


<h1>Council</h1> <h1>Communication</h1> <p>Office of the City Manager</p> 	Date February 20, 2006
	Agenda Item No. 18 Roll Call No. <u>06-</u> Communication No. <u>06-087</u> Department: Community Development

AGENDA HEADING:

Denial of one tax abatement application for 400 E Burnham Avenue.

RECOMMENDATION:

Recommend denial of the application to apply prospectively as provided by Iowa Law. The owners of this property applied for and received five year tax abatement for the period from 2000 to 2004. That tax abatement has since expired. Staff recommends denial of this application because no improvements have been made to the property since the initial abatement was granted for the years 2000-2004.

FISCAL IMPACT:

Amount: N/A

Funding Source:

ADDITIONAL INFORMATION:

In order to receive tax abatement on a property, the applicant must increase the value of property at least 5% for residential or 15% for commercial and industrial, as determined by the Polk County Assessor. No permits for improvements have been obtained since the original permits for this property were issued for a new dwelling unit in 1999.

The City approved tax abatement to stimulate growth and expansion in the City and level the playing field with areas outside the City. This program works well to retain and attract development to the City. Developers have identified tax abatement as a major cause for attracting buyers to their units. The abatement program has also aided in upgrading deteriorating property in the City by providing an incentive to maintain and upgrade property.

PREVIOUS COUNCIL ACTION(S):

Date: Multiple times per year since 1988. The original tax abatement application for this property was received December 6, 1999.

Roll Call Number:

Action: Approval/Denial of tax abatement applications.

BOARD/COMMISSION ACTION(S):

Date:

Roll Call Number:

Action:

ANTICIPATED ACTIONS AND FUTURE COMMITMENTS:

The tax abatement program on new improvements currently ends on December 31, 2008, unless the City Council extends the program beyond that date. Any application received by February 1, 2009 and approved by the City Council will receive abatement for the number of years eligible and for which an application was submitted. It is anticipated that there will be numerous submittals of tax abatement applications on a yearly basis until the program ends.