



**Council
Communication**
Office of the City Manager

Date

March 20, 2006

Agenda Item No. 16
Roll Call No. ~~06-~~
Communication No. 06-137
Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approval (retroactive) of one tax abatement application for 2003 for property located at 2600 Bent Ridge Court.

SYNOPSIS:

Recommend retroactive approval of one tax abatement application for 2003. The application was received on October 9, 2003 but was not properly processed by the City with the other abatement applications by February 2004. The applicant is requesting that the application be approved and sent to the Polk County Assessor's office and handled as if it had been filed in a timely manner with the rest of the 2003 applications.

FISCAL IMPACT:

Amount: An estimated \$90,000.00 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 estimated \$90,000.00 comes on the tax rolls after abatement ends.

ADDITIONAL INFORMATION:

The applicant chose **Schedule 4B** with an estimated value of \$90,000.00. **Schedule 4B** is for qualified real estate in all areas of the City not included in other tax abatement schedules. The abatement lasts for a period of five years. Qualified real estate assessed as residential, or assessed as 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.

PREVIOUS COUNCIL ACTION(S):

Date: March 6, 2005

Roll Call Number: 06-432

Action: Approving one tax abatement application for improvements made to property during 2005. ([Council Communication No. 06-117](#)) Moved by Brooks to adopt. Motion Carried 6-0. Absent: Hensley.

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.

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.