

<h1 style="margin: 0;">Council Communication</h1> <p style="margin: 0;">Office of the City Manager</p> 	Date	March 6, 2006
	Agenda Item No. 13 Roll Call No. <u>06-</u> Communication No. <u>06-117</u>	Submitted by: Larry Hulse, Community Development Director

AGENDA HEADING:

Approval of one additional tax abatement application for 2005 for property located at 3430 South Union Street.

SYNOPSIS:

Recommend approval of one additional tax abatement application for 2005 due to the applicant misunderstanding the due date for applications because of a language barrier.

FISCAL IMPACT:

Amount: \$125,000.00 in forthcoming taxable value.

Funding Source: Taxes are generated in the first year from the land value, but the improvement value will be forthcoming when the \$125,000.00 comes on the tax rolls after abatement ends.

ADDITIONAL INFORMATION:

The applicant misunderstood when he was supposed to file the application for abatement with the City. Because of a language barrier, he thought that he could apply anytime during February not understanding that February 1, 2006, at 5 PM was the deadline for applications to be filed. The Polk County Assessor's Office has indicated they will process the application as if it were filed by the deadline indicated above.

The applicant chose **Schedule 4B** with an estimated value of \$125,000.00. **Schedule 4B** is for qualified real estate for the remainder of the City for a period of five years. Qualified real estate assessed as residential or commercial and consisting of three or more living quarters with at least 75% of the space used residentially is eligible to receive an exemption from taxation on the actual value added by improvements. The exemption amount is 100% of the actual value added by the improvements.

Cumulative Totals for 2005

Schedule	Count	Value
1	377	\$6,255,451.00
2	29	\$25,394,060.00

3	14	\$11,736,718.00
4a	124	\$37,034,450.81
4b	599	\$112,435,205.80
Total	1143	\$192,855,885.61

PREVIOUS COUNCIL ACTION(S):

Date: February 20, 2005

Roll Call Number: 06-388

Action: Approving 435 tax abatement applications for improvements made to property during 2005. ([Council Communication No. 06-088](#)) **Moved by Hensley to adopt. Motion Carried 6-1. Pass: Kiernan.**

Date: February 20, 2005

Roll Call Number: 06-339

Action: Conditionally approving tax abatement application for 2120 E Army Post Rd. for improvements completed in 2005. ([Council Communication No. 06-083](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

Date: February 20, 2005

Roll Call Number: 06-340

Action: Approving nine late-filed tax abatement applications for additional value added by improvements made between 2000 and 2002. ([Council Communication No. 06-085](#)) **Moved by Hensley to adopt. Motion Carried 7-0.**

BOARD/COMMISSION ACTION(S): NONE

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.