



# SUMMARY MEMORANDUM

TO: Mayor and City Council

FROM: Gary D. Greer  
City Manager

DATE: October 6, 2014

SUBJECT: Demolition/Rebuild Application: 14302 Juniper Cove, Todd Warren

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The availability of quality housing stock in the City of Farmers Branch encourages the retention of businesses, attracts new businesses, and promotes expansion of existing businesses to and within the City. In turn, quality housing stock will stimulate growth, create jobs, and increase property and sales tax revenues. In an effort to accomplish this, the City Council enacted a Residential Demolition/Rebuild Program pursuant to Chapter 380 of the Texas Local Government Code to encourage the redevelopment of existing single-family detached residential properties with the construction of new, higher value, single-family detached residential structures.

The Council recently enhanced this program by establishing two incentive options: (1) To provide up to \$5,000 for the cost of demolition and a seven (7) years municipal tax rebate, or (2) To provide a municipal tax rebate up to 10 years with the option of advancing 50% of the estimated municipal tax increase upon receipt of permanent financing.

Todd and Sonya Warren were previously awarded a demo/rebuild incentive to demolish and construct a new single-family detached residential dwelling at 14302 Juniper Cove. The Warren's have been unable to obtain an appraisal which mirrors current market conditions and as a result were contemplating an interior remodel only. When the new demo/rebuild options were unveiled, Mr. Warren reached out to staff and indicated that if he was awarded the new incentive this would provide the necessary resources to close on permanent financing and would bridge the gap between remodeling and rebuilding.

Mr. Warren is asking to terminate his existing agreement and reapply in the new Demo/Rebuild Program with a preference for option 2 (a municipal tax rebate up to 10 years

with the option of advancing 50% of the estimated municipal tax increase upon receipt of permanent financing of the new program). The current improvement value is approximately \$33,930 and the estimated value of the new dwelling will be \$326,179.

This agenda item supports Core Value No. 3 which provides for strong, thriving commercial and residential neighborhoods through planning, land use, development, code enforcement, revitalization activities and programs.

POSSIBLE COUNCIL ACTIONS:

- 1) I move to approve Resolution No. 2014-078 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 14302 Juniper Cove.
- 2) I move to approve Resolution No. 2014-078 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 14302 Juniper Cove, with modifications.
- 3) I move to table the issue for further study or take no action.