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Senate Committee on Assessment and Taxation  
Room 548-S  
Kansas State Capitol  
SW 8<sup>th</sup> & SW Van Buren Street  
Topeka, Kansas 66612

March 5, 2025

Garric Baker, AIA, SB 283 Opponent, Written

Members of the Committee,

I reach out today in opposition to Senate Bill No. 283, specifically Section 8, page 14, line 17 which is the elimination of the Kansas Affordable Housing Tax Credit Act. I am registered through the Department of Housing and Urban Development (HUD) as a Capital Needs Assessor. Our firm is one of the selected few who are recommended by the Kansas Housing Resource Corporation (KHRC) to also provide capital needs assessments. Through my roles in both positions, I have provided over twenty Capital Needs Assessments spread across both agencies. These reports have accumulated over \$50 million in needed renovations to existing affordable housing stock, and I have personally been in over 250 of these apartments to attest to their need for these funds.

The federal government reassesses the allocated funds for the existing properties and will increase the allocations as needed to maintain the property to habitable conditions. However, the availability of funds for new housing units is very limited. This is where the Kansas Affordable Housing Tax Credit Act excels in producing much-needed housing. If the funds are not available, new housing construction will effectively be cut in half over the coming years. This would result in more restricted access to affordable housing.

The program effectively creates housing for roughly 20 people per year per county throughout the state.<sup>1</sup> The cost of doing so is roughly \$641 per month per resident.<sup>2</sup> During the pandemic years, KERA (Kansas Emergency Rental Assistance) awarded \$290 million in only 18 months for 11,000 Kansan households.<sup>3</sup> This figure equates to roughly \$1,464 per month per household. This shows the dire need for affordable housing resources, and the Kansas Affordable Housing Tax Credit is a means to do so efficiently and economically. If we consider the alternative to providing those 20 residents per county per year with affordable housing, they may turn to crime, drugs, homelessness, and worse. If in fact, they do go down this path, law enforcement intervention would be needed and then the individual is now housed in a detention facility. The cost per inmate is roughly \$30,100<sup>4</sup> annually or roughly \$2,583 per month. If we consider an investment of \$641 per month to support a safe, welcoming home environment rather than spend \$2,583 for detention, the return on investment is staggering.

In summary, I would ask that the Committee vote no or strike Section 8, page 14, line 17 eliminating the Kansas Affordable Housing Tax Credit Act. An amendment may be offered to adjust the 100% match of federal funds with Kansas funds, but I would also offer that both Nebraska and Missouri offer 100% matches on funds. If developers are drawn by the higher incentive, we would be losing opportunities to our neighboring states for development. Thank you for your time and consideration of this testimony. I understand that the program has significant costs to the state, but I would encourage you all to consider the alternatives and the even deeper impacts they will cause. This program provides safe, affordable housing to Kansas residents while employing hundreds if not thousands across the state who then return those funds in the form of income taxes.

Should you have any questions or concerns, I am always available to discuss this matter because it is such an important program to our state and those who call it home.

Sincerely,



Garric Baker, AIA

<sup>1</sup> Since the establishment of the program, 6,500 new dwelling units have been constructed, averaging 2,160 tenants per year. If we spread this across all 105 counties of the state, approximately 20 people per county are housed in low- to moderate-income dwelling units because of this program.

<sup>2</sup> Annual anticipated spending on the program per testimony given during House committee indicated an expense of \$50 million annually. \$50,000,000 divided by the 2,160 tenants being housed, averages \$7,692 per tenant annually; averaging \$641 per month.

<sup>3</sup> <https://kshousingcorp.org/kansas-emergency-rental-assistance-kera-program-closed/>

<sup>4</sup> [https://www.kslegislature.gov/li/b2021\\_22/committees/ctte\\_h\\_apprprtns\\_1/documents/testimony/20210224\\_05.pdf](https://www.kslegislature.gov/li/b2021_22/committees/ctte_h_apprprtns_1/documents/testimony/20210224_05.pdf)