
AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Joshua Gentzler J G
DATE: July 17, 2025
SUBJECT: Public Hearing – Ordinance 1134 - Riverbend Heights RHID

Resolution B-5-2025

Overview: The City Council voted to conduct a public hearing in accordance with K.S.A. 12-5245 to consider the establishment of a Reinvestment Housing Incentive District (RHID) and the adoption of the associated Development Plan for Riverbend Heights on July 15, 2025.

Action:

Staff recommends that the Council open, hold, and close the public hearing.

Ordinance 1134 – Creating the Riverbend Heights RHID

Overview: The Governing Body adopted Resolution No. B-2-2025 on February 6, 2025 finding a shortage of quality housing in Lansing and expressing intent to form an RHID under K.S.A. 12-5241 et seq. After the required publication and state review, the Kansas Secretary of Commerce approved establishment of a district on February 28, 2025.

The attached Development Plan creates the **Riverbend Heights RHID** covering approximately 146 acres southwest of McIntyre Rd. & 131st St. and anticipates the development approximately 417 single-family homes. The Plan outlines:

	Value
Existing 2025 assessed value	\$119,984
Estimated build-out assessed value	≈ \$14.4 million
Total project cost	\$27.14 million
Eligible RHID reimbursable costs	\$23.58 million
RHID term / capture	20 years / 80 % of real-property increment
Gross increment (20-yr)	≈ \$21.8 million (NPV ≈ \$8.33 million)

Policy Consideration:

Housing Supply & Affordability: Adds hundreds of new lots across varied price points, directly addressing Council findings of housing shortage.

Financial Consideration:

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- **No City Debt or General Fund Exposure:** Reimbursement occurs only from 80 % of new property-tax increment actually generated; the City will not issue GO or special obligation bonds.
- **Positive Cash Flow to Taxing Jurisdictions:** Base valuation (\$119,984) plus 20 % of new increment flow immediately to regular taxing funds; after 20 years the full valuation returns to all jurisdictions. The City would receive roughly \$1.3 Million (NPV ≈ \$500,000) over the course of the existence of the RHID, based on the current 20% share of the property taxes collected.
- **Feasibility Verified:** The developer shows projected increment is sufficient to retire all reimbursable costs within the 20-year term; private equity/debt covers remaining costs.
- **Minimal Administrative Cost:** Developer pays application, publication, and legal fees; ongoing monitoring funded through the Development Agreement.

Action: Staff recommends approval of the Development Plan for the Riverbend Heights Reinvestment Housing Incentive District and adopting Ordinance 1134 establishing the RHID.