



**Council
Communication**
Office of the City Manager

Date

December 18, 2006

Agenda Item No. 20

Roll Call No. 06-

Communication No. 06-776

Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approval of one tax abatement application for 2005 for property located at 2407 Hart Avenue.

SYNOPSIS:

Recommend approval of one tax abatement application for 2005. The application was received on April 27, 2005 but was not properly processed by the City with the other abatement applications by February 2006. The applicant is requesting that the application be approved and sent to the Polk County Assessor's Office with a request from the City that the application be handled as if it had been filed in a timely manner.

FISCAL IMPACT:

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

ADDITIONAL INFORMATION:

The applicant chose **Schedule 4B** with an estimated value of \$165,900.00. **Schedule 4B** is for qualified real estate not covered by other tax abatement schedules and is valid 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: August 21, 2006

Roll Call Number: 06-1664

Action: Approving 97 tax abatement applications for improvements made to property within the last 2 years ([Council Communication No. 06-519](#)) Moved by Vlassis to adopt. Motion Carried 4-1-1.

Date: May 8, 2006

Roll Call Number: 06-1086

Action: Approving 86 tax abatement applications for improvements made to property within the last 2 years ([Council Communication No. 06-324](#)) Moved by Kiernan to adopt. Motion Carried 6-1.

Date: February 20, 2006

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.

BOARD/COMMISSION ACTION(S): NONE

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.