



February 7, 2022
Senate Bill 376
Proponent
ORAL in-person Testimony
Ross Vogel (816) [686-6600](tel:686-6600)/ross@rossvogel.com
Heartland Housing Partners

Dear Chairman Olson & Members of Senate Fed & State,

Please accept this testimony in support of SB 376 on behalf of Heartland Housing Partners. Our company has developed over \$175M in residential projects in the last 10 years in underserved locations across the state. We've acted as developer, investor or consultant on 24 Rural Housing Incentive District (RHID) and 9 Moderate Income Housing (MIH) Grant projects since its inception in 2012. Our company is very proud of our accomplishments developing housing across Kansas; however, we recognize we could do much more. The reality is all those projects began with a conversation about the economics of the project not being feasible and the need for government programs to assist in feasibility.

For most of 2021 Senator Olson and I met once a week to discuss housing and meet with housing stakeholders. Ultimately our process came to developing legislative ideas which could turn into potential bills. We started off with 10 - 12 ideas for legislation and ultimately decided the best ideas that offered the highest expectation to have a profound effect on housing were a Housing Investment Tax Credit (SB 375) and expansion of RHID and MIH Grant programs (SB 376).

Having worked in other states, I would put RHID and MIH up against any other programs in regard to efficiency and success in creating housing. However, those two programs in current form are not able to support the housing needs across the state and need to be expanded.

The genesis of the existing lot RHID eligibility within SB 376 came from the fact that lot development is now \$40,000 - \$70,000 per lot. We need to start seeing existing lot infrastructure as a \$40,000 community asset that needs to be activated to achieve its full value.

The other expansion of RHID recommends allowing Topeka to be eligible even though its population is higher than the population benchmark in existing RHID legislation. Topeka is an underserved housing market and has experienced population loss in recent years. Topeka also has an affordability gap, with a \$50,000 area median family income and very few, if any new homes listed in an affordable price range for most residents.

Our company has often stated that Moderate Income Housing (MIH) Grant program is the best government housing program available in any state – we truly believe that to be the case. Kansas Housing Resources Corporation does a great job administering the program. MIH program only has one issue, it needs much more funding. SB 376 would increase the funding to a level that would help many communities across the state use this outstanding housing development tool. Please note Derek Lee’s testimony regarding Lindsborg MIH funding and its effect on the community.

Please accept this testimony as support for SB 376.

Sincerely,

A handwritten signature in blue ink that reads "Ross Vogel". The signature is fluid and cursive, with the first name "Ross" and the last name "Vogel" clearly distinguishable.

Ross Vogel
Heartland Housing Partners