

Frequently Asked Questions about the City of Andover's Neighborhood Revitalization Program (NRP)

Q. What is the Neighborhood Revitalization Tax Rebate Program?

A. The City of Andover is committed to revitalization efforts to improve neighborhoods and continue the city's reputation as a safe, attractive, and friendly community. Neighborhood revitalization incentives are available to encourage property owners to reinvest in their existing buildings/homes or for new construction. The program applies to both commercial and residential properties within the city limits. The NRP consists of the following details:

The program will be effective for homes/businesses that have building permits pulled between January 1, 2022 and December 31, 2024, pending Attorney General approval.

The 95% rebate of local taxes will occur for 5 years for residential or non-residential rehabilitation or improvement projects and for new non-residential projects. A 45% rebate will last five years for new residential projects. Thanks to the support of the following local taxing jurisdictions, the rebate will apply to all local property taxes levied by the City of Andover, Butler County, Butler Community College and USD 385.

Q. How can I determine if I am eligible for a tax rebate?

A. There must be a minimum investment of \$25,000 for residential projects and \$50,000 investment for commercial projects. Improvements must conform to all codes, rules and regulations in effect. A building permit is required for all qualified improvements. Therefore, if the improvement you are planning does not require a permit (i.e. siding or windows), the project does not qualify for inclusion in the NRP. Call the City Inspection Assistant to ask questions regarding obtaining permits at 977-9422. Prior to starting a project or pulling a building permit, especially if you are not sure if a project you are considering will increase the value of your property, please consult the Butler County Appraiser (1-800-822-6346).

**Property taxes must be paid up-to-date
in order for a property to be eligible for the program as well.**

Q. How do I apply for the NRP?

A. A permit is a necessary first step to qualify for the NRP. Building permits can be obtained through the City of Andover Building Inspections Department. When you pull your permit, you should also request an NRP application. This application will need to be processed by both the City of Andover and Butler County.

Andover City Hall is open Monday-Friday from 8 a.m. to 4:30 p.m. Call the Inspections Assistant if you have questions at 977-9422.

Q. How is my tax rebate determined and processed?

A. It is a refund of the property taxes which are paid on the actual value added *due to the improvement*. Under the Neighborhood Revitalization Plan legislation, the taxes relating to the assessed value on the property prior to the improvement may not be reduced and will continue to be payable. Because it is a "rebate," taxes must be paid in full, on time, and then the rebate check is issued.

Q. What is "Qualified Improvement"?/What kind of projects increase my assessed value?

A. "Qualified Improvement" includes new construction, rehabilitation and additions. These projects increase the assessed value. Repairs generally will not increase the assessed value unless there are several major repairs or improvements completed at the same time. If you are not sure if a project you are considering would increase the value of your property and would like to consult with the Butler County Appraiser prior to starting a project, please call 1-800-822-6346.

Q. How is "Structure" defined?

A. "Structure" means any building wall or other structure, including the building and improvements to the existing structures and fixtures assimilated to the real estate.

Q. Do windows, siding or roofs qualify as a "qualified improvement"?

A. No. A permit is a necessary step to qualifying for the NRP. Since a permit is not needed for windows, siding or roofs, these projects do not qualify for inclusion in the NRP. Further, these kinds of improvements, although often necessary, do not generally result in much, if any, increase in appraised value. Remember the program only rebates the portion of those property taxes paid *due to the increased value caused by your improvement*.

Q. Are specials included in the tax rebate?

A. No, the property owner is ultimately responsible for special assessments to be paid on time, just like all other property taxes.

The **only** taxes that will be rebated as a result of the NRP are the improvement portion of *property* taxes paid to the following participating jurisdictions: City of Andover, Butler County, USD 385, and Butler Community College. This makes up all of the mills you are charged for property tax except 1.5 mills that go to the state. Please be advised that Butler County receives 5% of NRP tax rebates as an administrative fee for the services their Appraiser's and Treasurer's Offices provide.

Q. Does "one dollar" spent on work equal "one dollar" of increase value?

A. No, one dollar spent is not necessarily equal to one dollar of increased value.

Q. What kind of turnaround time can I expect for my permit and NRP application to be processed?

A. The County Appraiser's Office reserves the right to a 15 work day period to process NRP applications. Therefore, residential permits and NRP applications should be processed within a month.

Due to the complexity of commercial projects, it is very difficult to give an expected approval time period. Variables that play a factor (and contribute regardless of the NRP process) include zoning issues as well as site plan review and planning commission meeting schedules. The earlier you can contact the Inspection Assistant to begin the process, the better (977-9422).

Q. My mortgage company pays my taxes on my behalf. Does this mean they will get my rebate?

A. No. Rebate checks for NRP projects are sent directly to property owners not the mortgage company paying on one's behalf.

Q. If qualified improvements are planned to be made, how does one obtain a tax rebate?

A. NRP applications must be filled out by the property owner of record at the time the permit(s) is pulled. NRP rebates transfer to the new owner of record at the time of sale of a property.

Q. How is the base valuation for my home/business determined?

A. The Butler County appraiser's Office, in accordance with state statute, only values property once a year (January 1). The certified property value on January 1, 2022 is the valuation amount that will be used as the benchmark for NRP projects starting in 2022. The certified property value on January 1, 2022 is the valuation amount that will be used as the benchmark for NRP projects starting in 2022. If you disagree with your property valuation, you have thirty days after the certification of valuation notice is mailed to you (March 1 of each year) to request a hearing. Individuals can also pay their first or second half of taxes "Under protest" and thus request a public hearing at that time to have their valuation reviewed. These are the only times in a given year that one can request their property value to be re-assessed. If you have any questions about this process, please call the Butler County Appraiser's Office at 1-800-822-6346.

Q. Who do I call with questions about the Andover NRP?

A. If you have questions about the revised NRP, please contact the Andover City Inspection Assistant at 977-9422 or by email at bldg-insp@andoverks.com. If you have questions about your property valuation or the property valuation process, please contact the Butler County Appraiser's Office at 1-800-822-6346.