



## HOMESTEAD AFFORDABLE HOUSING, INC

P.O. Box 1007

115 West 4<sup>th</sup> Street

Holton, KS 66436

To: Honorable Rep. Steve Huebert, Chair  
Members of the House Standing Committee on Local Government

From: Thomas A (Tom) Bishop, Pres./CEO

RE: Support for HB 2075

Date: February 5, 2013

Rep Huebert, members of the Committee, I am here today to offer support for HB 2075 as a means to enable cities and organizations to secure abandoned property and enable these properties to return to use as housing, community development or economic development purposes.

As a community housing development organization (CHDO) Homestead Affordable Housing, Inc. has been working on these housing and community development issues in rural communities across Kansas since 1998. We've now assisted nearly 992 first time home buyers in 194 Kansas towns in 78 counties with \$4,000 in down payment and closing cost grants. These workforce homes have had an average cost of \$71,486 with the average buyer's household income of \$25,524. The \$3,968,000 in FHLBank AHP grants we've provided have leveraged total sales of \$64,766,686, leveraging \$16.32 of loans for each grant dollar. (Map and Chart attached) Our web site is at [www.homesteadks.org](http://www.homesteadks.org)

The majority of these buyers are acquiring existing homes; only about 130 of these were new homes. Some of our activities and those we support with community partners are acquisition, rehabilitation and sale. Often abandoned homes in neighborhoods deter prospective buyers from considering homes in these neighborhoods.

Cities across the state are struggling with how to deal with vacant, abandoned, homes in their communities. Some will eventually proceed to tax sale. And in 1992 we enacted KSA 79-2811 to enable counties to keep properties from going to tax sale and enabling them to abate delinquent property taxes by declaring the public purposes of affordable housing, community development or economic development. Some counties have used this statute extensively, others are still learning of the option.

HB 2075 provides a mechanism for intervention. Enabling cities to take action, with the proper required documentation, and partner with CHDOs or other non-profits to rehabilitate and place the property back in service is a good step forward. The legislation may also encourage owners/sellers to move forward with sale so the cities needn't always take action. The CHDOs can offer sellers a IRS write off of the appraised value (IRS form 8283) which can also sometimes motivate property owners to take action.

Thanks for allowing me a bit of time to share and thanks for your support of HB 2075.

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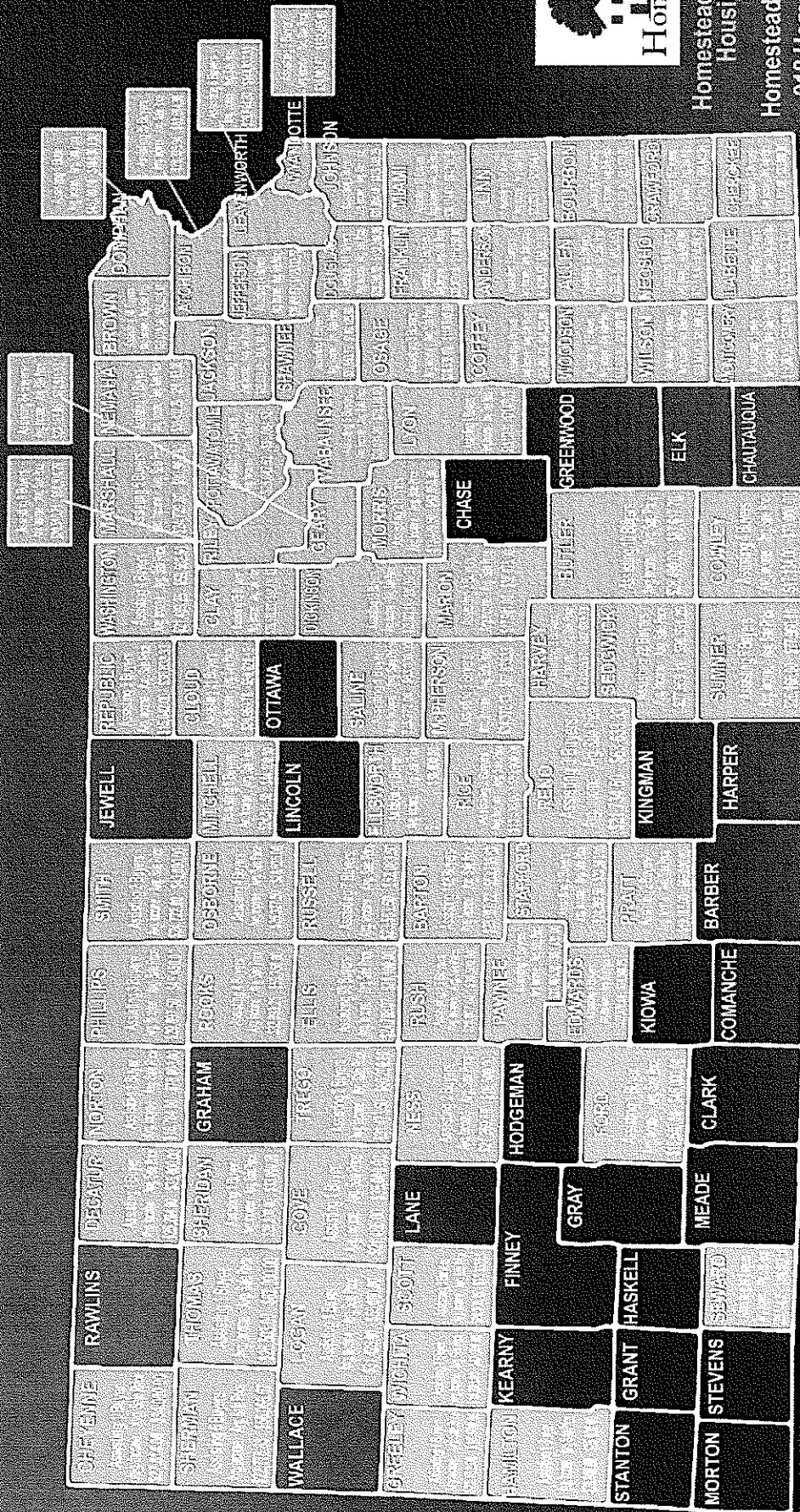


# Homestead Affordable Housing, Inc

Homestead PO Box 1007, Holton, Kansas 66436 785-364-0110

[www.homesteadks.org](http://www.homesteadks.org)

- A certified **Community Housing Development Organization (CHDO)** founded in 1998
- A **single family residential developer** in rural communities; building homes with school districts and local partners
- A provider of grants for **Essential & Emergency Services** to senior homeowners
- A **workforce housing provider, down-payment and closing costs grants**
  - 992 buyers in 194 rural Kansas communities in 78 counties
  - Average home sale price of \$71,486 and average household income \$25,524
  - \$3,968,000 in FHLBank AHP grants provided; leveraging total home sales of \$64,766,686 a total of \$16.32 for each grant dollar
- A **partner with rural communities in developing and managing affordable senior housing**
  - *Brookside Senior Residences, Augusta, Kansas*
  - *Main Street Place Senior Residences, Haysville, KS*
  - *Homestead Senior Residences Harper, Harper, KS*
  - *Bartell Place Senior Residences, Junction City, KS*
  - *Trinity Place Senior Residences, Atchison, KS*
  - *Homestead Senior Residences Wamego, Wamego, KS*
  - *Homestead Senior Residences Holton, Holton, KS*
  - *Homestead Senior Residences Mulvane, Mulvane, KS*



Homestead Affordable Housing, Inc.

Homestead has assisted 918 Homeowners in 78 Kansas counties.

### Homestead Affordable Housing Services by County in the State of Kansas

# Homestead Affordable Housing

## First Time Buyer Statistics 9/1/01 through February 1, 2013

	Town	Population	# Buyers	Average Home Price	Towns <5,000	Buyers in Town < 5000
1	Abilene	6,468	9	81417		
2	Albert	176	1	20000	1	1
3	Andover	7189	3	123426		
4	Arkansas City	11720	2	75000		
5	Atchison	10206	31	64621		
6	Augusta	8437	7	87557		
7	Axtell	406	1	76500	1	1
8	Baldwin City	3503	4	127667	1	4
9	Barnes	148	1	89000	1	1
10	Baxter Springs	4202	1	71000	1	1
11	Bazine	263	2	35250	1	2
12	Belle Plain	1550	1	69900	1	1
13	Belleville	2165	3	38833	1	3
14	Beloit	3925	4	50025	1	4
15	Belvue	227	1	58125	1	1
16	Blue Rapids	1022	1	124333	1	1
17	Bonner Springs	6772	3	132465		3
18	Buhler	1344	1	79000	1	1
19	Burlingame	1017	1	84000	1	1
20	Burlington	2765	2	41250	1	2
21	Carbondale	1480	2	89650	1	2
22	Centralia	518	2	27760	1	2
23	Chanute	9217	15	51350		
24	Chapman	1233	4	91500	1	4
25	Chetopa	1224	1	32900	1	1
26	Clay Center	4525	24	54657	1	24
27	Coffeyville	10349	1	92500		
28	Colby	5369	1	67000		
29	Colony	399	1	54500	1	1
30	Columbus	3355	1	50000	1	1
31	Concordia	5545	18	53127		
32	Council Grove	2328	2	63850	1	2
33	DeSoto	4665	2	143000	1	2
34	Dodge City	25049	2	54500		
35	Downs	899	2	29750	1	2
36	Edgerton	1486	3	119233	1	3
37	Effingham	588	2	73785	1	2
38	Ellinwood	2130	2	49000	1	2
39	Ellis	1852	20	55110	1	20
40	Ellsworth	2946	1	38000	1	1
41	Enterprise	825	2	89900	1	2

42	Erie	1150	1	76500	1	1
43	Eskridge	582	2	70250	1	2
44	Eudora	4411	7	134200	1	7
45	Everest	311	2	46250	1	2
46	Fort Scott	8261	12	53368		
47	Fredonia	2555	2	65000	1	2
48	Frontenac	2996	4	76167	1	4
49	Gardner	10203	11	128592		
50	Garfield	176	1	43500	1	1
51	Garnett	3391	2	52750	1	2
52	Gas City	541	1	112000	1	1
53	Girard	2753	2	53000	1	2
54	Glasco	504	1	25000	1	1
55	Glen Elder	428	1	26000	1	1
56	Goddard	2331	3	110977	1	3
57	Goff	166	1	32000	1	1
58	Goodland	4775	6	56067	1	6
59	Gorham	348	2	42501	1	2
60	Grandview Plaza	994	1	108546	1	1
61	Great Bend	15142	139	55236		
62	Greenleaf	331	1	66500	1	1
63	Halstead	1880	3	81666	1	3
64	Hanover	632	2	28250	1	2
65	Hartford	499	1	119095	1	1
66	Harveyville	210	1	69400	1	1
67	Haven	1172	1	84900	1	1
68	Hays	19817	65	82467		
69	Hepler	154	1	22500	1	1
70	Herington	2517	3	62667	1	3
71	Hesston	3531	1	77900	1	1
72	Hiawatha	3410	30	55671	1	30
73	Highland	941	2	87000	1	2
74	Hillsboro	2862	1	43350	1	1
75	Hoisington	2918	5	36250	1	5
76	Holcomb	2094	1	77000	1	1
77	Holton	3334	18	87565	1	18
78	Horton	1935	12	54000	1	12
79	Hoyt	581	1	36000	1	1
80	Humboldt	1854	1	56000	1	1
81	Independence	9607	3	48667		
82	Inman	1377	1	86600	1	1
83	Iola	6193	23	50099		
84	Jamestown	374	1	42000	1	1
85	Junction City	18063	83	93705		
86	Kinsley	1592	6	21237	1	6
87	LaCrosse	1346	11	28955	1	11
88	LaCygne	1128	1	82000	1	1
89	Lamar, Colorado	8004	3	71500		
90	Lancaster	292	4	53125	1	4

91	Larned	4062	6	73425	1	6
92	Leonardville	375	1	46000	1	1
93	Leoti	1372	1	47000	1	1
94	LeRoy	588	2	127500	1	2
95	Liberal	20128	38	107,499		
96	Liebenthal	110	1	79500	1	1
97	Logan	535	1	67000	1	1
98	Longford	90	1	30000	1	1
99	Louisburg	2668	1	130400	1	1
100	Lyndon	1041	1	80000	1	1
101	Lyons	3652	2	59900	1	2
102	Maize	1915	6	84380	1	6
103	Manhattan (rural route)	16216	1	40500		
104	Maple Hill	469	1	87000	1	1
105	Marion	1897	1	34000	1	1
106	Marysville	3202	4	82625	1	4
107	Mayetta	351	1	90000	1	1
108	McCracken	208	1	17000	1	1
109	McLouth	865	2	94000	1	2
110	McPherson	13487	4	74625		
111	Meriden	716	1	176302	1	1
112	Miltonvale	467	2	52250	1	2
113	Morganville	197	1	35000	1	1
114	Morrill	249	1	52500	1	1
115	Mound Valley	413	1	69500	1	1
116	Mount Hope	829	1	64500	1	1
117	Mulvane	5245	6	79083		
118	Munjor	50	1	32500	1	1
119	Natoma	355	1	30000	1	1
120	Neodesha	2806	2	55000	1	2
121	Neosho Rapids	274	2	53800	1	2
122	Ness City	1485	2	16500	1	2
123	Norton	2943	1	75000	1	1
124	Nortonville	577	1	72171	1	1
125	Oakley	2106	1	55000	1	1
126	Oberlin	1956	1	35000	1	1
127	Ogallah	394	1	79900	1	1
128	Ogden	1644	3	105000	1	3
129	Olathe	118034	1	118000		
130	Olmitz	158	1	33000	1	1
131	Olpe	502	1	60000	1	1
132	Olsburg	189	1	77000	1	1
133	Onaga	671	3	67800	1	3
134	Osawatomie	4635	2	66500	1	2
135	Osborne	1565	1	25000	1	1
136	Oskaloosa	1159	4	116575	1	4
137	Otis	321	1	34500	1	1
138	Ottawa	11844	1	112500		
139	Ozawkie	559	2	128750	1	2

140	Palco	219	1	65000	1	1
141	Palmer	105	1	92750	1	1
142	Paola	5033	7	81270		
143	Park City	5944	8	99293		
144	Parsons	11384	3	54467		
145	Pawnee Rock	332	1	37000	1	1
146	Paxico	210	1	79000	1	1
147	Phillipsburg	2372	2	23900	1	2
148	Pittsburg	19067	10	74511		
149	Plainville	2000	5	51300	1	5
150	Pleasanton	1392	1	69900	1	1
151	Pomona	943	1	120000	1	1
152	Pratt	6495	2	65000		
153	Prescott	280	1	64000	1	1
154	Quinter	809	1	35000	1	1
155	Radium	40	2	22500	1	2
156	Randolph	168	2	66815	1	2
157	Riley	848	3	77667	1	3
158	Robinson	195	1	38500	1	1
159	Rossville	1063	2	111000	1	2
160	Russell	4567	3	72500	1	3
161	Sabetha	2493	6	57342	1	6
162	Salina (rural route)	8163	1	63000		
163	Schoenchen	199	2	55500	1	2
164	Scott City	3765	3	75333	1	3
165	Scranton	725	1	118000	1	1
166	Selden	194	1	33000	1	1
167	Seneca	2082	8	76013	1	8
168	Silver Lake	1354	2	105250	1	2
169	Smith Center	1663	2	43000	1	2
170	South Hutchinson	2525	1	27000	1	1
171	Spring Hill	3063	4	126038	1	4
172	St. Francis	1471	1	34000	1	1
173	St. George	442	1	52000	1	1
174	St. Marys	2221	5	99883	1	5
175	St. Paul	663	2	83100	1	2
176	Syracuse	1768	1	25000	1	1
177	Tipton	227	1	38500	1	1
178	Tonganoxie	3030	6	144933	1	6
179	Towanda	1319	2	76450	1	2
180	Tribune	694	1	18500	1	1
181	Tyro	221	1	29900	1	1
182	Udall	786	1	65000	1	1
183	Uniontown	275	1	35000	1	1
184	Valley Center	4913	7	98225	1	7
185	Valley Falls	1240	4	90500	1	4
186	Victoria	1210	9	53722	1	9
187	Wakeeney	1850	1	52500	1	1
188	Walker	45	1	26000	1	1

189	Wamego	4220	14	98383	1	14
190	Weir	741	1	74000	1	1
191	Wellington	8515	1	76000		
192	White Cloud	227	2	49000	1	2
193	Winfield	12158	1	79000		
194	Yates Center	1586	2	27000	1	2
195	Nebraska		30	75368		
	Additonal Need info		10			
	<b>Totals</b>		<b>992</b>		<b>161</b>	<b>440</b>

		Year	Buyers
Total Buyers	992	2001	12
Rural Communities NE	6	2002	82
Rural Communities KS	194	2003	121
Towns under 5,000 population NE	4	2004	124
Towns under 5,000 population KS	161	2005	211
Total Buyers in Towns under 5,000 NE	4	2006	88
Total Buyers in Towns under 5,000 KS	440	2007	113
Average Home Sales Price Combined	\$71,486.41	2008	53
Average Income Combined	\$25,524.28	2009	62
Total Sales Price of Homes	\$64,766,686.54	2010	29
Loan \$ leveraged for each AHP grant \$	\$16.32	2011	53
Total FHLB AHP Grants	\$3,968,000.00	2012	39
		2013	5
		<b>Grand Total</b>	<b>992</b>



# Kansas Statutes

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## **Chapter 79: Taxation**

### **Article 28: Judicial Foreclosure And Sale Of Real Estate By County**

**Statute 79-2811: County sale for affordable low-income housing; abatement of taxes.** (a) If real estate has been or shall be sold and bid by the county, and the redemption period has expired, the board may sell such real estate to provide affordable low-income housing or for community development or economic development purposes which are hereby declared to be public purposes. Any such sale shall not be subject to the provisions of [K.S.A. 79-2801](#) *et seq.*, and amendments thereto

(b) The board of county commissioners may abate any delinquent ad valorem property taxes, special assessments or other special taxes on any property sold pursuant to subsection (a). If such taxes or assessments are not abated, any moneys received from the sale of such property shall be apportioned in the manner provided by [K.S.A. 79-2805](#), and amendments thereto.

**History:** L. 1992, ch. 320, § 3; July 1.