AGENDA ITEM

TO: Tim Vandall, City Administrator

FROM: Joshua Gentzler DATE: June 17, 2025

SUBJECT: Resolution B-6-2025 – Fairlane Town Homes Phase II RHID

Overview: The City of Lansing is proposing to establish a Reinvestment Housing Incentive District (RHID) for the second phase of the Fairlane Town Homes project. This area has been identified as a location where new housing is needed to meet growing demand. The proposed project will include approximately 21 townhome units, including five triplexes and three duplexes, offering both one-bedroom and two-bedroom units. The RHID tool allows the City to support housing development by reimbursing certain eligible costs through the increase in property taxes generated by the new housing over time.

Policy Consideration: This project is being pursued under Kansas law K.S.A. 12-5241 et seq., which authorizes cities to use RHIDs to address housing shortages. A housing analysis previously completed by the City found that a lack of quality housing options is limiting economic growth. On August 12, 2024, the Kansas Department of Commerce approved Lansing's request to establish this RHID. A public hearing is scheduled for August 7, 2025, to allow residents and stakeholders to give feedback before the final decision. If approved, the City will enter into a development agreement with Greenamyre Rentals, Inc. to support the project through eligible tax reimbursement mechanisms.

Financial Consideration: The total assessed value of the land in the RHID district is currently \$27,141, with no existing improvements. The developer is not requesting reimbursement for public infrastructure (like roads and sewers), as these are already in place. Instead, the developer is seeking reimbursement for vertical construction costs — meaning the cost of building the townhomes themselves. A feasibility analysis has been completed, showing that the expected increase in property tax revenue from the new development will be enough to pay for the eligible costs over time, without requiring additional funding from the City.

Action: Staff recommends that the City Council approve Resolution B-6-2025 setting a public hearing date for August 7, 2025, to consider the establishment of the Fairlane Townhomes Phase II RHID and adoption of the related development plan. If there is no objection following the hearing, Council may proceed with formal approval of the RHID and execution of a development agreement with Greenamyre Rentals, Inc.