

By Victoria Calderon

• Leader & Times

The Housing Incentive Program was a hot topic at Tuesday's Liberal City Commission meeting.

This new housing program is an amended version of the Builder Incentive Program that was presented to the city at a housing work session on May 29. Since that work session, the Housing Incentive Program itself had been subject to a few minor changes as well.

The program is designed to give a \$4,000 incentive to the buyer of a brand new home. Whether the home is built by the owner or bought fresh off the market, this incentive is available to anyone who buys a newly constructed house.

The funds for this program are pulled from the 1-cent sales tax, and the budget is not expected to exceed \$160,000 per year unless approved by the commission.



There are several requirements the new house must fit in order to be eligible for the incentive. The dwelling must have three bedrooms and two bathrooms. However, an adjustment made to that was the exclusion of a square footage requirement. The home does not have to cover a

certain area, as long as it covers the bed/bathroom condition, as well as it must be built on a permanent foundation. The homeowner must also own the lot the home sits on.

The commission hopes to bring new employees to Liberal through this program. They think that, if employers get the word out to potential employees that Liberal has an incentive program for new houses, it will bring growth and an improved housing market to the community.

Homeowners are not the only people benefitting from this program. Developers can also receive an incentive if they have constructed a speculative house that has been on the market for 90 days and has not yet been purchased. This addition is to encourage those interested in becoming a developer in Liberal to take that step.

Commissioner Joe Denoyer has already found several people interested in the developer incentive program.

“Talking with this developer this afternoon, he told me that he’s got some nontraditional type developers that are very interested in now becoming developers,” Denoyer said. “There were four different developers that he had told me about that they would probably take advantage of this.”

However, an issue brought up from past housing incentive programs was that they would focus too much on the contractor rather than the homeowner. Housing and Community Development Director Karen LaFreniere refuted that claim.

“On the developer’s incentive, we have had that since 2008, I believe, and we haven’t had development from that,” she stated. “We have \$75,000 a year budgeted, and we’ve used less than that.”

Rental property is also covered in the Housing Incentive Program. Rental properties receive \$750 per unit for the first 10 rental units. Any unit past 10 receives a \$250 incentive. This part of the program is meant to allow small rental facilities to thrive, since smaller properties would be more profitable in this instance.

The commission discussed several other communities across the state that have installed programs similar to this in their own cities. City Manager Mark Hall looked particularly at Wichita's housing program.

"Wichita has come out with the new program, for the first 1,000 homes, the homeowner... will receive the incentive," he said. "This is taking from the program that didn't give that to the homeowner."

Denoyer had previously spoken with John Deardoff, city manager of Hutchinson.

"They are utilizing a neighborhood revitalization, and he told me that was not working as they thought it was," Denoyer said. "When I presented what we have here, he was envious. Thought that if they had something to piggyback with neighborhood revitalization, they would see more growth and more homes developed."

He also brought up the disadvantages of the towns in more rural areas, such as Altima and Leoti, in comparison to the advantages Liberal has.

"Those in the more rural areas felt that we had an advantage with the one cent sales tax to offer incentives that they couldn't," he said.

Despite the perks of the program, citizen John Smith brought up a few concerns with new housing.

"Incentive to a home buyer does not provide any more lots for building," he explained to the commission. "The assessments that were done last year said that the city has a shortage of buildable lots. And I don't see how this is going to create that."

Despite a few issues with the program, it gained the support of the majority the commission.

“What I like about this, is that this is a guideline that we can look at each case, case-by-case, and if we need to tweak it as things are brought to us, we can do that,” Denoyer said. “But we need a starting point. I believe this gives us that starting point.”

A motion was made to consider approval of the Housing Incentive Program. The consideration to approve was passed 4-1 by the commission, with commissioner Ron Warren against.

Although Warren had some apprehension about how the program is to be implemented, he still holds that something needs to be done about housing in Liberal.

“I do appreciate the fact that everybody’s wanting to see something happen and working to make something happen. I also, myself, realize that I don’t have the answers,” he told the commission. “It’s a tough issue, trying to figure out how to make housing move. Hopefully, we figure it out.”