
AGENDA ITEM

TO: Tim Vandall, City Administrator
FROM: Joshua Gentzler
DATE: April 17, 2025
SUBJECT: Reinvestment Housing Incentive District Charter Ordinance

Overview: This Charter Ordinance is needed to ensure the City can utilize home rule powers to address local housing needs more flexibly. By exempting the City from the provisions of K.S.A. 12-5250, the ordinance allows Lansing to establish a Reinvestment Housing Incentive District (RHID) with terms better suited to the City's specific housing goals. This approach empowers the City to modify the capture of the increase in property taxes from new residential developments and direct those funds toward the public improvements necessary to support affordable and quality housing.

In adopting this ordinance, the City positions itself to sustainably manage growth, incentivize residential development, and remove key barriers that deter economic progress. This ordinance allows the City to negotiate the amount of property tax that is captured within the RHID. In an upcoming proposal, this ordinance would allow the City to allocate 20% of the new taxes generated to all taxing entities (City, School Board, and County), instead of capturing all 100% of the taxes.

The reinvested property tax increment will be used to finance critical infrastructure—such as water, sewer, and street projects— on a reimbursement basis, ultimately expanding housing options, boosting the local economy, and improving the overall quality of life for residents.

Policy Consideration: None

Financial Consideration: This program is designed to reduce housing costs for new developments by allowing property taxes generated within the district to be used toward eligible development costs. By redirecting these property tax revenues to cover infrastructure and other approved expenses, the RHID program helps alleviate financial barriers for developers, supporting the creation of affordable housing options in Lansing.

Action: A motion to approve and adopt Charter Ordinance 1-2025.