



Council Communication

Office of the City Manager

Date

September 24, 2007

Agenda Item No. 17

Roll Call No. 07-

Communication No. 07-576

Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approval of one tax abatement application for 2004 that was apparently timely filed but not timely processed, for property located at 3619 Brook Run Drive, and to start the abatement for the property as soon as possible.

SYNOPSIS:

There is evidence that the application for 3619 Brook Run Drive was timely filed prior to February 1, 2005, but was misplaced by the City. Although there is no statutory authority to apply the City's approval retroactively, the Polk County Assessor has indicated a willingness to treat the application as having been timely filed, when requested by the City to remedy an error by the City. Therefore, it is recommended that the City Council request that the Polk County Assessor's Office apply the tax abatement to the taxes payable as soon as possible.

FISCAL IMPACT:

Amount: \$135,000 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 \$135,000.00 comes on the tax rolls after abatement ends.

ADDITIONAL INFORMATION:

The applicant chose **Schedule 4B**. **Schedule 4B** is for qualified real estate in all areas of the City not included in other tax abatement schedules. The abatement lasts for 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: September 10, 2007

Roll Call Number: 07-1707

Action: Approving tax abatement application for additional value added by improvements completed in 2003 for property at 2425 Grand River Drive. (Council Communication No. 07-540) **Moved by**

Hensley to adopt, and to request that the Polk County Assessor apply the tax abatement as soon as possible to this property. Motion Carried 7-0.

Date: My 7, 2007

Roll Call: 07-919

Action: Approving Tax Abatement application for additional value added by improvements completed in 2006, and denying retro-active application for 2473 SW 7th Street. (Council Communication No. 07-263) Moved by Hensley to adopt and approve the application for tax abatement, to be applied prospectively. City will send a confirmation letter to the applicant. Motion Carried 7-0.

Date: April 23, 2007

Roll Call Number: 07-739

Action: Approving Tax Abatement application for the additional value added by improvements at 4411 SE 14th Street. (Council Communication No. 07-241) Moved by Hensley to adopt, with the tax abatement to be applied prospectively. Motion Carried 7-0.

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.