the loan amount.

ELIGIBLE APPLICANTS

Borrowers must be an agricultural producer or rural small business. Agricultural producers must gain 50% or more of their gross income from their agricultural operations.

Most lenders are eligible, including national and state-chartered banks, Farm Credit System banks and savings and loan associations. Other lenders may be eligible if approved by USDA.

PROGRAM BENEFITS

Businesses: Benefits include higher loan amounts, stronger loan applications, lower interest rates and longer repayment terms that can assist businesses that may not qualify for conventional lender financing.

Lenders: Lender benefits include expanding lender loan portfolio, allowing lenders to make loans above loan limits, protecting guaranteed portion of loan against loss by the Federal Government, existing secondary market for REAP guarantees, helping to satisfy Community Reinvestment Act (CRA) requirements, and allowing lenders to use their own forms, loan documents, and security instruments.

Eligible feasibility studies for renewable energy systems include projects that will produce energy from wind, solar, biomass, geothermal, hydro power and hydrogen-based sources. The energy to be produced includes, heat, electricity, or fuel.
For all projects, the system must be located in a rural area, must be technically feasible, and must be owned by the applicant.

GUARANTEED LOAN SPECIFICATIONS

Loans Limits:

- Loans up to 75% of the project's cost
- Maximum of $25 million, minimum of $5,000

Maximum percentage of guarantee (applies to whole loan):

- 85% for loan of $600,000 or less
- 80% for loans greater than $600,000 but $5 million or less
- 70% for loans greater than $5 million up to $10 million
- 60% for loans greater than $10 million up to $25 million

Fees and Interest Rates

- Lender customary interest rate, fixed or variable, negotiated by lender and business Lender customary fees, negotiated by lender and business
- One-time guarantee fee equal to 1% of guaranteed amount
- Annual renewal fee

ELIGIBLE COSTS

Eligible project costs include:

1. Post-application purchase and installation of equipment
2. Post-application construction or improvements
3. Energy audits or assessments
4. Permit or license fees
5. Professional service fees
6. Feasibility studies and technical reports
7. Business plans
8. Retrofitting
9. Construction of a new energy efficient

facility only when the facility is used for the same purpose, is approximately the same size, and based on the energy audit will provide more energy savings than improving an existing facility

10. Working capital
11. Land acquisition.

APPLICATION PROCEDURE

To apply for funding for the Guaranteed Loan Program please contact the USDA representative listed.

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USDA Rural Development – Business Program
Katie Casper
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Iola, KS 66749
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Email: Katie.casper@ks.usda.gov
Website:
www.rurdev.usda.gov/KS_Home_Contacts.html

U.S. SMALL BUSINESS ADMINISTRATION 504 PROGRAM

PURPOSE

The U.S. Small Business Administration (SBA) 504 Loan Program provides long-term, subordinated, fixed-rate financing for fixed assets, including machinery and equipment with a life of 10 or more years or real estate loans with a maturity of 20 years.

ELIGIBLE APPLICANTS

The program serves healthy, expanding businesses with a net worth of less than $15 million and average net profits of less than $5 million after taxes over the past two years.

PROGRAM BENEFITS/ELIGIBLE USES

Assets appropriate for finance under the 504 program include land and buildings, building renovation and machinery and equipment.

FUNDING LIMITS

Funded projects usually range between $500,000 and $5 million. The 504 loan can be made for a maximum of $5 million, which can cover up to 40 percent of a project's cost and works in partnership with local financing institutions. One job should be created or retained for every $65,000 loaned or the project should meet another public policy goal, such as rural development. Projects meeting certain public policy goals may warrant a loan for up to $5.5 million.

APPLICATION/APPROVAL PROCEDURE

A state-funded network of Kansas Certified Development Companies (CDCs) assists with the preparation of the application and originates and services the subordinated loan. Other programs may be used in conjunction with 504 loans to provide working capital or fixed-asset financing for larger projects.

CONTACT

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Worker Training Incentives

Kansas Industrial Training Program (KIT) & Kansas Industrial Retraining Program (KIR)

Workforce Aligned with Industry Demand (Workforce AID) Program

KANSAS INDUSTRIAL TRAINING (KIT) & KANSAS INDUSTRIAL RETRAINING (KIR) PROGRAMS

PURPOSE

The Department of Commerce has two workforce training programs to offset a company's training costs. Companies creating new jobs may qualify for Kansas Industrial Training (KIT) assistance. Eligibility for the program depends on the number of jobs created and the corresponding wages. We also have the Kansas Industrial Retraining (KIR) program to retrain a Kansas company's existing workforce on new technology or production activities. Projects involving a Kansas Basic Industry, which includes manufacturing, distribution or regional/national service facilities, may qualify for these programs. Both of these programs offer direct financial assistance to pay a negotiated portion of the costs to train a company's employees. Companies may apply the assistance toward items such as instructors' salaries; video development; textbooks and training manuals; supplies and materials; curriculum planning and development and minor training facilities.

ELIGIBILITY CRITERIA

- Average annual wage for trainees must meet or exceed the county median wage for business/project location.
- Company must make health care available to its employees and the Plan must include the following: hospital care; physician care; mental health care; substance abuse treatment; pre-natal & post-natal care; and prescription drug coverage.
- **KIR:** Maximum funding for a training project is 50% of total costs, requires dollar-for-dollar match from company.
- **KIR:** Companies must show that they are restructuring their business <u>or</u> retraining their current workforce due to one or more of the following: Incorporation of existing technology; Development & incorporation of new technology; Diversification of production; Development & implementation of new production.
- Companies must submit a KIT or KIR application prior to or concurrent with the beginning of their hiring phase.

PROGRAM BENEFITS/ELIGIBLE USES

- Provides workforce training funds to companies to help offset costs of training net new employees.
- Maximum award per trainee is $2,000; however, the average award is typically $300 to $500 per trainee.
- Wide range of eligible costs is allowed (i.e. instructors' salaries/fees, training curriculum/manuals).

CONTACT

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WORKFORCE ALIGNED WITH INDUSTRY DEMAND (WORKFORCE AID)

PURPOSE

The Workforce Aligned with Industry Demand (Workforce AID) training program will provide intensive technology training for workers and link them to industry partners seeking to hire welders or machinists. The Kansas Department of Commerce is implementing Workforce AID pilot training projects around the state to align workforce shortfalls with industry demand. Students, who qualify through KANSASWORKS, will receive a full scholarship from the Department of Commerce to complete the program.

ELIGIBLE APPLICANTS

Pre-assessment tests and registration with KANSASWORKS is required before enrollment. There will be no cost to students. Students will attend training Monday through Friday from 8 a.m. – 4:30 p.m.

PROGRAM BENEFITS/ELIGIBLE USES

Welding Program: CCC will conduct a 6-week training program called WELD (Work-ready Engaged Leaders in Demand). Successful candidates of the WELD program will learn soft skills; basic computer, English and math skills; and basic welding skills through classroom lecture, field trips and hands-on activities. Students will receive their American Welders Society (AWS) – Gas Metal Arc Welding (GMAW) Certification and their AWS-Fluxed Cored Arc Welding (FCAW) Certification and OSHA 10 certifications upon successful completion of the training.

The curriculum for the WELD program was developed under the guidance of representatives from local industry such as Jensen International, Inc., M&M Engineered Products, Watco, Tank Connection, and CST Industries.

Students will have job shadowing opportunities and will be guaranteed an interview with local industry. Welders with local industry can earn $10 to $18 per hour plus benefits.

Machinists Program: CCC will conduct a 6-week training program called Fast Industry Ready Skills Training (CCC-FIRST). Successful candidates of the CCC-FIRST program will learn soft skills; basic computer, English and math skills; and basic manufacturing skills through classroom lecture, field trips and hands-on activities. Students will receive their National Institute of Metalworking Skills (NIMS) Level 1 and OSHA 10 certifications upon successful completion of the training.

The curriculum for the CCC-FIRST program was developed under the guidance of representatives from local industry such as Cessna Aircraft Independence, Jensen International, Inc., Spears Manufacturing, Charloma, Inc., M&M Engineered Products and Parmac LLC.

Students will have job shadowing opportunities and will be guaranteed an interview with local industry. Machinists with local industry can earn up to $18 per hour plus benefits.

FUNDING LIMITS

This program was implemented for the Summer of 2014. Future programming is dependent upon future funding from the State of Kansas or Coffeyville Community College. If you are interested in this program, please contact CCC at the contact information below.

CONTACT

Coffeyville Community College
Yvonne Hull, Program Manager
Phone: (620) 252-7550 Ext. 27
Email: hull.yvonne@coffeyville.edu

Bond Financing Programs

Sales Tax Revenue Bonds (STAR Bonds)

Industrial Revenue Bonds (IRB)

Kansas Private Activity Bond (PAB)

SALES TAX REVENUE (STAR) BONDS

PURPOSE

STAR bonds provide Kansas municipalities the opportunity to issue bonds to finance the development of major commercial entertainment and tourism areas and use City and State sales tax revenue generated by the development to pay off the bonds. In order to be considered a major commercial entertainment and tourism area, a proposed project must be capable of being characterized as a statewide and regional destination, and include a high quality innovative entertainment and tourism attraction, containing unique features which will increase tourism, generate significant positive and diverse economic and fiscal impacts and be capable of sustainable development over time.

AUTHORIZATION

Established pursuant to K.S.A. 2012 Supp. 12-17,165, and amendments thereto.

ELIGIBILITY CRITERIA

The following criteria will be evaluated when considering the tourism potential of a proposed project, although the Secretary retains discretion to make exceptions as he may deem appropriate:

1. Visitation:
   a. Out-of-state visitation from multiple states should represent a significant portion of total annual visitation to be considered a major, unique, destination attraction. For purposes of this subsection 20% shall be considered a significant portion.
   b. A significant portion of total annual visitation should be drawn from greater than 100 miles distant from the attraction community. For purposes of this subsection 30% shall be considered a significant portion.
   c. Total annual visitation should compare very favorably to existing attractions in the state, as well as to comparable attractions and markets elsewhere
2. Economic impact:
   a. Direct expenditures: visitor spending that directly supports the jobs and incomes of people and firms that deal directly with visitors.
   b. Indirect expenditures: changes in sales, incomes or jobs in regional sectors that supply goods and services in support of "direct expenditure" entities.
   c. Induced expenditures: increased sales within the region from the household spending of the income earned in the "direct" and "indirect" sectors.
   d. Environmental effects: changes in regional quality-of-life indicators as a result of tourism development that impact other sectors.
   e. Enabling effects: increasing the ability to attract compatible industries based upon all of the above.
   f. Direct job creation: the total number of jobs (distinguished as Full-Time or Part-Time) supported by the target attraction.
3. The unique quality of the project, relative to:
   a. The national destination attraction market, and/or
   b. A defined regional (multi-state) market area, and/or
   c. The Kansas destination attraction market, and/or
   d. The ability of the proposed attraction to leverage or utilize the nature, culture or heritage that is unique to Kansas, and/or
   e. The ability of the proposed attraction to capture for Kansas a valuable, national market brand identity (i.e. sports organization, consumer product brand, entertainment brand, etc.)
4. The ability of the project (all things being equal) to capture sufficient market share

to:
   a. Remain profitable past the term of repayment
   b. Maintain status as a significant market and travel decision driver
5. Integration and collaboration with other resources and/or businesses, as determined by:
   a. Creation of overnight stays, and/or
   b. Collaboration/competition with other available retail and destination experiences, and/or
   c. The ability of the proposed attraction to leverage and utilize the nature, culture or heritage that is unique to Kansas, and/or
   d. Short and long-term marketing plans, with emphasis upon cluster, niche and cooperative marketing.
6. Quality of service and experience provided, as measured against national consumer standards for the specific target market.
7. Project accountability:
   a. Any and all of the above should be accountable and verifiable according to best industry or comparative practices.
   b. Methodologies should be transparent and detailed.
   c. Third-party verification, wherever possible, is recommended.

ELIGIBLE USES

- **Historic Theaters** – A district containing a theater constructed prior to 1940 which was constructed for the purpose of staging motion pictures, vaudeville shows or operas. The theater must be operated by a nonprofit corporation and have been designated by the state historic preservation officer as eligible to be on the Kansas Register of Historic Places or is a member of the Kansas Historic Theatre Association.
- **Major Tourism Areas** – For example, the Kansas Speedway and Village West development in Kansas City.
- **Major Motorsports Complex** – For example, the Heartland Park racetrack in Topeka.

FUNDING LIMITS

STAR Bonds cannot finance more than 50% of the total costs including all project costs and any other costs related to the project. The proceeds of such STAR bond financing my only be used to pay for incurred project costs.

Cities and Counties of eligible STAR Bond districts are able to receive revenue received from any transient guest tax and state, county and city sales and use taxes which are collected from taxpayers doing business within that portion of the city's redevelopment district. Special bond projects financed with STAR bonds use 100% of local sales taxes collected in the district, not just state sales, except for amounts committed by prior election of the voters or pledged toward repayment of previously issued bonds.

Projects must be of regional significance with at least $50 million in capital investment and $50 million in projected gross annual sales revenue. A project located outside of a metropolitan statistical area may be approved by the Secretary of Commerce after a determination that the district is located within an eligible area and the project would be of regional or statewide importance, but does not have a specific financial threshold.

APPLICATION/APPROVAL PROCEDURE

Any city or county proposing to undertake a STAR bond project, shall prepare a STAR bond project plan in consultation with the planning commission of the city, and in consultation with the planning commission of the county, if any. The project plan may be implemented in separate development stages.

Any city or county proposing to undertake a STAR bond project within a STAR bond

project district shall first prepare a feasibility study. The feasibility study shall contain the following:

1. Whether a STAR bond project's revenue and tax increment revenue and other available revenues are expected to exceed or be sufficient to pay for the project costs;
2. The effect, if any, a STAR bond project will have on any outstanding special obligation bonds;
3. A statement of how the jobs and taxes obtained from the STAR bond project will contribute significantly to the economic development of the state and region;
4. Visitation expectations;
5. The unique quality of the project;
6. Economic impact study;
7. Market study;
8. Market impact study;
9. Integration and collaboration with other resources or businesses;
10. The quality of service and experience provided, as measured against national consumer standards for the specific target market;
11. Project accountability, measured according to best industry practices;
12. The expected return on state and local investment that the project is anticipated to produce;
13. A statement concerning whether a portion of the local sales and use taxes are pledged to other uses and are unavailable as revenue for the STAR bond project. If a portion of local sales and use taxes is so committed, the applicant shall describe the following:
    a. The percentage of city and county sales and use taxes collected that are so committed; and
    b. The date or dates on which the city and county sales and use taxes pledged to other uses can be pledged for repayment of bonds; and
14. An anticipated principal and interest payment schedule on the bond issue.

If the City or County determines that the project is feasible then the application should include:

1. A summary of the feasibility study
2. A reference to the district plan that identifies the project area
3. A description and map of the project area to be redeveloped;
4. The relocation assistance plan
5. A detailed description of the buildings and facilities proposed to be constructed or improved in such area; and
6. Any other information the governing body of the city or county deems necessary to advise the public of the intent of the project plan.

This information will be prepared and adopted as a resolution stating that the City or County is considering the establishment of a STAR bond project district. This resolution will give notice of a public hearing, with detailed information regarding the date, hour, and place of the hearing for the public. The City or County will then submit the full plan package of the proposed STAR bond project district to the Secretary of Commerce for a determination that the district is an eligible project in an eligible area. Upon the conclusion of the public hearing, and a finding by the secretary that the proposed project district is an eligible area, the governing body of the municipality shall pass an ordinance or resolution to create a STAR Bond District.

REPORTING REQUIREMENTS

A progress report must be submitted to the Secretary of Commerce by October 1, of each year of the STAR Bond project.

CONTACT

City of Coffeyville
Gary Bradley/Trisha Purdon
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Coffeyville, KS 67337
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INDUSTRIAL REVENUE BONDS

PURPOSE

Industrial Revenue Bonds (IRBs) are among the most popular and cost-effective methods of financing up to 100 percent of a new or growing business' land, buildings and equipment. In Kansas, IRBs are issued by cities, counties and the Kansas Development Finance Authority. Proceeds from the sale of the bonds to private investors are made available to enable creditworthy companies to purchase land and pay the costs of constructing and equipping new facilities or the costs of acquiring, remodeling and expanding existing facilities.

One benefit of IRBs is eligibility for full or partial property tax abatement for the financed facilities for up to 10 years and a sales tax exemption for labor and materials purchased for new facilities. These benefits apply to both tax-exempt and taxable bonds.

AUTHORIZATION

Issuance of IRBs by cities and counties is governed by Section 12-1740 et seq. of the Kansas Statutes Annotated. Kansas Development Finance Authority bond issuances are governed by Section 74-8901 et seq. Many bond issuers also have their own policies and regulations regarding issuance of IRBs and the granting of property and sales tax exemptions for the financed facilities.

HOW THE PROGRAM WORKS

In IRB financing, the bond issuer either directly loans the bond proceeds to a private business or acquires ownership of the property financed and leases it to the business. The loan payments or lease rentals are used to repay the bonds with interest. Typically, in a lease structure, the business is given an option to purchase the property at the end of the lease term for a nominal sum. Proceeds from the sale of the bonds are placed in escrow with a bank and used as directed by the business to pay eligible costs of constructing, acquiring and installing the facilities. The business may have up to three years to spend the proceeds of tax-exempt bonds on eligible property.

If IRBs are used to finance certain types of facilities, interest payable to the owners of the bonds is exempt from federal income tax. This type of IRB is generally called a "tax-exempt" bond. Interest payable on bonds issued to finance other types of commercial facilities, or to finance non-qualifying portions of an eligible facility is subject to federal income taxation. This type of IRB is generally called a "taxable" bond. Interest payable on all IRBs is exempt from Kansas income taxation. Because interest received by owners of tax-exempt IRBs is not subject to federal income taxation, the rate of interest on such bonds may be as much as 2.0 to 2.5 percent (average annual interest cost) below interest rates charged for a comparable taxable bond or taxable conventional loan. In many cases, IRBs afford long-term, fixed-rate financing not otherwise available for a business' capital investments. Adjustable rate financing is also available to businesses that are willing to risk exposure to fluctuating (and potentially higher) interest rates.

ELIGIBLE APPLICANTS

Under current federal tax law, specific projects eligible for tax-exempt financing include manufacturing facilities; airports, docks and wharves; mass commuting facilities; certain facilities for furnishing water, sewage and solid waste disposal; qualified residential projects; local district heating and cooling facilities; facilities furnishing electricity or gas on a local basis; high-speed inter-city rail facilities and certain hazardous waste disposal facilities. The use of tax-exempt bonds for manufacturing continues to be subject to restrictions as to the

size of the financing, what may be purchased with the bond proceeds and the amount of issuance costs that may be paid from bond proceeds.

Under Kansas law, taxable bonds may be issued for agricultural, commercial, hospital, industrial, natural resources, recreational development and manufacturing.

CUSTOMIZED LEASE AGREEMENT

Under a typical IRB issued by a city or county, a company enters into a lease of the facility from the bond issuer (the Kansas city or county where the financed facility is located). The rental payments are used to pay the principal and interest to the bondholders. When all bonds have been paid, the company may exercise an option to purchase the project for a nominal price. The bonds are not general obligations of the issuer, payable from taxation; rather, they are sold on the strength of the company's ability to pay principal and interest when due.

The basic security agreement for bondholders is a net-net-net lease. The lease is a company's unconditional obligation to pay the bonds and interest through specified payments throughout the term of the lease. Because the financing is a lease/purchase, the company can take advantage of applicable depreciation guidelines, receive available tax credits and deduct interest payments as a business expense. The bond issuer does not exercise control over any aspect of the building's construction or the company's operations. During the term of the bond issue and within specified limits, a company may make structural changes to the building, replace equipment and machinery and even sell portions of the land no longer needed.

Most bonds are structured to be repaid over 10 to 15 years. Principal repayment terms are flexible and can be structured to meet your company's specific cash flow needs. Availability of bond financing will depend entirely on the creditworthiness of your company, as determined by the prospective purchaser of the bonds.

PROPERT& SALES TAX EXEMPTION

Whether your property is financed through tax-exempt or taxable IRBs, Kansas law (K.S.A. 79-201a) permits exemptions for your project from ad valorem (real and personal) property taxation for up to 10 years, commencing with the year after the year the bonds are issued. Cities and counties often require that all or a portion of the abated taxes be made available to local taxing jurisdictions in the form of payments in lieu of taxes. However, nearly every IRB issuer will provide property tax abatements to your company as an additional incentive to locate in the community. Unlike real property and real property improvements, business personal property acquired after July 1, 2006, is not subject to ad valorem personal property tax. Statute K.S.A. 79-3606 exempts the cost of building material and labor, as well as fixed items of machinery and equipment, from state and local sales taxes.

APPLICATION/APPROVAL PROCEDURE

The bond issuance process can take as little as 60 days and generally follows these steps:

- Select a bond attorney, an underwriter or other bond purchaser and secure an option to purchase a building site.
- Apply to the city or county or Kansas Development Finance Authority for an IRB issue.
- The governing body adopts a resolution of its intent to issue bonds for the company.
- For a project qualifying for tax-exempt bonds, the issuer notifies the Kansas Department of Commerce of its adoption of the resolution of intent and files its application for private activity bond allocation.
- Negotiate the terms and conditions of the

bonds and the financing with a bond underwriter or other bond purchaser (such as a commercial bank) and prepare any required bond-offering document.

- If an ad valorem tax exemption is offered by the issuer, the local school districts and city or county government are notified as applicable.
- The issuer holds a public hearing concerning the bond issue and the granting of a property exemption, if applicable.
- A bond attorney drafts the lease agreement, the indenture of trust, the bond ordinance and the company's guarantee agreement.
- The governing body adopts the bond ordinance.
- An IRB notice is filed with the Kansas Court of Tax Appeals (COTA) at least seven days prior to issuance of the bonds.
- The basic documents are executed (signed) by the issuer and the company.
- The bond closing is held and funds are paid by the underwriter or the purchaser against the delivery of the bonds.
- Proceeds are deposited into an account maintained by the trustee to be spent on the project as directed by the company.
- The bond attorney notifies COTA within 15 days of issuance that the bond issue has been closed.

SPECIAL PROGRAM REQUIREMENTS

A bond issue can provide a manufacturing company with up to $1 million of tax-exempt bonds for a qualifying project, regardless of project size. A maximum of $10 million of tax-exempt IRBs can be issued for a manufacturing project, as long as a company's total capital expenditures at the project location do not exceed $20 million for a period of three years before and after the bond issue, including the amount of the bonds issued. If the $20 million limit is exceeded during the total six-year time frame, either by issuing more than $10 million in bonds or by exceeding the $20 million capital expenditures limitation, the tax-exempt status is forfeited and the company must redeem the bonds at a premium.

Despite the size restrictions on tax-exempt IRB-financed projects, advantages may still accrue to projects requiring in excess of $10 million. For example, a $15 million project could combine a $10 million tax-exempt bond issue with a $5 million taxable bond issue.

The federal government has placed an annual limit on the amount of tax-exempt IRBs that each state can issue. This limitation is called a "volume cap." An allocation of volume cap must be obtained for bonds for most privately owned, qualifying facilities. In Kansas, volume cap is allocated by the Secretary of Commerce. Bonds for government-owned solid waste disposal facilities, airports, docks or wharves are not subject to the state volume cap.

A company may not have more than $40 million of tax-exempt IRBs outstanding, nationwide, at any one time. For this purpose, a company is defined as that entity that ultimately benefits from the tax-exempt bonds.

CONTACT

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Craig VanWey
Southeast Regional Project Manager
Business and Community Development Div.
Kansas Department of Commerce
1501 South Joplin St. – Shirk Hall
Pittsburg, KS 66762
Phone: (785) 633-8407
cvanwey@kansascommerce.com
www.kansascommerce.com

KANSAS PRIVATE ACTIVITY BOND (PAB)

PURPOSE
Tax-Exempt Bond financing is available through the State's Private Activity Bond (PAB) authority. The federal government empowers the State to allocate $239 million in PABs. The PAB is designed to provide local units of government the ability to issue tax-exempt bonds for a number of purposes.

HOW IT WORKS
At least 95 percent of the net proceeds from the bonds must be used to finance a "qualified development." If 50 percent or more of a development's aggregate basis of buildings and land are financed with the bonds, a four percent annual Housing Tax Credit may be received on the qualified basis of the development. This tax credit is similar, but in addition to, the nine percent Housing Tax Credit.

If Housing Tax Credits are used with the tax-exempt financing, the rules and regulations of that program apply. At least 20 percent of the units must be set aside for residents who earn 50 percent or less of the area median gross income or 40 percent of the units must be set aside for residents who earn 60 percent or less of the area median gross income.

ELIGIBLE APPLICANTS
For-profit and non-profit developers and businesses are eligible to apply.

ELIGIBILITY CRITERIA
The PAB is designed to provide local units of government the ability to issue tax-exempt bonds for a number of purposes including, but not limited to:

- Facility and equipment financing for qualified manufacturers and processors
- Beginning Farmers Program
- Waste treatment facilities
- Mortgage Credit Certificates (MCC)
- Mortgage Revenue Bonds (MRB)
- Financing for residential rental developments.

APPLICATION/APPROVAL PROCEDURE
The PAB Program has an open funding cycle beginning January 1 of each year. Applicants must provide a bond inducement resolution and an application for the PAB allocation.

CONTACT
Montgomery County Action Council
Aaron Heckman
115 S. 6th St.
Independence, KS 67301
Phone: 620-331-3830
Fax:620-331-3834
Email: aheckman@actioncouncil.com
Website: www.actioncouncil.com

Kansas Housing Resources Corporation
Fred Bentley
Housing Director
Phone: (785)217-2029
Fax: (785) 232-8084
Website: www.kshousingcorp.org

Community Development Block Grant Programs

Small Cities CDBG Economic Development Program

Community Development Block Grant Programs

SMALL CITIES CDBG ECONOMIC DEVELOPMENT PROGRAM

PURPOSE

The Small Cities Community Development Block Grant (CDBG) economic development program is a source of financing for companies that are expanding an existing facility or starting a new operation in the non-metropolitan areas of Kansas. The maximum amount of funds available is $750,000 per project.

HOW THE PROGRAM WORKS

There are two parts to the program: business finance and infrastructure. Under the business finance component, funds are available for working capital, machinery and equipment and real property. The interest rate is currently set at four percent. The term of the loan is based on the class of the asset being financed. The working capital loan has a term of five years, machinery and equipment 10 years and real property 15 years.

Under the infrastructure component, funding is available for water lines, sewer lines, roads, rail spurs and pre-treatment facilities. Infrastructure funding requires that 25 percent of the funds be paid back over a 10-year period at a rate of zero percent. This is accomplished through a special assessment placed on the real property.

ELIGIBLE APPLICANTS

In order to obtain the funds, the city or county governing body applies on behalf of the private business.

FUNDING LIMITS

There is a maximum award of $750,000, or one full time job per $35,000 awarded by the program. At least 51 percent of the jobs created or retained must meet HUD's low- and moderate-income (LMI) test, which is based on median family income in the county in which the project is located.

APPLICATION/APPROVAL PROCEDURE

Applications are accepted from January 1 through December 10. Contact the Department of Commerce representative listed below for additional information regarding the program.

CONTACT

City of Coffeyville
Gary Bradley, City Manager
11 E. 2nd Street, P.O. Box 1629
Coffeyville, KS 67337
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Website: www.coffeyville.com

Craig VanWey
Southeast Regional Project Manager
Business and Community Development Div.
Kansas Department of Commerce
1501 South Joplin St. – Shirk Hall
Pittsburg, KS 66762
Phone: (785) 633-8407
cvanwey@kansascommerce.com
www.kansascommerce.com

Housing Programs

Infill Development Grant

Minor Home Repair Program

Sweat Equity/Blighted Property Reinvestment Program

Moderate Income Housing Program (MIH)

First Time Homebuyer Program – KHRC

HOME Rental Development Program

Low-Income Housing Tax Credit (LIHTC) Program

Weatherization Assistance Program

INFILL DEVELOPMENT GRANT

PURPOSE
Insert text describing general purpose of the program.

AUTHORIZATION
What is the statute or ordinance number that gives the authority for this program?

ELIGIBLE AREAS
Is this a statewide program? Is it limited to brownfields, blighted areas, etc.

ELIGIBLE APPLICANTS
Who can participate? Who must the applicant be for the program?

ELIGIBILITY CRITERIA

- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.

PROGRAM BENEFITS/ELIGIBLE USES
What kind of financial assistance does this program offer? Use bullets if necessary

- Use bullets if there are more than one use or benefit available

FUNDING LIMITS
Is there a maximum award total or a total program maximum? Are there matching requirements, or other funding limitations?

APPLICATION/APPROVAL PROCEDURE
How does someone apply for this program? What specifically must be included in the application to be eligible? Who should it be submitted to? When can it be submitted? Is there a deadline?

REPORTING REQUIREMENTS
What kind of reporting is required if awarded? What is the deadline of these reports?

SPECIAL PROGRAM REQUIREMENTS
Are there any fees associated with applying? Is there an administrative fee that must be paid with the application? Are there procedures for check issuance that must be followed?

CONTACT
City of Coffeyville
Gary Bradley, City Manager
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Email: gbradley@coffeyville.com

MINOR HOME REPAIR PROGRAM

PURPOSE
Insert text describing general purpose of the program.

AUTHORIZATION
What is the statute or ordinance number that gives the authority for this program?

ELIGIBLE AREAS
Is this a statewide program? Is it limited to brownfields, blighted areas, etc.

ELIGIBLE APPLICANTS
Who can participate? Who must the applicant be for the program?

ELIGIBILITY CRITERIA

- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.

PROGRAM BENEFITS/ELIGIBLE USES
What kind of financial assistance does this program offer? Use bullets if necessary

- Use bullets if there are more than one use or benefit available

FUNDING LIMITS
Is there a maximum award total or a total program maximum? Are there matching requirements, or other funding limitations?

APPLICATION/APPROVAL PROCEDURE
How does someone apply for this program? What specifically must be included in the application to be eligible? Who should it be submitted to? When can it be submitted? Is there a deadline?

REPORTING REQUIREMENTS
What kind of reporting is required if awarded? What is the deadline of these reports?

SPECIAL PROGRAM REQUIREMENTS
Are there any fees associated with applying? Is there an administrative fee that must be paid with the application? Are there procedures for check issuance that must be followed?

CONTACT
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DISTRESSED PROPERTY REINVESTMENT PROGRAM

PURPOSE

The Distressed Property Reinvestment Program was established in Coffeyville in 2014 with program funding provided by the City of Coffeyville, with additional public and private sector funding when available. The goal of the program is to assist individuals and families in achieving the "American Dream" of home ownership through loan guarantees that facilitate the renovation/rehabilitation of distressed properties that would otherwise be potential candidates for demolition. Through bank financed "sweat-equity" or small contractor improvement projects, the program is designed to encourage reinvestment in and preservation of target neighborhoods and the existing housing stock.

AUTHORIZATION

The City of Coffeyville is the administrator of this loan guarantee program and where applicable will facilitate the implementation of the program through the acquisition of eligible houses for the program. Budgetary approval for the program rests with the authority of the City Commission, while authorization for program implementation is the responsibility of assigned staff.

ELIGIBLE AREAS

The program is City-wide, with preference given to targeted areas as identified in adopted plans of the City Commission.

ELIGIBLE APPLICANTS

Applicants must complete an application process which is similar to one required by any lender. Businesses are required to create at least one job. In the case of start-up businesses, this requirement is fulfilled by the creation of the applicant's job.

ELIGIBILITY CRITERIA

- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.

PROGRAM BENEFITS/ELIGIBLE USES

Eligible uses of guaranteed loan proceeds include but are not limited to:

- Repair and replacement of windows and doors
- Roof repair and replacement of roof covering
- Exterior paint
- Foundation Repair
- Drywall, interior paint and finishing
- Cabinetry
- Flooring
- Electrical
- Plumbing
- Repair to porches and steps
- Repair to exterior foundation walls
- Exterior walls and trim
- Flashing /guttering

Private sanitary sewer repairs

FUNDING LIMITS

Loan guarantees are limited to $40,000 per single family owner occupied structure. Program funding on an annual basis is limited to funding availability and outstanding loan guarantee liabilities.

APPLICATION/APPROVAL PROCEDURE

How does someone apply for this program? What specifically must be included in the application to be eligible? Who should it be submitted to? When can it be submitted? Is there a deadline?

REPORTING REQUIREMENTS

What kind of reporting is required if awarded? What is the deadline of these reports?

SPECIAL PROGRAM REQUIREMENTS

A one-time fee of the greater amount of $250 or one percent (1%) of the guaranteed amount, payable from loan proceeds, is required for program administration/participation. Check issuance from the lending institution shall be coordinated through the program administrator and assigned staff. Where applicable, work completed must be in compliance with existing building codes and inspected by appropriate City inspectors. All contractors must be licensed and meet all requirements necessary to perform work in the City of Coffeyville.

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MODERATE INCOME HOUSING PROGRAM - COFFEYVILLE

PURPOSE
In 2012, the Kansas Legislature approved $2 million to be deposited into the SHTF for the purpose of administering and supporting housing programs. KHRC supplemented the new funding with $291,451 in existing SHTF resources to create the Moderate Income Housing (MIH) Program, an initiative serving needs of individuals who cannot afford market-rate housing, yet do not qualify for Federal housing assistance. In 2013, the Legislature allocated an additional $2 million in continued support of MIH activities. The goal of the MIH Program is to help cities and counties develop housing and infrastructure in rural areas.

AUTHORIZATION
Montgomery County was awarded funding to build 6 Moderate Income Homes in the City of Coffeyville in 2013. Currently, the developer selected for this project is waiting for completion and sale of the homes constructed in Independence before beginning construction in Coffeyville.

ELIGIBLE AREAS
Moderate income properties must be built in the city limits of Coffeyville.

ELIGIBLE APPLICANTS
The program serves moderate-income individuals, with eligibility ranging from 60 percent to 150 percent of HUD's State Non-Metro Area Medium Income and is adjusted for family size. For instance, one person earning $68,063 a year would be eligible to live in housing funded by the MIH Program. A family of eight earning less than $128,344 would also be eligible. Under the MIH Program, moderate-income is defined as $68,063 to $128,344 and is adjusted for family size.

FUNDING LIMITS
Homes are typically priced at $125,000 to 140,000. Buyers must be able to secure a loan for the purchase of the home as well as meet the moderate income housing guidelines for their family.

APPLICATION/APPROVAL PROCEDURE
Homebuyers interested in the program should contact the City of Coffeyville to let them know they are interested in having a custom home built. Applicants will be required to fill out income verification documentation. If a family is found to be eligible, the city will work with the developer to begin construction on the home.

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Website: www.coffeyville.com

Kansas Housing Resources Corporation
Fred Bentley
Housing Director
Phone: (785)217-2029
Fax: (785) 232-8084
Website: www.kshousingcorp.org

FIRST TIME HOMEBUYER PROGRAM - KHRC

PURPOSE

If down payment and closing costs are keeping you from purchasing a home of your own, the First Time Homebuyer Program may be able to help. Eligible borrowers can use the forgivable loan to greatly reduce the out-of-pocket expenses associated with buying a home.

ELIGIBLE APPLICANTS

Income-eligible households that have not owned a home in the past three years may apply for the First Time Homebuyer Program (FTHB). Review the income chart below to see if you may be income eligible.

ELIGIBILITY CRITERIA

30% Limit	11600	13250	14900	16550
50% Limit	19350	22100	24850	27600
60% Limit	23220	26520	29820	33120
80% Limit	30950	35350	39750	44150

PROGRAM BENEFITS/ELIGIBLE USES

Approved applicants will receive a soft loan that is forgiven over time. The loan may range from 15 to 20 percent of the purchase price of the home, depending on your amount of income. Buyers are required to make a minimum investment of two percent of the sale price. Participating lenders process the FTHB paperwork along with the first mortgage loan and then applies to the FTHB program for you.

APPLICATION/APPROVAL PROCEDURE

Interested applicants may apply directly to a participating lender. Participating lenders assist applicants in completing the required paperwork to apply for the program. Applications are currently being accepted, through a participating lender.

Local Participating Lenders:

Commercial Bank - Parsons	James Jacquonot	620-421-1000
Commercial Bank - Parsons	Ray Fees	620-421-1000
First Neodesha Bank	Justin Callarman	620-325-2632
First Neodesha Bank	Tyson Denton	620-325-2632

CONTACT

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Website: www.kshousingcorp.org

HOME RENTAL DEVELOPMENT PROGRAM

PURPOSE
The HOME Rental Development Program, funded through the Federal HOME Investment Partnerships program, assists communities and developers with increasing the supply of affordable rental housing. The loans may be used to acquire and rehabilitate, rehabilitate or construct rental housing. The program helps communities, via housing developers, respond to housing issues and needs in underserved areas.

AUTHORIZATION
At least 15% of the State's annual HOME Investment Partnership Program funding is set aside for Community Housing Development Organizations (CHDOs). Nonprofits must meet certain criteria to be considered a CHDO, as defined by HOME program regulations.

ELIGIBLE APPLICANTS
The program helps communities, via housing developers, respond to housing issues and needs in underserved areas.

PROGRAM BENEFITS/ELIGIBLE USES
CHDOs and other housing developers obtain funding to supplement a primary loan for the development and, in the process, strengthen the capacity of the organization. Communities achieve added housing stock with an enhanced tax base to further their economic and community development efforts. The HOME Rental Development Program is effective in addressing some of the most difficult rental housing development need that communities have.

The loan allows the owner/developer to lessen the amount of debt required to finance a development, thus allowing rents to be lowered. A certain percentage of units, equal to or greater than the percentage of HOME funds to the total development cost, are considered HOME units. These units are required to be rented to households who meet the income guidelines of the program and the rents on these units must be restricted.

FUNDING LIMITS
Funds are awarded on a competitive basis annually and CHDOs may apply for an amount up to $500,000.

SPECIAL PROGRAM REQUIREMENTS
In developments that contain four or fewer HOME units, 100 percent of the HOME units must be restricted to households at or below 60% of the area median income and utilize the Low HOME rents. In developments with five or more HOME units, 20 percent of the units must be rented to households at or below 50 percent of the area median income. These units must also have rents restricted to the Low HOME rents. Of the remaining 80 percent, 70 percent (of the total) can be rented to those at or below 60 percent of the area median income and 10 percent (of the total can be rented to those at or below 80 percent of the area median income. The rents of these units are restricted to the High HOME rents.

CONTACT
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Housing Director
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Fax: (785) 232-8084
Website: www.kshousingcorp.org

LOW INCOME HOUSING TAX CREDIT (LIHTC)

PURPOSE

As part of the Tax Reform Act of 1986, the United States Congress created the Low-Income Housing Tax Credit (LIHTC) Program to promote the development of affordable rental housing for low-income individuals and families. To date, it has been the most successful rental housing production program in the nation, creating thousands of residences with very affordable rents. The housing tax credit, rather than a direct subsidy, encourages investment of private capital in the development of rental housing by providing credits to offset an investor's federal income tax liability.

AUTHORIZATION

Tax Reform Act of 1986

HOW DOES THE PROGRAM WORK?

Owners of tax credit properties are eligible to take the federal tax credit each year for 10 years, provided the property continues to operate in compliance with federal guidelines. Excluding land, the annual amount of the tax credit is approximately 9% of the qualified cost of building or rehabilitating the property.

In exchange for the financing provided through the credit, owners agree to keep rents affordable over a 30-year period for families with incomes at or below 60 percent of the local median income.

The property owner typically sells the tax credits to a corporation or group of investors. Currently the average rate per credit is 77 cents on the dollar. The proceeds provide equity in the development, which reduces the amount of debt required to build the property, and therefore reduces the monthly debt service and the amount of rent income that is required.

ELIGIBLE APPLICANTS

Tax credit rents must be affordable to households earning 60 percent or less of the local median income. Residents are responsible for their own rent payments, unless rent subsidies are available from other sources. KHRC is required by the Internal Revenue Service to monitor tax credit properties for the compliance period to ensure that rents and resident's incomes do not exceed federal limits and that the properties are well maintained.

FUNDING LIMITS

KHRC administers the LIHTC program on behalf of the State of Kansas. The Corporation allocates credits based upon selection criteria and application ranking procedures set forth in KHRC's housing allocation plan. In addition, KHRC monitors tax credit properties during the compliance period to ensure that rents and residents' incomes do not exceed program limits, and that properties are well-maintained. KHRC has authority to allocate approximately $60 million of ten year credits each year.

APPLICATION/APPROVAL PROCEDURE

KHRC evaluates housing tax credit applications based on several characteristics, such as:

- Site/Location
- Development Design
- Development Team
- Targeting/Extended Use
- Financial Characteristics

Federal regulations require KHRC to allocate tax credits giving preference to proposals that:

- Serve the lowest income tenants
- Serve qualified tenants for the longest periods
- Contribute to a concerted Community Revitalization Plan

- Are intended for eventual tenant ownership

REPORTING REQUIREMENTS

Owners of properties receiving tax credit allocations must follow IRS rules and regulations that oversee the program. Owners are required to provide certain reports to KHRC and maintain certain records for the agency's review. The tax credit program operates under a Qualified Allocation Plan (QAP) which is amended annually.

CONTACT

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Website: www.kshousingcorp.org

WEATHERIZATION ASSISTANCE PROGRAM

PURPOSE

Weatherization improves heating efficiency and fuel savings by ensuring your home holds in heat and air-conditioning, while keeping hot and cold air out. At NO CHARGE to the client, income eligible families receive a comprehensive home assessment which includes repair or replacement of heating systems, insulation and caulking.

ELIGIBLE APPLICANTS

Eligibility is based on household income relative to federal low-income guidelines. If a household contains a member who receives Supplemental Security Income (SSI), Temporary Assistance for Needy Families (TANF) benefits or utility assistance from the Low Income Energy Assistance Program (LIEAP), the household is automatically considered eligible for weatherization services.

Household Size	LIEAP Weatherization 130% Poverty	DOE Weatherization 200% Poverty
1	$15,171	$23,340
2	$20,449	$31,460
3	$25,727	$39,580
4	$31,005	$47,700
5	$36,283	$55,820

PROGRAM BENEFITS/ELIGIBLE USES

Weatherization services may include:

- Weather stripping
- Caulking around doors and windows
- Cleaning, testing, repairs or replacement of refrigerators, heating and/or cooling systems
- Adding insulation to walls, ceilings and foundations
- Infiltration reduction

FUNDING LIMITS

Is there a maximum award total or a total program maximum? Are there matching requirements, or other funding limitations?

APPLICATION/APPROVAL PROCEDURE

To apply, contact the local weatherization service provider listed below.

CONTACT

City of Coffeyville
Gary Bradley, City Manager
11 E. 2nd Street, P.O. Box 1629
Coffeyville, KS 67337
Phone: (620)252-6163
Email: gbradley@coffeyville.com

Southeast Kansas Community Action Program
Phone: (620) 724-8204

Entrepreneur Support Programs

Innovation Growth Program

INNOVATION GROWTH PROGRAM

PURPOSE

The Innovation Growth Program assists Kansas entrepreneurs, universities and technology companies by providing intellectual property, technical expertise, research and other services designed to help new and existing companies grow and succeed through advancing technology. While the program exists to help entrepreneurs and companies, its ultimate goal is to bring new technology jobs to the state of Kansas.

PROGRAMS

Support for Early-Stage Technology Companies

Innovation Growth Partners provide a range of services that help accelerate the success of innovative technology companies. These services range from preparing entrepreneurs to approach capital partners to forming joint ventures and new companies around technologies and expertise housed at state universities.

Venture Capital and Angel Networks

There are several regional networks of venture capital and angel investors dedicated to identifying and funding promising start-up business opportunities in Kansas.

The program plays a catalyst role in matching private investment capital with high potential start-up companies, through the facilitation of Angel Networks and administration of Angel Tax Credits. The Angel Networks provide entrepreneurs and investors a forum to collaborate. Members are accredited investors experienced in funding and growing emerging technology businesses in Kansas and surrounding areas.

Kansas Angel Tax Credits

Kansas income tax credits are available to individuals who provide seed-capital financing for emerging Kansas businesses engaged in development, implementation and commercialization of innovative technologies, products and services.

The Kansas Capital Multiplier Fund

A program that provides matching funds through NetWork Kansas partners to eligible businesses in communities across Kansas. These are low-interest matching loan funds of up to nine percent of private investment in a project. Private investment includes new bank loans, lines of credit, and equity investment.

Kansas Capital Multiplier Venture Fund

Businesses can apply for matching equity of up to nine percent of the private venture capital invested. Private equity invested includes funds invested by private equity firms and angel investors. Businesses eligible include technology and bioscience companies who are working with university entrepreneurial centers, university centers of excellence, and/or the Kansas Bioscience Authority.

CONTACT

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Innovative Business Resource Center

Jim Correll
Executive Vice President
Phone: 620-332-5470
:

Other Development Programs

Template for Incentive Guidelines

TEMPLATE FOR INCENTIVE GUIDELINES

PURPOSE
Insert text describing general purpose of the program.

AUTHORIZATION
What is the statute or ordinance number that gives the authority for this program?

ELIGIBLE AREAS
Is this a statewide program? Is it limited to brownfields, blighted areas, etc.

ELIGIBLE APPLICANTS
Who can participate? Who must the applicant be for the program?

ELIGIBILITY CRITERIA

- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.
- Insert eligibility data here.

PROGRAM BENEFITS/ELIGIBLE USES
What kind of financial assistance does this program offer? Use bullets if necessary

- Use bullets if there are more than one use or benefit available

FUNDING LIMITS
Is there a maximum award total or a total program maximum? Are there matching requirements, or other funding limitations?

APPLICATION/APPROVAL PROCEDURE
How does someone apply for this program? What specifically must be included in the application to be eligible? Who should it be submitted to? When can it be submitted? Is there a deadline?

REPORTING REQUIREMENTS
What kind of reporting is required if awarded? What is the deadline of these reports?

SPECIAL PROGRAM REQUIREMENTS
Are there any fees associated with applying? Is there an administrative fee that must be paid with the application? Are there procedures for check issuance that must be followed?

CONTACT
City of Coffeyville
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Other Point of Contact
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