

WRITTEN TESTIMONY

TO THE HOUSE FINANCIAL INSTITUTIONS AND RURAL DEVELOPMENT COMMITTEE

RE HB 2569/Historic Tax Credit

By Tyler Holloman

My name is Tyler Holloman and I am the owner of Frontier Property Management. In addition to managing rental properties, my firm is active in property development. Our main focus is historical properties with an emphasis on residential adaptive reuse.

As you may be aware, Kansas rural communities are in dire need of safe and affordable housing. Many of our existing rural apartments currently have wait lists, indicating demand exceeds supply. A large barrier preventing the increase of rural rental units is the cost of entry. It is expensive to develop housing anywhere, but in our rural communities it can be cost prohibitive without additional financial incentives. Often rural projects take multiple layers of financing. One of our most recent projects, the Limerick building in Alma Kansas, required funding from KHRC, the state and national historic tax credit, developer equity, a bridge loan, partial seller financing, and construction financing from a local lender. The project was a huge success for the community, providing much needed housing. Recently, Governor Kelly toured the building to showcase the need for more developments like the Limerick. However, as you can see from the list of funding sources these projects are not easy to accomplish.

By supporting HB 2569, this committee will be showing all of Kansas that the State is committed to our rural communities. In addition to providing more opportunities for developers to add housing, this bill will ensure that our local communities can preserve their historic character, save prominent buildings and provide jobs for local trades. The importance of the economic impact of these projects cannot be understated. The population limitations in this bill ensure these credits stay in rural communities where they are needed most.

As a Kansan, I know the value of our small towns and the importance of maintaining a rural way of life. I am proud that our legislature is considering such a prominent investment into rural communities. I hope this committee will find this bill is good for Kansas. I believe it could become a model for other states as well.