



INFORMATION MEMORANDUM

TO: Mayor and City Council

FROM: Gary D. Greer
City Manager

DATE: June 16, 2015

SUBJECT: Demolition/Rebuild Application: 3127 Pebble Beach Drive, Taco Properties, LLC

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: One, to provide up to \$5,000 for the cost of demolition and a seven (7) year municipal tax rebate, and two, to provide a municipal tax rebate equal to 10 times the amount of the increase in the City property taxes paid on the difference between the original home appraised value (excluding the land) and the value of the newly constructed home with the option of advancing 50% of the estimated municipal tax increase upon receipt of permanent financing.

The homeowner has chosen option one which will provide for an incentive that is based on the increase over the course of seven (7) years in the City property taxes paid on the difference between the original home appraised value (excluding the land value) prior to demolition and the value of the newly constructed home (excluding the land value), as determined by the Dallas County Appraisal District. This option also includes a reimbursement of up to \$5000 of the cost of demolition of the original home following completion of demolition.

This agenda item assists in the development of strong, thriving commercial and residential neighborhoods through planning, land use, development, code enforcement, revitalization activities and programs. City Administration recommends approving Resolution No. 2015-057 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of the property located at 3127 Pebble Beach Drive.

POSSIBLE COUNCIL ACTIONS:

- 1) Motion to approve Resolution No. 2015-057 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 3127 Pebble Beach Drive.
- 2) Motion to approve Resolution No. 2015-057 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 3127 Pebble Beach Drive, with modifications.
- 3) Motion to table the issue for further study or take no action.