



# Council Communication

Office of the City Manager

<b>Date</b>	February 25, 2008
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<b>Agenda Item No.</b>	20
<b>Roll Call No.</b>	<del>08-</del>
<b>Communication No.</b>	<del>08-095</del>
<b>Submitted by:</b>	Larry Hulse, Community Development Director

## AGENDA HEADING:

Approving tax abatement application for improvements completed in 2006 and denial of retroactive application for property located at 733 SE 27<sup>th</sup> Court.

## SYNOPSIS:

Recommend approval of tax abatement, and denial of a retroactive application, for improvements to property located at 733 SE 27<sup>th</sup> Court. The applicant claims that the application was sent to the City along with other applications for property that the applicant owns in the same area; the other applications were approved in February 2006. However, staff has no evidence that this particular application was received by the City before the deadline on February 1, 2006. The applicant does not have a date-stamped copy of the application or a confirmation number to indicate that the application was received by the City.

The application will be treated as timely-filed for the next round of tax abatements, so the applicant will still receive the full term of abatement, commencing with the taxes paid in fiscal year 2009/10. It is recommended that the abatement application start as soon as possible after approval.

## FISCAL IMPACT:

Amount: \$125,000 in forthcoming taxable value.

Funding Source: Taxes will be generated in the first year from the land value. The improvement value will be forthcoming when the \$125,000 comes on the tax rolls after abatement ends.

## ADDITIONAL INFORMATION:

The applicant chose **Schedule 4A**. **Schedule 4A** is for qualified real estate in specific areas generally located downtown and near the downtown area. The exemption period is ten years and the exemption amount is 100% of the actual value added by improvements. Qualified real estate assessed as residential or commercial consisting of three or more living quarters with at least 75% of the space used residentially is eligible to receive an exemption from taxation and the actual value added by the improvements.

## PREVIOUS COUNCIL ACTION(S):

Date: January 28, 2008

Roll Call Number: 08-120

Action: [Approving](#) tax abatement applications (208) for additional value added by improvements made during 2007. ([Council Communication No. 08-029](#)) Moved by Kiernan to adopt. Motion Carried 7-0.

Date: December 17, 2007

Roll Call Number: 07-2369

Action: [Approving](#) tax abatement applications (44) for additional value added by improvements made during 2007. ([Council Communication No. 07-732](#)) Moved by Hensley to adopt. Motion Carried 6-1.

Date: November 19, 2007

Roll Call Number: 07-2191

Action: [Approving](#) tax abatement applications for additional value added by improvements made during 2007 (96 applications). ([Council Communication No. 07-674](#)) Moved by Vlassis to adopt. 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.