



City Commission Agenda Item

Meeting Date: November 19, 2024
From: Randy Frazer, City Manager
Item: Reinvestment Housing Incentive District (RHID) Policy

Purpose: A Resolution approving the City of Arkansas City Reinvestment Housing Incentive District (RHID) Policy. **(Voice Vote)**

Background:

The City of Arkansas City aims to address local housing shortages by implementing the Reinvestment Housing Incentive District (RHID) Policy. This policy encourages the development of new and diverse housing options, particularly in areas suitable for revitalization, by selectively approving RHID projects that offer substantial public benefits. Through targeted incentives, the policy seeks to expand the housing stock, enhance the tax base, and contribute to the overall economic vitality of Arkansas City.

Arkansas City, like many growing communities, faces challenges in providing adequate and affordable housing to meet the needs of residents. The RHID Policy provides a structured framework to facilitate housing growth in alignment with city goals, enabling the City Commission to review RHID applications with discretion. Key eligibility requirements, such as the “but-for” financial feasibility test, ensure that RHID funding is directed toward projects that are financially viable only with public assistance and that adhere to city zoning and land-use plans. The policy mandates an application process, including a thorough review by the Kansas Secretary of Commerce, ensuring that only projects meeting rigorous standards move forward.

By fostering developments that enhance public infrastructure, create jobs, and contribute to community revitalization, the RHID Policy supports the City's growth objectives. The policy primarily employs Pay-Go financing, funded by tax increments generated through RHID projects, with options for bond financing if warranted. Compliance with RHID terms and the evaluation of ongoing project benefits help ensure that developments fulfill community needs and deliver long-term value to Arkansas City.

Recommended Motion: Approve the City of Arkansas City Reinvestment Housing Incentive District (RHID) Policy, establishing a framework for incentivizing residential development in designated areas to address housing shortages, support city infrastructure, and foster economic growth.

Commission Options:

1. Approve the Resolution
2. Disapprove the Resolution
3. Table the Resolution for further discussion

Attachments: Resolution & RHID Policy Draft

Approved for Agenda by:

Randy Frazer, City Manager