

# Making the American Dream Possible in Kansas

## Introduction: Making the American Dream Possible in Kansas

Thank you for the opportunity to speak with you today. We are here to share how Kansas is using targeted housing programs to expand access to the American Dream of homeownership—especially in communities where market conditions make it nearly impossible without support.

We will be discussing two housing developments:

- **Spring Hill - Wiswell Farms**
- **Lindsborg - Stockholm Estates**

Before we get into those, we want to briefly explain the three key programs that make these projects possible: the Moderate Income Housing (MIH) Grant, the Kansas Housing Investor Tax Credit (KHITC), and the Reinvestment Housing Incentive District (RHID).

## Kansas Housing Policy: An Alphabet Soup of Acronyms

Kansas housing policy could easily be described as an alphabet soup of acronyms. Even seasoned builders, developers, and policymakers find it challenging to keep track of what each program does and who it serves.

Three of the most impactful tools for moderate income housing projects—RHID, MIH, and KHITC—are complementary to each other in many developments across the state. When used together, they help unlock housing opportunities that would otherwise be out of reach.

- **RHID (Reinvestment Housing Incentive District)** is a local financing tool that allows developers to recover infrastructure costs through future property tax increments—without creating debt or risk for the city.
- **MIH (Moderate Income Housing Grant)** provides direct funding to support housing development for moderate-income households, especially in rural and underserved areas.
- **KHITC (Kansas Housing Investor Tax Credit)** offers a state tax credit to investors who help finance moderate-income housing, making projects more feasible and attractive to private capital.

Later in this meeting, you will hear more about the Low Income Housing Tax Credit (LIHTC) program, which is a critical tool for supporting deeply affordable housing (below 60% AMI). While LIHTC serves a different population and purpose, **RHID, MIH, and KHITC fill a separate but equally important role in expanding access to homeownership for moderate income families.**

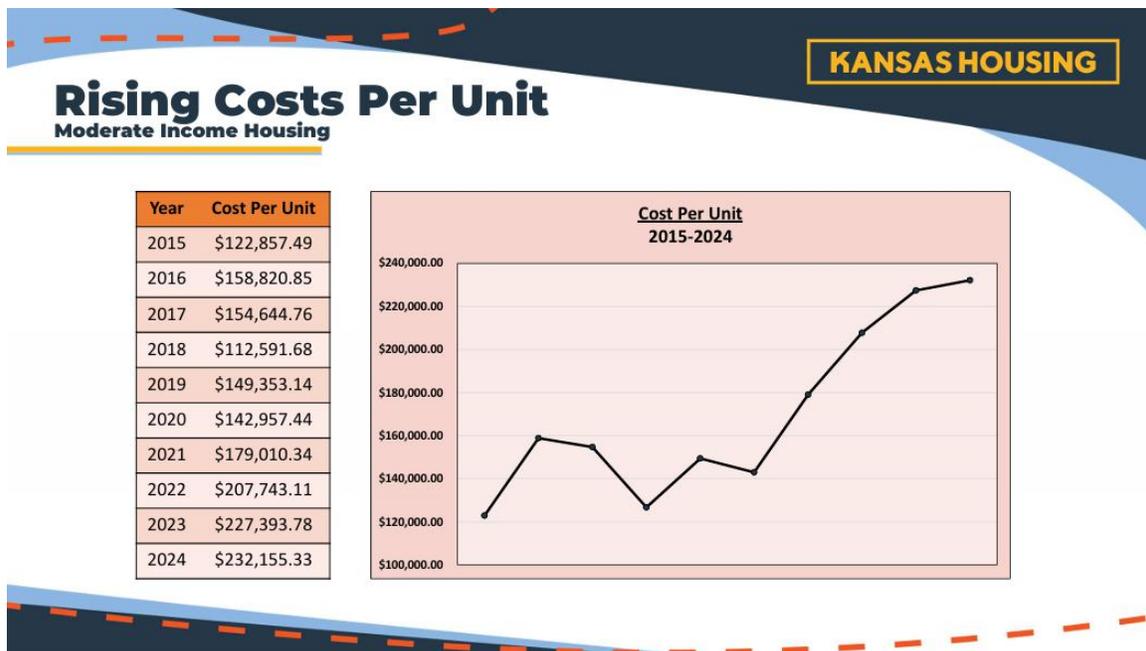
## Why These Programs Matter

The success of MIH, KHITC, and RHID is evident in the growing number of communities applying for support. Interest in these programs has surged thanks to their effective administration and strong educational outreach by Kansas Housing Resources Corporation (KHRC).

But interest alone doesn't build homes. These programs are essential because:

- Construction and infrastructure costs—including materials and labor—have risen dramatically.
- Interest rates have climbed, making financing more difficult.
- In many cases, projects simply wouldn't proceed without this support.

**These are targeted investments that unlock housing development where the private market cannot act alone.**



## Spring Hill, KS – Wiswell Farms (RHID)

In Spring Hill, located in southern Johnson County, the Wiswell Farms development exemplifies how the Reinvestment Housing Incentive District (RHID) can unlock attainable housing through market-driven efficiency.

This RHID-supported project delivered homes priced between \$289,000 and \$325,000, significantly below typical market rates for the area. The RHID structure incentivized rapid lot sales and fast-paced building cycles, allowing builders to pass savings directly to

homebuyers. The result: homes sold quickly, and families moved in affordably—without relying on subsidies. The builder closed on the first lots in February of 2024, since that time 102 homes have been completed and sold.

Importantly, RHID is a pay-as-you-go tool. The developer fronts all infrastructure costs—streets, sewer, water, storm drains—and is reimbursed later through the tax increment generated by the new homes. The city carries no financial risk: no special assessment bonds, no taxpayer exposure, and no municipal debt.

In the case of Wiswell Farms, the developer was also required to fund a 1.25-mile extension of Webster Road before any development could occur. Webster Road is a \$7 million infrastructure improvement that not only served the subdivision but unlocked hundreds of acres for future growth. A \$2.5 million BASE grant helped offset the cost, with the city bonding the remainder. The developer pays those special assessments (not the future homeowners), reimbursed over time via RHID.

This kind of state-city-developer partnership is what makes RHID work. When paired with targeted support for off-site infrastructure—like arterial roads or regional utilities—RHID enables projects that otherwise wouldn't be feasible, keeping risk on the developer while making homeownership attainable for Kansans.

### **Lindsborg, KS – Stockholm Estates (RHID, MIH, KHITC)**

Stockholm Estates broke ground in 2020 as Lindsborg's first new housing development in over two decades. The project was initiated after city officials raised concerns in 2019 about the lack of affordable new housing, which was limiting community growth. Teachers, professors, and long-time residents seeking accessible homes were commuting or unable to find suitable housing within the city.

Using the Reinvestment Housing Incentive District (RHID), the development could install infrastructure without special assessments for new homeowners, resulting in savings of \$40,000 to \$50,000 or more compared to nearby towns. This cost advantage was key in attracting buyers to build in Lindsborg.

The project also leveraged Moderate Income Housing (MIH) grants and Kansas Housing Investor Tax Credits (KHITC) to reach price points that matched local affordability. These programs enabled the construction and sale of:

- Townhomes priced from \$199,000 to \$225,000
- Single-family homes priced at \$229,000

Each home met or exceeded MIH building standards, offering high-quality, energy-efficient housing. Thanks to the support from MIH and KHITC, every home built was sold, demonstrating strong demand and successful alignment with community needs.

To date, 50 new homes have been completed at Stockholm Estates. The impact has been tangible: school enrollment is up, and Lindsborg's population has grown from 3,276 in 2020 to 3,835 in 2024—a remarkable turnaround after years of decline.

While the next development phase is planned, it is currently paused due to a lack of MIH funding. Ten lots remain, and continued support is essential to keep the momentum going.

## Results of the MIH, KHITC, & RHID Programs

The following are tables displaying applications and awards for the MIH and KHITC programs.



	APPLICATIONS			UNITS			DEVELOPMENT		
	Applied	Funded	Not Funded	Applied	Funded	Not Funded	Applied	Funded	Not Funded
2024	\$26,361,412	\$8,180,854	\$18,180,558	665	229	436	\$143,675,486	\$55,888,138	\$87,787,348
2023	\$112,163,237	\$26,876,615	\$85,286,622	3,798	925	2,873	\$767,970,300	\$230,448,060	\$537,522,240
2022	\$25,841,818	\$7,406,336	\$18,435,482	853	207	646	\$157,844,846	\$48,783,535	\$109,061,311
2021	\$8,722,864	\$1,980,000	\$6,742,864	401	103	298	\$72,343,949	\$19,457,820	\$52,886,129
2020	\$7,777,434	\$1,997,050	\$5,780,384	440	72	368	\$39,278,461	\$7,300,150	\$31,978,311
<b>TOTAL</b>	<b>\$180,866,765</b>	<b>\$46,440,855</b>	<b>\$134,425,910</b>	<b>6,157</b>	<b>1,536</b>	<b>4,621</b>	<b>\$1,181,113,042</b>	<b>\$361,877,703</b>	<b>\$819,235,339</b>



	APPLICATIONS			UNITS			DEVELOPMENT		
	Applied	Funded	Not Funded	Applied	Funded	Not Funded	Applied	Funded	Not Funded
2024 R1	\$7,518,000	\$4,984,000	\$2,534,000	486	315	171	\$50,001,329	\$37,819,780	\$12,181,549
2024 R2	\$7,874,000	\$3,794,000	\$4,080,000	282	132	150	\$46,067,184	\$22,930,092	\$23,137,092
2024 R3	\$7,986,000	\$1,696,000	\$6,290,000	292	70	222	\$54,553,012	\$19,642,173	\$34,940,839
<b>TOTALS</b>	<b>\$23,378,000</b>	<b>\$10,474,000</b>	<b>\$12,904,000</b>	<b>1,060</b>	<b>517</b>	<b>543</b>	<b>\$150,621,525</b>	<b>\$80,392,045</b>	<b>\$70,229,480</b>

The MIH, KHITC, and RHID programs have significantly increased housing development and investment across Kansas. As shown in the above tables, these programs have supported thousands of new housing units and attracted substantial financial commitments. Notably, the success of these initiatives is reflected not only in the number of homes built, but also in the growing participation of builders, investors, and developers who are now engaged in communities statewide. This broadening of the development base is helping to address housing needs, stimulate local economies, and ensure that more Kansas families have access to attainable homeownership.

Thank you for the opportunity to share the Kansas housing success stories.

Sincerely,

Derek Lee  
Chris Coulson  
Ross Vogel