

Date April 03, 2017

RESOLUTION APPROVING TAX ABATEMENT APPLICATIONS
FOR THE ADDITIONAL VALUE ADDED BY IMPROVEMENTS
COMPLETED DURING 2016
(2 separate applications)

WHEREAS, the Iowa Urban Revitalization Act, Chapter 404, Code of Iowa (the "Act"), provides for partial exemption from property tax for the actual value added by improvements to property located in a designated Urban Revitalization Area which are consistent with the Urban Revitalization Plan for such Area; and

WHEREAS, the Act provides that persons making improvements may apply to the City Council for tax abatement, and the City Council shall approve the application by resolution, subject to review by the County Assessor, if it finds: (a) the project is located in a designated Urban Revitalization Area; (b) the project is in conformance with the Urban Revitalization Plan for such area; and (c) the improvements were made during the time the area was so designated; and,

WHEREAS, pursuant to the Act, the Des Moines City Council passed Ordinance No. 11,026 designating the entire area within the corporate boundaries of the City of Des Moines on July 6, 1987, as a revitalization area (the "City-wide Urban Revitalization Area"); and,

WHEREAS, pursuant to the 2011-1 Omnibus Amendment to the City's urban revitalization plans which was approved by the City Council on December 5, 2011, by Roll Call No. 11-2085, all the territory within the City of Des Moines as of January 1, 2012, was consolidated into the City-wide Urban Revitalization Area, and any territory thereafter annexed into the City are added to the City-wide Urban Revitalization Area effective upon annexation; and,

WHEREAS, the City-wide Urban Revitalization Plan provides that in order to qualify for tax exemption eligibility, the improvements must be completed in accordance with all applicable zoning and other regulations of the City; and,

WHEREAS, two (2) applications for tax abatement (the "Applications") have been received, reviewed and recommended for approval by City staff as further described in the accompanying council communication.

NOW THEREFORE, BE IT RESOLVED by the City Council of the City of Des Moines, Iowa, as follows:

- 1) The Applications for tax abatement are hereby received.
- 2) The following findings are hereby adopted:

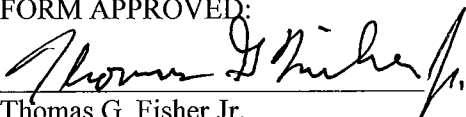
Date April 03, 2017

- a) Each of the Applications are for a project located in the City-wide Urban Revitalization Area; each project is in conformance with the Urban Revitalization Plan for the City-wide Urban Revitalization Area; and the improvements described in the Applications were made during the time the applicable area was so designated.
 - b) Each of the Applications is for improvements completed in 2016.
 - c) Each of the Applications appear to have been timely filed with the City on or before February 1, 2017.
- 3) Each of the Applications is approved subject to review by the County Assessor under Section 404.5 of the Act, for exemption according to the schedules noted on each Application.
- 4) The City Clerk shall forward a certified copy of this resolution and the Applications to the County Assessor.

(Council Communication No. 17- 314)

MOVED by _____ to adopt.

FORM APPROVED:


 Thomas G. Fisher Jr.
 Assistant City Attorney

| COUNCIL ACTION | YEAS | NAYS | PASS | ABSENT |
|----------------|------|------|------|--------|
| COWNIE | | | | |
| COLEMAN | | | | |
| GATTO | | | | |
| GRAY | | | | |
| HENSLEY | | | | |
| MOORE | | | | |
| WESTERGAARD | | | | |
| TOTAL | | | | |

CERTIFICATE

I, DIANE RAUH, City Clerk of said City hereby certify that at a meeting of the City Council of said City of Des Moines, held on the above date, among other proceedings the above was adopted.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my seal the day and year first above written.

MOTION CARRIED APPROVED

 Mayor

 City Clerk

CITY OF DES MOINES, IOWA

AGENDA:

4/3/2017

SUBJECT:TAX ABATEMENT
APPLICATIONS FOR
2017**TYPE:****RESOLUTION**ORDINANCE
RECEIVE/FILE**SUBMITTED BY:**DIRECTOR
COMMUNITY
DEVELOPMENT
DEPARTMENT**SYNOPSIS**

Attached are 2 tax abatement applications for the seventh submission of applications for the year. The City Council first enacted tax abatement programs for the City on September 28, 1987 by roll call no. 87-4009.

FISCAL IMPACT

Taxes are generated in the first year from the land value, but the improvement value will be forth coming when \$257,273.00 comes on the tax rolls after abatement ends.

RECOMMENDATION - Approval**BACKGROUND**

A total of 2 applications for tax abatement are being submitted at this time with an estimated value by the applicants of \$257,273.00. Applications for new construction, new single - family homes, apartments, and new businesses total 0, with an estimated value of \$0.00 and 2 improvement applications to an existing structures with an estimated value of \$257,273.00.

A total of 0 applicants chose **Schedule 1** with an estimated value of \$0.00. Schedule 1 is for qualified residential property. Applicants receive an exemption from the taxation on the actual value of improvements not to exceed \$20,000. The exemption period is ten years and the exemption amount is 115% of the actual value added by improvements.

A total of 0 applicants chose **Schedule 2** with an estimated value of \$0.00. Schedule 2 is for all qualified real estate and will receive a partial exemption for ten years. The exemption schedule is a declining schedule and starts with the first year at 80% and ends in year ten at 20%.

A total of 0 applicants chose **Schedule 3** with an estimated value of \$0.00. All qualified real estate is eligible to receive an exemption from taxation on the actual value added by the improvements for three years. This schedule also applies to commercial and industrial property in specific areas.

A total of 2 applicants chose **Schedule 4A** with an estimated value of \$257,273.00. 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 assessed as 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.

A total of 0 applicants chose **Schedule 4B** with an estimated value of 0.00. 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.

CITY OF DES MOINES, IOWA

A total of 0.00 applicants chose **Schedule 4D** with an estimated value of 0.00. Schedule 4D is for qualified residential property, providing abatement for a period of ten years, with 100% abatement for the first 8 years, then a declining scale (60%-40%) for the remaining two years on the actual value added by the improvements.

A total of 0.00 applicants chose **Schedule 4E** with an estimated value of 0.00. Schedule 4E is for qualified residential property, providing abatement for a period of six years, with 100% abatement for the first 3 years, then a declining scale (75%-50%-25%) for the remaining three years on the actual value added by the improvements.

In order to receive tax abatement on a property, the applicant must increase the value of residential property at least 5% for residential or 15% for commercial and industrial property.

Cumulative Totals for 2017

APV

| Schedule | Count & Value |
|--------------|---------------------------------|
| 4a | 2 \$257,273.00 |
| Total | 2 \$257,273.00 |

The City approved tax abatement to stimulate growth and expansion in the City and level the playing field with areas outside the City. This program works well and retains and attracts development to the City.

Improvements and new development aids the City in attracting business and keeps people looking for properties in the city rather than outside of it. Developers have identified tax abatement as a big reason for attracting buyers to their units. The abatement program has also aided in upgrading deteriorating property in the city by providing an incentive to maintain and upgrade property.



Tax Abatement Case Status = **APV**
 Estimated Costs By Exempt Schedule

3/27/2017

| ID | Rec. Date | Property Address | Name, Mail Address, Phone | District | Permit Number | Est. Cost |
|---------------------------|-----------|--|--|---------------------|--------------------------|---------------------|
| Schedule: 4a | | | | | | |
| Residential | | | | | | |
| Renovation | | | | | | |
| TAX2016-00509 | 3/23/2017 | 512 POLK BLVD | MARJA BEARDA | Occupied: Owner | | \$74,000.00 |
| | | Home Renovation, Timely filed but not processed | 512 POLK BLVD DES MOINES, IA 50312-2422 | City Sewer: Y 4A | | |
| TAX2016-00508 | 3/23/2017 | 1710 7TH ST | KRISTIN GRIFFITH | Occupied: Owner | | \$183,273.00 |
| | | Complete Home Renovation, Timely filed but not processed | 1710 7TH ST DES MOINES, IA 50314-2952 | City Sewer: Y 4A | | |
| <i>Renovation Total:</i> | | | | | | <i>\$257,273.00</i> |
| Schedule 4a Total: | | | | 2 | Schedule 4a Cost: | \$257,273.00 |
| Grand Total: | | | | 2 | Grand Total: | \$257,273.00 |

A confirmation letter is issued by the City upon receipt of this application. This application is not effective and not considered filed until the confirmation letter has been issued. Filing does not assure the approval of the amount claimed for abatement. This amount will be determined by the Polk County Assessor's Office upon the City Council-approved abatement schedule. Retain the confirmation as your proof of filing.

Date Received: / /
Case Number 16- 00508

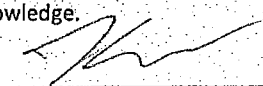
*For Staff Use Only

2016



Residential Tax Abatement Application

For Single Family Homes, Townhomes, Duplexes and Multi-Family Dwellings Only

| | |
|---|--|
| Property Owner or Authorized Agent Info | Property Address (seeking abatement): <u>1710 7th St Des Moines IA 50314</u> Polk Co. Assessor's District Parcel #: <u>08/5264-000-000</u> <small>(Find by going to: http://www.assess.co.polk.ia.us/)</small> Title holder or contract holder name: <u>KRISTIN GRIFFITH</u> *Phone #: <u>(515) 770 8739</u> email: <u>kggriffith@hotmail.com</u> <small>(*required)</small> Authorized Agent <u>N/A</u> <small>(if different than the property owner, ex. attorney, contract buyer):</small> Address of owner if different than above: <u>N/A</u> |
| Property Classification | <input checked="" type="checkbox"/> Single Family <input type="checkbox"/> Multi-Family (apartment with 3 or more dwelling units) <input type="checkbox"/> Duplex <input type="checkbox"/> Townhome or Condominium |
| Project Type | <input type="checkbox"/> New Structure <input type="checkbox"/> Addition <input checked="" type="checkbox"/> Renovation <small>(check more than one box if applicable)</small> |
| Describe Improvements | <small>(Include plumbing, electrical, mechanical, and building alterations or building additions) Attach additional sheets if necessary</small> <p style="text-align: center;"><i>see ATTACHED PD work completed</i></p> |
| Completion Date | <u>JAN 24 2017</u> <input type="checkbox"/> Estimated date <input checked="" type="checkbox"/> Actual date <small>(check one)</small> <small>month / year</small> <small>Your improvements will be assessed for tax abatement on Jan. 1, 2017 even if partially completed. This assessment and abatement will be reflected in your 2018 tax payment. Abatement requests cannot be fully processed until the project is completed and all necessary inspections have been conducted.</small> |
| Est. Cost of Improvements | \$ <u>183,273.29</u> |
| Abatement Schedule | <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 4A <input type="checkbox"/> 4E <small>(check one)</small> <small>(See reverse side for schedule information)</small> |
| Mail or return to City of Des Moines Permit & Development Center 602 Robert Ray Dr. Des Moines, IA 50309 | Questions? 515-283-4200 or taxabate@dmgov.org Submitted by  I certify these statements are true to the best of my knowledge. Signature <u>1/24/17</u> Date |

APV-FAD

Residential Tax Abatement Application- Kristin Griffith- 1710 7th Street, Des Moines- Kristin Griffith

Describe improvements

| Work completed | Total |
|---|-------------------|
| Demolition and waste removal | 5,599.01 |
| Concrete repair | 1,333.56 |
| Masonry | 3,373.30 |
| Carpentry (rough and finish) | 12,453.85 |
| Roof | 4,979.64 |
| Siding | 12,814.02 |
| Doors and Windows | 10,307.95 |
| Finishes and drywall (walls and ceilings) | 20,404.69 |
| Plumbing | 5,325.10 |
| HVAC- geothermal | 42,539.49 |
| Electrical | 7,134.22 |
| Labor | 49,122.75 |
| Bathroom fixtures | 4,786 |
| Storm windows | 4,300 |
| Total for all work completed | 183,273.29 |

A confirmation letter is issued by the City upon receipt of this application. This application is not effective and not considered filed until the confirmation letter has been issued. Filing does not assure the approval of the amount claimed for abatement. This amount will be determined by the Polk County Assessor's Office upon the City Council-approved abatement schedule. Retain the confirmation as your proof of filing.

Date Received: / /
Case Number 16- 00509

*For Staff Use Only

2016



Residential Tax Abatement Application

For Single Family Homes, Townhomes, Duplexes and Multi-Family Dwellings Only

| | |
|---|--|
| Property Owner or Authorized Agent Info | Property Address (seeking abatement): <u>512 Polk Blvd.</u> Polk Co. Assessor's District Parcel #: <u>090103127-000-000</u> <i>(Find by going to: http://www.assess.co.polk.ia.us/)</i> Title holder or contract holder name: <u>Nelson Lobos Sandoval and Marja Bearda</u> *Phone #: <u>(608) 239 6198</u> email: <u>mbearda@gmail.com</u> (*required) Authorized Agent <u>n/a</u> <i>(if different than the property owner, ex. attorney, contract buyer):</i> Address of owner if different than above: <u>n/a</u> |
| Property Classification | <input checked="" type="checkbox"/> Single Family <input type="checkbox"/> Multi-Family (apartment with 3 or more dwelling units) <input type="checkbox"/> Duplex <input type="checkbox"/> Townhome or Condominium |
| Project Type | <input type="checkbox"/> New Structure <input type="checkbox"/> Addition <input checked="" type="checkbox"/> Renovation (check more than one box if applicable) |
| Describe Improvements | (Include plumbing, electrical, mechanical, and building alterations or building additions) Attach additional sheets if necessary 1) Complete kitchen renovation: New wood floor, lights, appliances, cabinets, countertops, backsplash, and sink/faucet. Replaced windows for energy efficient windows. Insulated walls and ceiling. Removed old electric wiring and plumbing with up-to-code materials and installed new gas line. Replaced radiator for energy efficient model. 2) Installed new wood floors throughout 1st level (living room, dining room, sunroom, kitchen, and mudroom) 3) On 2nd level: replaced old ceiling tiles with drywall and refinished wood floors and wooden staircase. 4) Replaced shower lights with fans in 3 bathrooms to match room volume to fan CFM. 5) Grounded outlets throughout the house and updated ceiling lights and window treatments throughout 2nd floor. 5) Applied brick sealer on all exterior walls, and sealed foundation gaps in concrete to control water infiltration. |
| Completion Date | <u>July</u> / <u>2016</u> <input type="checkbox"/> Estimated date <input checked="" type="checkbox"/> Actual date (check one) month / year Your improvements will be assessed for tax abatement on Jan. 1, 2017 even if partially completed. This assessment and abatement will be reflected in your 2018 tax payment. Abatement requests cannot be fully processed until the project is completed and all necessary inspections have been conducted. |
| Est. Cost of Improvements | \$ <u>74,000</u> |
| Abatement Schedule | <input type="checkbox"/> 1 <input checked="" type="checkbox"/> 4A <input type="checkbox"/> 4E (check one) <i>(See reverse side for schedule information)</i> |
| Mail or return to | City of Des Moines Permit & Development Center 602 Robert Ray Dr. Des Moines, IA 50309 |
| Questions? | Submitted by I certify these statements are true to the best of my knowledge. <u>Marja Bearda</u> Signature <u>1-26-17</u> Date |

APV - FAD