



INFORMATION MEMORANDUM

TO: Mayor and City Council

FROM: Gary D. Greer
City Manager

DATE: November 18, 2014

SUBJECT: Demolition/Rebuild Application: 3463 Pine Tree, John and Rebecca Vickers

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) years municipal tax rebate, and two, 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.

RECOMMENDATION:

On October 6, 2014 the City Council approved the Residential Demolition/Rebuild incentive for the single-family detached residential dwelling at 3463 Pine Tree Circle. The homeowners chose incentive option one, providing for demolition costs and a seven year municipal tax rebate to demolish and construct a new single-family detached residential dwelling at 3463 Pine Tree Circle.

The Vickers now prefer incentive option two, providing for an incentive 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 value) prior to demolition and the value of the

newly constructed home (excluding the land value), as determined by the Dallas County Appraisal District for the year following completion of construction.

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.

City Administration recommends approving Resolution No. 2014-103 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 3463 Pine Tree Circle; and repealing Resolution No. 2014-092.

POSSIBLE COUNCIL ACTIONS:

- 1) I move to approve Resolution No. 2014-103 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 3463 Pine Tree Circle; and repeal Resolution No. 2014-092.
- 2) I move to approve Resolution No. 2014-103 authorizing execution of a Residential Demolition/Rebuild Program Incentive Agreement for the owner of property located at 3463 Pine Tree Circle; and repeal Resolution No. 2014-092, with modifications.
- 3) I move to table the issue for further study or take no action.