



FARMERS BRANCH
TEXAS

Demolition/Rebuild Program

Study Session Meeting | September 2, 2025

Requested By: Mayor Terry Lynne, Mayor Pro Tem Tina Bennett-Burton

Developer Feedback (Round 1)



Program Simplification

The program is overly complex and difficult to explain. Simplifying it would make the process clearer and more accessible for everyone.



Equity & Fairness

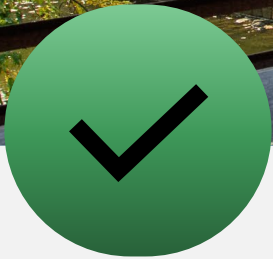
Establishing a clear and consistent standard for total taxable value increases and provides homeowners with a better understanding of the program's requirements and expectations.



Expand Program Reach

Promote the use of the program in other neighborhoods.

Developer Feedback (Round 2)



In Favor

Of the four builders, one expressed support for \$10,000 cash grant and 3-year tax rebate.



Alternative Idea

The majority preferred a longer-term tax rebate and no cash grant.

1. The \$10,000 grant does not significantly offset demolition costs, making it a less impactful incentive.
2. Most clients roll demolition expenses into their construction loans, so a smaller upfront grant provides limited benefit to either the builder or the homeowner.
3. A 7-year property tax rebate offers long-term value to new residents without requiring upfront City funding or voter approval of a bond.

Current Program Guidelines

Original Improvement Value	Cash Grant	City Property Tax Rebate
\$65,000 and under	\$30,000	3 years
\$65,001 - \$100,000	\$20,000	4 years
\$100,001 - \$150,000	\$10,000	5 years
\$150,001 and up	0	7 years

Discussion Items

Three Year Tax Rebate

Total Taxable Value	Estimated Annual City Taxes	Return on Investment at \$10,000
\$300,000	\$1,630	10 years
\$500,000	\$2,717	7 years
\$1,000,000	\$5,435	5 years
\$1,500,000	\$8,152	5 years
\$2,000,000	\$10,870	4 years

Five Year Tax Rebate

Total Taxable Value	Estimated Annual City Taxes	Return on Investment (\$0 grant)
\$300,000	\$1,630	6 years
\$500,000	\$2,717	6 years
\$1,000,000	\$5,435	6 years
\$1,500,000	\$8,152	6 years
\$2,000,000	\$10,870	6 years

Seven Year Tax Rebate

Total Taxable Value	Estimated Annual City Taxes	Return on Investment (\$0 grant)
\$300,000	\$1,630	8 years
\$500,000	\$2,717	8 years
\$1,000,000	\$5,435	8 years
\$1,500,000	\$8,152	8 years
\$2,000,000	\$10,870	8 years

Discussion & Direction



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