Date: January 16, 2025

Senate Concurrent Resolution Limiting Taxable Value Increases Each Year

(2025rs0175) Position: Support From: City of Basehor

Subject: Copy of Verbal Testimony

Good morning. My name is Maddie Bouton and I am the Deputy City Administrator for the City of Basehor. I'd like to start by thanking Madam Chair Senator Tyson and all of the members of the Senate Committee on Assessment and Taxation for the opportunity to give verbal testimony in support of the Senate Concurrent Resolution Limiting Taxable Value Increases Each Year. Our Mayor, Dick Drennon, was regrettably unable to attend today's hearing and he sends his regrets. We do have two Councilmembers present — Councilmember Shari D. Standiferd and Councilmember Vickie McEnroe.

Basehor is a small but growing community in the greater Kansas City Area. As of the last US census, Basehor is the 2nd fastest growing city in Kansas with a population of 5,000 or more. Our population has grown by nearly 50% in the last 10 years. That population growth is forecasted to continue.

The City of Basehor annually adopts its Legislative Priorities, and the City of Basehor strongly supports limiting the taxable value increases each year for existing properties within the City. Basehor has supported limiting this since 2023.

Basehor's valuation has increased on average by 13% each year for the last 5 years, and the majority of that increase is due to new homes and new businesses being constructed in the City. The hurdle we face is making sure the new homes and new businesses being constructed pay their fair share for the services they require, without penalizing our existing property owners. If a cap were to be instituted, Basehor could continue to keep a flat mill rate and capture the growth related to new development while also providing a reasonable and manageable increase for existing property owners. This ability is currently unattainable by the City under the current property tax calculation formula.

The City of Basehor's Governing Body has kept a flat mill rate since 2019, and we are not forecasting a need to increase the mill rate for the next 5 years, even if a cap were to be instituted. If a taxing jurisdiction needed to increase their mill rate as a result of any cap, that would certainly be their right under the local control provided by the Kansas Constitution.

As a City, we understand the growth we're experiencing will not continue forever. However, we believe strongly having the conversations now to fix the property tax calculation formula will allow us as a City to better prepare while also providing reasonable and manageable increases for existing property owners.

The City of Basehor stands ready to work collaboratively with the Kansas Legislature on providing property tax relief to Kansans, including standing in support of Senate Concurrent Resolution Limiting Taxable Value Increases Each Year. Thank you.