



Council Communication

Office of the City Manager

Date

March 12, 2007

Agenda Item No. 50
Roll Call No. 07-
Communication No. 07-128
Department: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approving denial of tax abatement application for property at 5680 SE 19th Street that does not meet the requirements to receive tax abatement for a new single family dwelling.

SYNOPSIS:

Recommend denial of the tax abatement application for 5680 SE 19th Street. This property does not meet the requirements for tax abatement for properties serviced by septic waste disposal systems.

FISCAL IMPACT: NONE

ADDITIONAL INFORMATION:

Tax abatement for improvements to residential property is granted only to applicants within specified areas within the limits of the City of Des Moines that meet the requirements for new construction of a single family dwelling. This property was previously located on 2.076 acres of property platted as such prior to 1999. There is an existing house on the property. The property was divided into two parcels to allow for 2 one-acre lots so a new single family dwelling could be constructed with a septic system. This division of the property met with all City requirements for subdividing property and requirements to have the property serviced by a septic waste disposal system. The division of the property was approved by staff on May 12, 2006.

Prior to splitting the property, a pre-application meeting was held with Tim and Lorraine Kinney on November 22, 2005, to discuss whether the property could be split in accordance with the City's Subdivision Ordinance. At that meeting, staff explained that if the property was divided, it would only be eligible for tax abatement if it connected to the city sewer system. This conversation is referenced in the minutes of the meeting. The minutes were mailed to the Kinneys and are included in the Council packet.

The City Council approved the 5th Amendment to the Restated City Wide Urban Revitalization Plan for the City of Des Moines on June 7, 1999, that sets requirements for property serviced by a septic waste disposal system. This amendment states in section 6(iii) that "the parcel of land upon which the improvement is made was created prior to July 1, 1999, and **not thereafter voluntarily reduced in size.**" The property was reduced in size in May 2006, well after July 1999.

Sanitary sewer service is not scheduled to be constructed in this area until 2011, to service property along Indianola Avenue north of East Army Post Road. This property is located considerably north of East Army Post Road and west of Indianola Avenue. To extend sewer to this area would require existing property owners to agree to pay to have the sewer extended to serve the area. Such an extension is not expected to occur in the near future.

PREVIOUS COUNCIL ACTION(S):

Date: February 26, 2007

Roll Call Number: 07-338

Action: [Denying](#) application for Tax Abatement at 5680 SE 19th Street. ([Council Communication No. 07-094](#)) Moved by Meyer to refer to the City Manager for review and recommendation at the 3-12-07 Council Meeting. Motion Carried 7-0.

Date: December 18, 2006

Roll Call Number: 06-2451

Action: [Approving](#) Tax Abatement applications (194) for additional value added by improvements made during 2006. ([Council Communication No. 06-777](#)) Moved by Vlassis to adopt. Motion Carried 6-0.

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.

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.