



**Council
Communication**
Office of the City Manager

Date

June 5, 2006

Agenda Item No. 13
Roll Call No. ~~06-~~
Communication No. 06-327

Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approval of one tax abatement application for 2006 for property located at 7015 Three Lakes Parkway.

SYNOPSIS:

Recommend approval of one tax abatement application and denial of the owner's request that the City apply the approval retroactively. The applicant filed the application on April 20, 2006, rather than on or before the deadline of February 1, 2006 at 5:00 PM. The applicant has requested that the City approve the application as if it had been filed by the deadline indicated above.

FISCAL IMPACT:

Amount: \$165,900 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 \$165,900 comes on the tax rolls after abatement ends.

ADDITIONAL INFORMATION:

The tax abatement application had to be filed by February 1, 2006, for the tax abatement to apply to the taxes due in fiscal year 2007/08 on the value added by the improvements. The applicant did not file the application before the aforementioned deadline due to an oversight on the applicant's part.

Since the tax abatement application was filed within the two-year grace period, the applicant would receive the full benefit of 5-year 100% tax abatement on the value added by the improvements. The abatement would begin with the taxes due in fiscal year 2008/09.

The applicant chose **Schedule 4B** with an estimated value of \$165,900. **Schedule 4B** is for qualified real estate 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.

PREVIOUS COUNCIL ACTION(S):

Date: February 20, 2006

Roll Call Number: 06-338

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, 2006

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, 2006

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: NA

Roll Call Number: NA

Action: NA

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.