City of Carroll

112 E. 5th Street Carroll, Iowa 51401-2799 (712) 792-1000 FAX: (712) 792-0139

MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager MPW

DATE: May 23, 2019

SUBJECT: Application for Tax Abatement under the Urban Revitalization Plan for:
a. Court Street LLC dba Lincoln Highway Suites (117 E 6th St)

Court Street LLC dba Lincoln Highway Suites has applied for a for tax abatement related to rehabilitation of the existing structure they are completing at 117 E 6th Street. Attached is a copy of their application. The estimated cost of the work is $725,000 and includes refacing the building, new roof, new windows, total rehabilitation of all 20 apartments including plumbing and HVAC. Staff has reviewed the application and has found that it complies with the requirements of the City's Urban Revitalization Plan that was adopted on February 25, 2019.

RECOMMENDATION: Mayor and City Council approved the attached resolution approving Application for Tax Abatement under the Urban Revitalization Plan for Court Street LLC dba Lincoln Highway Suites (117 E 6th St)

1869 Carroll 2019
150 YEARS

RESOLUTION TO APPROVE TAX ABATEMENT

WHEREAS, on February 25, 2019 the City of Carroll did adopt an Urban Revitalization Plan with a tax abatement provision to encourage improvements to single family dwellings and multi-residential properties, and

WHEREAS Court Street LLC dba Lincoln Highway Suites, has applied for tax abatement for rehabilitation of an existing multi-residential property within the City of Carroll, in conformance with the City's Plan.

NOW, THEREFORE, be it resolved by the City Council of Carroll, Iowa, that tax abatement be granted to Court Street LLC dba Lincoln Highway Suites, for the properties located in Carroll, Iowa and legally described as follows, to-wit:

The West 75 feet of Lot 5, Block 10, Carroll, Carroll County, Iowa

Locally known as: 117 E 6th St, Carroll, IA 51401

Parcel ID: 06-24-456-009

BE IT FURTHER RESOLVED that a certified copy of this resolution with a copy of Court Street LLC dba Lincoln Highway Suites application for abatement attached thereto shall be forwarded to the Carroll County Assessor.

PASSED AND APPROVED by the City Council of the City of Carroll, Iowa, this 28th day of May, 2019.

CITY COUNCIL OF THE
CITY OF CARROLL, IOWA

BY:_____
Eric P. Jensen, Mayor

ATTEST:

By:_____
Laura A. Schaefer, City Clerk

APPLICATION FOR TAX ABATEMENT UNDER THE CITY OF CARROLL URBAN REVITALIZATION PLAN

Please type or print

Applicant (Owner of Record): Court Street LLC DBA Lincoln Highway Suites

Address: 117 E. 6TH St.

City: Carroll **State:** IA

Phone: 712-790-6283

Name of Other Owners of Record (if any): _____

Address: _____

City: _____ **State:** _____

Phone: _____

Legal Description or Parcel Number: 0624456009

Existing Property Use

____Agricultural ____Commercial

____Residential ____Vacant

X Multi-Residential

Current Property Value (from assessor's records)

Land: $ 11,140 **Building(s):** $ 281,640

Type of Improvements (check one):

____New construction on vacant land

____Addition(s) to existing structure

X Rehabilitation/Renovation of existing structure

____Replacement of existing structure(s)

Brief Description of Project: Total Refacing of building, new roof, new windows, gut and all new interior including new PTAC/Plumbing - 20 Apartments

Estimated Cost of Actual Improvements: $ 740,000

Start Date: August 2018

Estimated or Actual Completion Date: March 2020

Tax Exemption Schedule
Check the tax exemption schedule for which you are applying. (check only one)

X 1. All Qualified Real Estate assessed as multiresidential, if the multiresidential property consists of three or more separate living quarters with at least seventy-five percent of the space used for residential purposes, shall receive an exemption from taxation on the first seventy-five thousand dollars ($75,000) of actual value added per living quarter by the Improvements for a period of five (5) years.

_____ 2. All Qualified Real Estate assessed as residential, or multi-residential with fewer than three separate living quarters, shall receive an exemption from taxation on the first seventy-five thousand dollars ($75,000) of actual value added by the Improvements for a period of five (5) years.

If residential rental property, complete the following:

Number of units: 20

Number of tenants being relocated and relocation assistance (Continue on a separate sheet if necessary)

Tenant	Date of Occupancy	Relocation Benefits
This was provided seperately along with approved letter		

Note: No change may be made once an application is approved and an exemption is granted.

Acknowledgments:

A copy of the building permit (if required) is attached.

The property to which improvements are made conform to all applicable city codes and anticipated improvements conform to the Carroll Urban Revitalization Plan as adopted.

The applicant certifies that all information in this application and all information provided in the support of this application is given for the purpose of obtaining an exemption from taxes on improvements and/or new construction, and is true and complete to the best of the applicant's knowledge.

Applicant's Signature: Adam Schumers **Date Signed:** 5-16-19

City Council Action:

_____ Approved Resolution No._____ Date:_____

_____ Disapproved Date:_____

Reason for disapproval:_____

County Assessor Action:

_____ Approved Date:_____

_____ Disapproved Date:_____

Reason for disapproval:_____

Date of Notification of Determination Sent to Applicant:_____

Tennant	Date of Occupancy	Date of Relocation
Theresa Zangerle	July 2018	March 2019
Michelle Smith	July 2018	March 2019
John Raygor	July 2018	May 2019
Eric Pierson	July 2018	February 2019
Thomas Ortiz	July 2018	March 2019
Keri Ehlers	July 2018	January 2019
Dennis Ritchie	July 2018	April 2019
Gary Ritchie	July 2018	March 2019

NOTES:

#1) I don't know when the tenants originally moved into the building so we are stating the Date of Occupancy as when we took the building over. No good records were kept by the previous owner.

#2) We have relocated Eric and Thomas to Studio units at our Court Street Plaza Apartment building. All others have moved to duplex, rental houses or made other arrangements.

#3) Letters were sent to the above former tenants on May 10th advising them the right to receive a relocation benefit of one month rent at the rate in which they paid their final month. We offered this benefit to them if they met the terms of the benefit. The owners of Court Street LLC will track responses and issue checks as contact with the former tenants is made. As of May 17th responses were received by Theresa Zangerle and Michelle Smith and checks were issued.