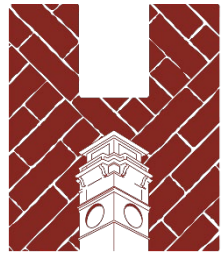




Harrisonville Square Neighborhood Redevelopment Corporation



Press release
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Harrisonville introduces new tax incentives for property improvements

Eligible commercial and residential property owners
can abate real estate taxes for 5 or 10 years,
by investing in qualified building repairs and property improvements.

HARRISONVILLE, MO – A new redevelopment corporation created by the City of Harrisonville to help revitalize commercial and residential properties is now taking applications for its Chapter 353 Tax Abatement Program.

The Harrisonville Square Neighborhood Redevelopment Corporation has scheduled a public meeting to explain the program to property owners, developers, real estate and financial professionals, appraisers, attorneys and other interested residents. The meeting will take place at 6:30 p.m. Thursday, April 11, at the Harrisonville Community Center.

The Board of Aldermen authorized the program under Chapter 353 RSMO, a state statute that permits cities to abate real estate taxes for specific improvements in a designated geographic area. The Harrisonville program focuses on the Square Historic District and surrounding neighborhoods (*see attached boundary map*). This area includes approximately 2,200 residents and 957 parcels of real estate.

To administer the program, the City created an urban redevelopment corporation – the Harrisonville Square Neighborhood Redevelopment Corporation. It consists of a five-member board that will review applications and issue tax-abatement certificates after approved projects are completed in accordance with program guidelines. Members appointed to the Redevelopment Corporation board are Larry Pfautsch, Dr. Josh Chastain, Carol Looney, Amanda Stites and Obie Carl.

“Several years ago, the City began looking for ways to incentivize property owners to undertake building improvements in our established neighborhoods and around the Square,” said City Administrator Brad Ratliff. “The Chapter 353 program provides substantial tax benefits that we think will be very appealing to property owners.”

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Ratliff noted that this new program complements a variety of grant programs and incentives already available through various city, state and federal programs and the Love the Harrisonville Square organization.

The Tax Abatement Program requires a minimum investment of \$10,000 for residential projects, at least half of which must be for exterior improvements, and \$100,000 for commercial properties, which must include a mix of exterior and interior improvements. The tax abatement period is 5 years for residential projects and 10 years for commercial projects.

For approved projects, real property taxes will be abated completely on the structure portion of the property (the home or building) during the abatement period. Property owners will continue to pay taxes each year on the land portion of the property, but the assessed value of the land will be “frozen,” meaning it cannot increase during the abatement period regardless of the improvements made to the property.

Once an approved project is completed according to Program Guidelines, the Cass County Assessor will be notified to begin abating state, city, county, school and other real estate taxes applicable to the property for either five years for residential projects or ten years for commercial projects.

As an example, a home appraised at \$122,000 and assessed for tax purposes at \$23,000 could realize tax savings of approximately \$1,300 a year, or more than \$6,000 over the 5-year abatement period, on a qualifying \$10,000 improvement project.

On a commercial project, a building appraised at \$104,000 and assessed for tax purposes at \$33,000 could realize tax savings of approximately \$2,100 a year, or \$21,000 over the 10-year abatement period, on a qualifying \$100,000 improvement project.

The Tax Abatement Program establishes a wide range of qualifying projects intended to improve the structural integrity, appearance or functionality of a commercial or residential property. The program contains certain exceptions and exclusions as detailed in the Program Guidelines.

Application materials and the Program Guidelines are now available at City Hall, 300 E. Pearl St., and can be downloaded from the City’s website at www.harrisonville.com. Questions may be directed to the City of Harrisonville Community Development Department, 816-380-8900.

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Chapter 353 Boundaries

