City of Carroll

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MEMO TO: Honorable Mayor and City Council Members

FROM: Mike Pogge-Weaver, City Manager MSP-W

DATE: September 6, 2018

SUBJECT: Discussion: Lincoln Highway Suites (Former Morrison Apartments) Tax Abatement Request/New Urban Renewal Area

As discussed at the last City Council meeting, Chad Kanne, Matt Wendl, and Adam Schweers are in the process of redeveloping Morrison Apartments to be called Lincoln Highway Suites. As part of the redevelopment, the project calls for renovations to the exterior façade and the interior spaces. This includes, but is not limited to, new appliances, new roof, new windows, new doors, and reface/repaint the exterior facade. The developer is requesting that the City establish an urban revitalization district in order to offer tax abatement for the project. Specifically, the developer is requesting the City provide a 10-year 100% abatement on the increased value of the renovated building.

At the meeting on August 27th, the Council requested that staff identify a potential area that could be included in an Urban Revitalization Area and to detail the various tax abatement schedules that the City could potentially offer.

What is tax abatement?

Tax abatement provides a temporary reduction in property taxes over a specified period of time on the portion of assessed value added by new construction, or improvements to an existing structure. In an Urban Revitalization District, a City can provide tax abatement related to multi-residential improvements of up to 100% of the value added by qualified improvements for up to 10 years. The City would identify the specific properties, which must include a minimum of two parcels, that would be part of the Urban Revitalization District.

Potential Urban Revitalization Area

Staff first looked at the Carroll County Condition Windshield Survey that was completed by Region XII as part of the 2013 Comprehensive Plan. Looking at this map, City Staff begin looking at an area with the highest concentration of Condition 3: Fair and Condition and 4: Poor/Dilapidated housing as a potential Urban Revitalization District.

Over a year ago Don Kanne suggested that the city establish an Urban Revitalization District in a portion of town covering the center core of Carroll. Mr. Kanne provided a map to the Council that he felt should be placed in an Urban Revitalization District. Attached is that map.

Remarkably, these two maps share a very similar geographical area. Also attached is a map staff suggests that the Council consider as a potential Urban Revitalization District based in good measure on these two maps.

Potential Abatement Schedules

The following are the maximum abatement schedules that could be offered by a City. The Council has the ability to have a lesser abatement schedule than what is listed.

Multiresidential (3+ living quarters, with 75% of the space for residential purposes):
10 years – 100%

Commercial or Industrial:
10 years - Declining percentage: 80-70-60-50-40-40-30-30-20-20
- OR -
3 years - 100%

Residential in a district that is **NOT** designated as blighted:

5 years - 100%, up to $75,000 of value added

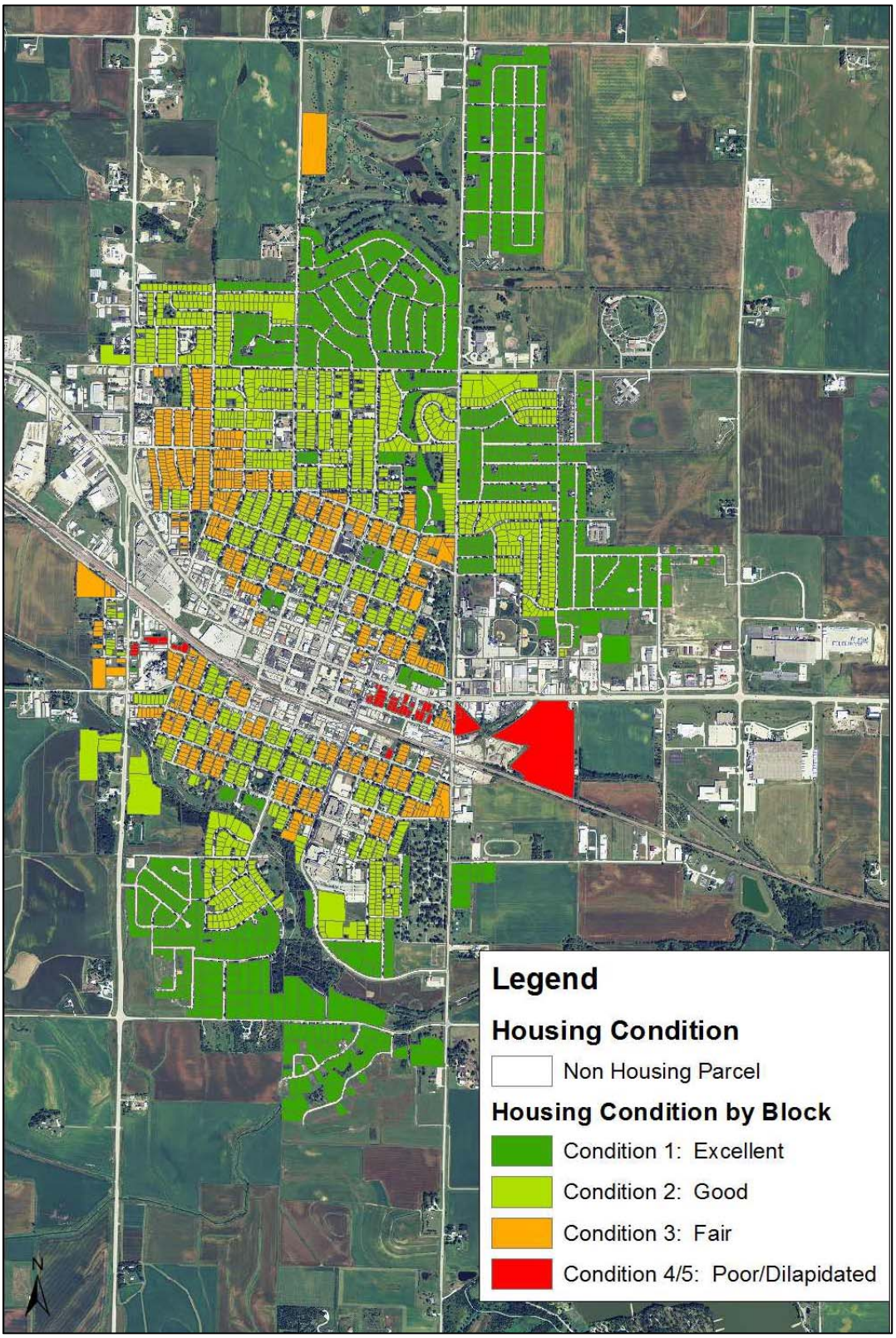
Residential in a district that **IS** designated as blighted:

10 years - 115%, up to $20,000 of value added
- OR -
10 years - Declining percentages: 80-70-60-50-40-40-30-30-20-20
- OR -
3 years – 100%
- OR -
10 years – 100%

The Council can also choose to have different types of abatements in different areas. For example, the Council may choose to offer residential abatements throughout the entire area but target commercial and multiresidnetial abatements in certain areas. The Council should discuss what kind of abatements they want to target throughout the city.

RECOMMENDATION: Mayor and City Council discuss a potential area for an Urban Renewal District and a potential abatement schedule.

Figure 4-7: Carroll Housing Condition Windshield Survey



CARROLL COUNTY APPRAISAL

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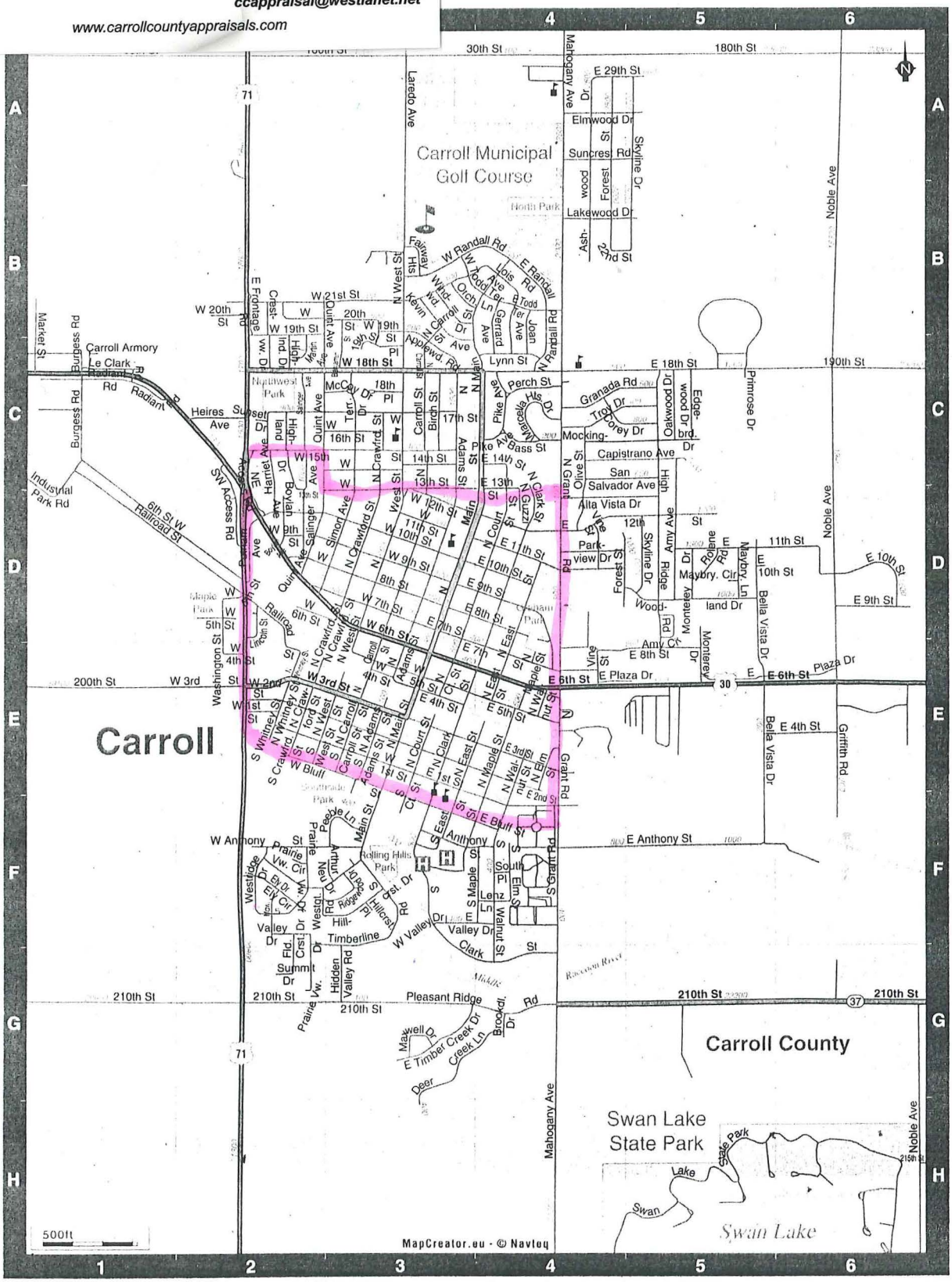
Carroll street map



Map data provided by Navteq. To request a map change, please go to mapreporter.navteq.com.

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or Email customer
or Fax 515 725-73

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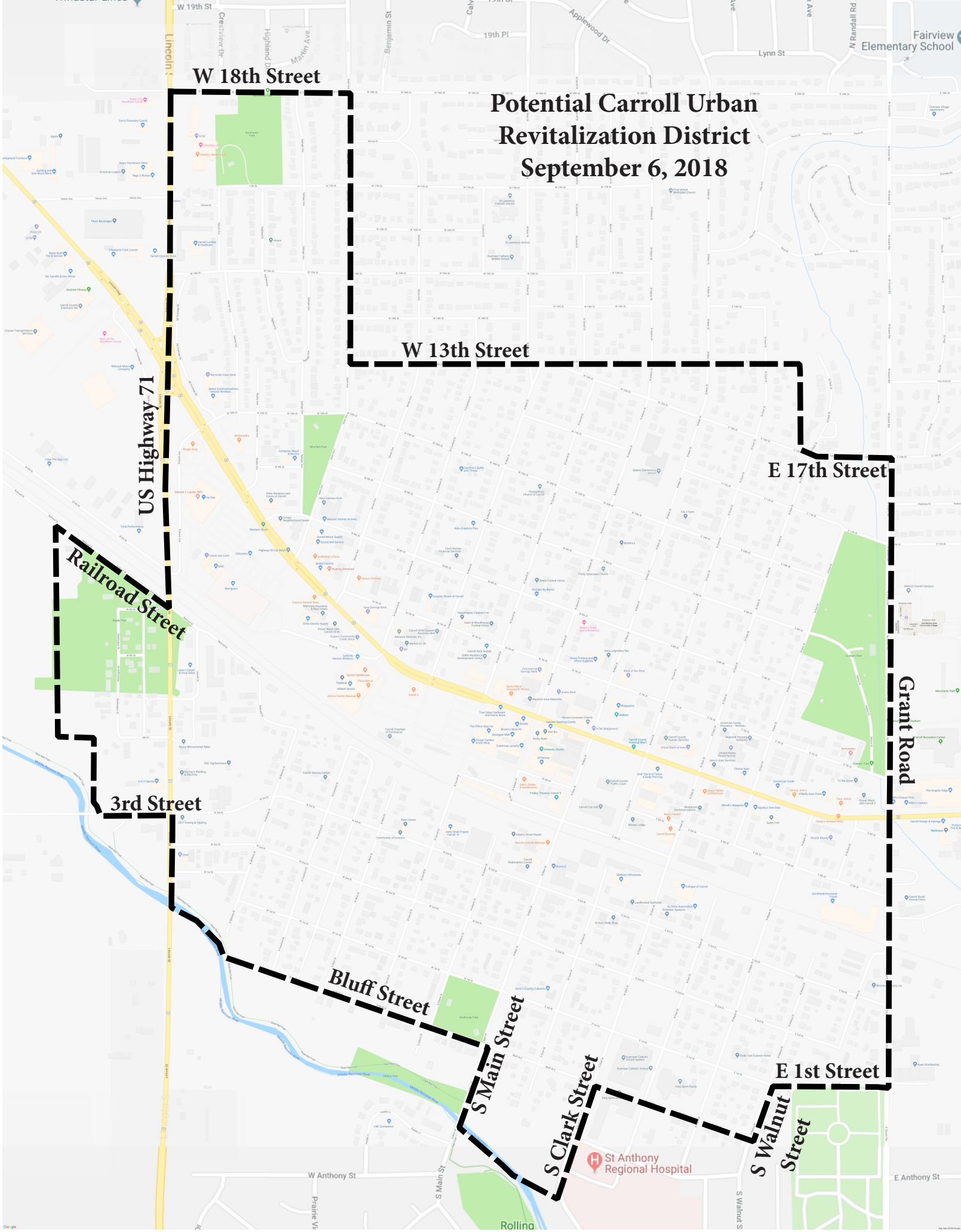
Irving, TX 75039
Customer Service
Web Address: www

Potential Carroll Urban Revitalization District
September 6, 2018
W 18th Street
W 13th Street
E 17th Street
Railroad Street
3rd Street
Bluff Street
S Main Street
S Clark Street
S Walnut Street
E 1st Street
Grant Road
US Highway 71
Lincoln St
Super 8 by Wyndham Carroll
Carrollton Inn
Northwest Park
St Lawrence Catholic Church
First United Methodist Church
Days Inn by Wyndham Carroll
Maple Park
Southside Park
Kuemper Catholic School
Urbany Park
St Anthony Regional Hospital
Rolling Hills Park
Carroll City Cemetery
Carroll Campus
Pizza Hut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E 1st Street
St Anthony Regional Hospital
W 19th St
19th Pl
Applewood Dr
Lynn St
Fairview Elementary School
W Anthony St
E Anthony St
S Main St
S Walnut St