



Council Communication

Office of the City Manager

Date

February 25, 2008

Agenda Item No. 19

Roll Call No. 08-

Communication No. 08-097

Submitted by: Larry Hulse, Community
Development Director

AGENDA HEADING:

Approving tax abatement application for improvements completed in May 2007 for property located at 6125 SE 16th Street, but not connected to City sanitary sewer.

SYNOPSIS:

Recommend approval of one tax abatement application for improvements to the property located at 6125 SE 16th Court. The requirements for approval of this application are listed in the 5th Amendment to the Restated Plan, approved by the City Council on June 7, 1999, by roll call 99-1776. These requirements are: 1) public sewer is not available within 100 ft of the boundaries of the parcel of land upon which the improvement is made; 2) the improvement is assessed as residential property; 3) the parcel of land upon which the improvement is made was created prior to July 1, 1999, and not thereafter, voluntarily reduced in size; and 4) the owners of the property have entered into an agreement in a recordable form acceptable to the City Legal Department agreeing to connect to the public sewer system when it becomes available and waiving the right to protest the assessment for such sewer. The applicant has built a new single family dwelling on an existing two-acre lot not served by City sanitary sewer. The lot was created prior to July 1, 1999. Public sewer is not located within a 100 ft of the property. The property owners have entered into an agreement in a recordable form that is acceptable to the City Legal Department agreeing to connect to the public sewer when it becomes available and waiving the right to protest the assessment for such sewer. The applicant has met the requirements set forth by the Council for building a new home on property not served by City sewer, and has signed the required agreement as outlined in the requirements for new construction.

The application has been timely filed and would be processed as such.

FISCAL IMPACT:

Amount: \$160,000 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 \$160,000 comes on the tax rolls after abatement ends.

ADDITIONAL INFORMATION:

The applicant chose **Schedule 4B**. **Schedule 4B** is for qualified real estate for the remainder of the City 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: 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.