

City of Carrollton

Single-Family Exterior Rehabilitation Incentive Policy

Program Objectives

The City of Carrollton's single-family exterior rehabilitation incentive program is part of the *Neighborhood IMPACT* initiative. The program objective is to promote the rehabilitation and renovation of owner-occupied single-family houses in Neighborhood Empowerment Zones.

Eligibility

A homeowner may be eligible for assistance under this program if they meet all of the following criteria:

- The applicant is a United States citizen or legal resident
- The home is a single-family detached dwelling located within the city of Carrollton
- The home is located within a Neighborhood Empowerment Zone
- The applicant owns and occupies the home as his or her principal residence on a year-round basis
- All payments for City-provided utilities and all property taxes are current for the property
- The applicant must complete an application and follow the application process
- An incentive agreement must be approved by the Carrollton City Council prior to the start of any renovation work
- The applicant's property is not under an order of the Property Standards Board
- The applicant's property is not in violation of any city code
- An applicant is limited to one incentive agreement per calendar year, although multiple project elements may be included in a single incentive agreement

Program Criteria

Participation in the program is subject to the following criteria:

- The house must be at least five years old at the time of approval of the incentive agreement
- Incentives are limited to exterior improvements, as follows:
 - **Site Elements** (minimum \$2,000 of private investment)
 - Landscaping additions or improvements, including the addition or replacement of trees in front yard areas
 - Landscaping must be on City approved plant list and be considered perennial plant which will last more than two years).
 - Additional irrigation systems only in conjunction with new landscaping
 - Exceptions to be approved case by case
 - **Building Elements** (minimum of \$5,000 of private investment)
 - Façade improvements on the house
 - Window replacements that result in improved energy efficiency
 - Replacement or additions to front porches or patios
 - Repair or replacement of the roof
 - Repair, replacement or repainting of the eaves or trim
 - Driveway repair, replacement and/or extension
 - **Screening Elements** (minimum \$2,000 of private investment)
 - Repair, replacement or addition to fences

- Repair or replacement of retaining walls located upon a public street frontage

○ *Exceptions to be approved on a case-by-case basis*

***Any additions to a property not identified above will require further review by the Re-Development Sub-Committee.**

Incentive

A qualified applicant will be eligible for the following incentives from the City of Carrollton:

- If the value of the property is in excess of \$100,000 (including land and improvements), as determined by the last certified tax roll, the incentive will be an abatement of 50% of municipal ad valorem property taxes
- If the value of the property is less than \$100,000 (including land and improvements), as determined by the last certified tax roll, the incentive will be an abatement of 75% of municipal ad valorem property taxes
- All construction permit fees required by the City of Carrollton directly related to the eligible renovation or rehabilitation projects will be waived (permit must still be obtained even though fee is waived)

Incentive Terms

The incentive available to the applicant will be based upon the following schedule of private investment upon the eligible property:

- Cumulative eligible investment of \$2,000 to \$4,999 will result in a lump sum payment equal in value to an abatement of one year of municipal ad valorem taxes
- Cumulative eligible investment of \$5,000 to \$7,499 will result in a lump sum payment equal in value to an abatement of two years of municipal ad valorem taxes
- Cumulative eligible investment of \$7,500 to \$9,999 will result in a lump sum payment equal in value to an abatement of three years of municipal ad valorem taxes
- Cumulative eligible investment in excess of \$10,000 will result in a lump sum payment equal in value to an abatement of four years of municipal ad valorem taxes
- Payment will be made to the applicant on an invoice-verified basis upon completion of the project, subject to inspection and approval of the work by the City of Carrollton

Incentive Examples

Example 1: Cumulative eligible investment of \$9,000 on a house valued at \$95,000 (land and improvements)

$\$95,000 - 20\% = \$76,000$ taxable homestead value

$\$76,000 \times \text{current tax rate } (\$0.612875) = \$466$ municipal ad valorem tax

$\$466 \times 75\% = \350 abatement

$\$350 \times 3 = \mathbf{\$1,050 \text{ total incentive + fee waivers}}$

Example 2: Cumulative eligible investment of \$11,000 on a house valued at \$105,000 (land and improvements)

$\$105,000 - 20\% = \$84,000$ taxable homestead value
 $\$84,000 \times \text{current tax rate } (\$0.612875) = \$515$ municipal ad valorem tax
 $\$515 \times 50\% = \258 abatement
 $\$258 \times 4 = \mathbf{\$1,032}$ **total incentive + fee waivers**

Application Process

- **Applicant must submit a completed application including:**
 - **Site Plan**
 - **Project timeline**
 - **Minimum of two bids: exception on driveway/sidewalk. Work completed under the N.O.T.I.C.E. program requires only one bid**
 - **Copy of Driver License**
 - **Copy of current water bill or electric bill**
- **Site visit will be performed to view current status of project**
- **Applicant must signs off on Incentive Agreement**
- **Prepare application for the Re-Development Sub-Committee meeting**
- **Present to City Council**
- **If approved inform contractor that work can start**

Attachments

- **Map of Neighborhood Empowerment Zones (Exhibit A)**
- **Application (Exhibit B)**
- **Incentive Agreement Template (Exhibit C)**

Exhibit A

Neighborhood Empowerment Zones

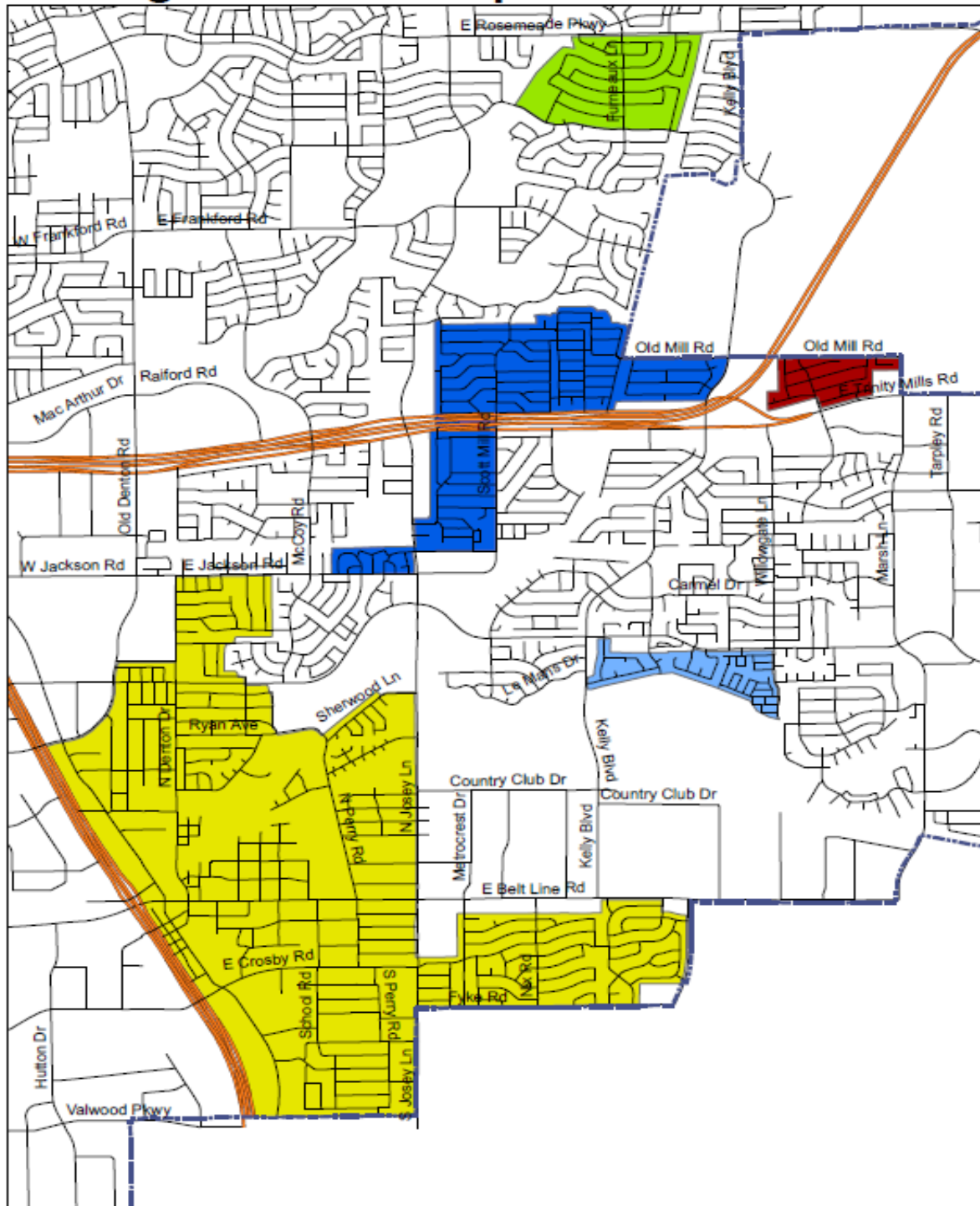


Exhibit B



Application for Single-Family Exterior Residential Rehabilitation Incentive

A person seeking a City of Carrollton Single-Family Rehabilitation Incentive for the rehabilitation of eligible single-family residential property must complete this application, furnish attachments as required therein and present the completed application to the Environmental Services Department, City of Carrollton, 1945 E. Jackson Road, Carrollton, Texas 75006.

Property Address (es): _____

Property Owner Name(s) _____

Property Owner Street Address _____

Property Owner City, State, Zip Code _____

Property Owner Telephone _____

Property Owner Email Address _____

If the property is held by a corporation:

Registered Agent Name _____

Registered Agent Mailing Address _____

Registered Agent Telephone _____

Registered Agent Email Address _____

Please attach:

- 1) A site plan depicting all structures and features to be rehabilitated;
- 2) A project timeline including the date by which construction will be completed.
- 3) Two quotes detailing the proposed work and cost for each element.

Project Description: _____

Certification: "I hereby certify that all information provided in this application is, to the best of my knowledge and belief, true, accurate and complete. I further certify that eligibility criteria are fully met for the property described in this application."

Signature of Owner/Agent Attesting to Certification _____

Printed Name _____ Date _____

Acknowledgement:

State of Texas,

County of _____

Sworn to and subscribed before me, by the said _____, this _____ day of _____, 20____, to certify which, witness my hand and seal of office.

(Personalized Seal)

Notary Public's Signature

Exhibit C

Single-Family Exterior Residential Rehabilitation Incentive Agreement

This Agreement is entered into by and between the City of Carrollton, Texas, a home rule city and municipal corporation of Dallas County, Texas, duly acting by and through its City Manager, hereinafter referred to as "City," and (Applicant Name), hereinafter referred to as "Owner."

WITNESSETH:

WHEREAS, the City finds that the administration of a program of incentives to Owner for a limited time in the amount not exceeding documented costs for the rehabilitation of specified residential property, as set forth the City's Residential Property Rehabilitation Incentive Program (the "Program"), would reduce urban blight, promote local economic development and stimulate business and commercial activity within the municipality and which are all valid and established public purposes; and,

WHEREAS, the City has determined that the Program contains sufficient controls to ensure that the above-mentioned public purposes are carried out in all transactions involving the use of public funds and resources in the establishment and administration of the Program; and,

WHEREAS, V.T.C.A., Local Government Code Chapter 380 provides statutory authority for establishing and administering the Program, including making loans and grants of money; and,

WHEREAS, this property satisfies the criteria outlined in the Program,

NOW THEREFORE, the parties do mutually agree as follows:

Section 1. This Agreement for an incentive under the Program for Single-Family Residential Property Rehabilitation is made and entered into by and between the City and Owner (collectively the "Parties").

The real property to be the subject of this Agreement shall be confined to the property at (Address), as described in the attached property description marked Attachment 1, hereinafter referred to as Premises, and incorporated hereinto this document as if written word for word herein.

The Owner and the City agree that the costs for rehabilitation of the existing improvements located on the Premises are estimated to be an amount not to exceed (Incentive Amount). In order to qualify for the program incentive for rehabilitation costs, all work related to the rehabilitation shall be completed by the Owner on or before (Completed By).

The following element(s), whether one or more, of rehabilitation work (hereinafter called "Elements") are presented as part of the Single-Family Residential Rehabilitation Plan

with associated estimated costs. The following Elements shall be in accordance with the site plan attached as Attachment 2, which is incorporated herein this document as if written word for word.

ELEMENT 1 – Project Description:

This Element provides for (Description). This Element also provides that the Owner shall obtain all required permits, comply with all federal, state, and City regulations, including those relating to the proper disposal of waste materials and restoration to grade sufficient to provide required drainage.

Section 2. Subject to the terms and conditions of this Agreement, and subject to the rights of holders of any outstanding bonds of the City, the City shall make incentive payments under the terms and conditions of the Program to the Owner in an amount not to exceed (Incentive Amount) which shall be paid as a lump sum equivalent to abating a portion of municipal ad valorem tax as identified in the Single-Family Rehabilitation Policy upon the completion of the Elements, as provided in Section 1, with work to be completed no later than (Completed By). The City shall make all payments in accordance with this Agreement within 30 days after Owner certifies in writing to the City of the completion and full compliance of the Elements. As part of this certification to the City, the Owner must submit Application and Certificate for Payment, invoices, and other applicable forms, as may be required by the City.

Upon the completion of the Elements and certification, the City will reimburse and make payments to the Owner in accordance with the terms and conditions of this Agreement. The Owner shall keep records with respect to the costs of rehabilitation.

Disbursement 1 – The first disbursement, in the amount not to exceed (Incentive Amount), will be provided at the time of completion of Element 1. This amount includes all general conditions.

All applicable building permits, contractor registrations and licensing must be obtained prior to the commencement of any construction work.

Section 3. Owner shall thereafter, from the date of execution of this Agreement until the expiration of the grant agreement, complete such work as specified in Element 1 of Section 1 and maintain the Premises in accordance with the Carrollton Code of Ordinances, Title IX, Health, Safety and Property Maintenance.

Section 4. In the event that: (1) Owner allows its real and personal property taxes owed the City for the Premises to become delinquent and fails to timely and properly follow the legal procedures for protest and/or contest of any such real property taxes; or (2) Owner fails to maintain the Premises, as set forth in Section 3, above, or fails to complete the Element in Section 1 by (Completed By); or (3) Owner breaches any of the terms or conditions of the Agreement, then the Owner shall be in default of this Agreement. In the event that the Owner defaults in its performance of (1), (2), or (3) above, then the City shall give the Owner written notice in accordance with Section 10 below of such default. If Owner has not cured such default, or obtained a valid waiver thereof from the appropriate authority owing to causes beyond the

control of the Owner, within a thirty (30) day period, this Agreement may be terminated by the City. Notice of termination shall be in writing as provided in Section 10 below. In the event of termination pursuant to the provisions of the section, the City will not make a payment to the Owner, under the terms of this Agreement, for the Elements, if default occurs prior to the initial payment, or for any calendar year during which the default occurred or any year thereafter.

Section 5. The terms and conditions of this Agreement are binding upon the successors and assigns of all Parties hereto. This Agreement cannot be assigned by Owner unless written permission is first granted by the City. City's consent to assignment of the Agreement for incentives in the amount not to exceed (Incentive Amount) shall not be unreasonably withheld, so long as Owner's successor meets the qualifications of the Program and agrees in writing to be bound by all terms and conditions of this Agreement.

Section 6. It is understood and agreed between the Parties that the Owner, in performing its obligations thereunder, is acting independently, and the City assumes no responsibilities or liabilities in connection therewith to third parties, and **OWNER AGREES TO INDEMNIFY AND HOLD CITY HARMLESS THEREFROM.** It is further understood and agreed among parties that the City, in performing its obligations hereunder, is acting independently, and the City assumes no responsibilities in connection therewith to third parties.

Section 7. The Owner further agrees that the City, its agents and employees, shall have reasonable rights of access to the Premises to inspect the property in order to ensure that it is in accordance with all applicable agreements with the City, including this Agreement, and all applicable state and local laws and regulations, as well as the continuing right, subject to Owner's reasonable security requirements, to inspect the Premises to ensure that the Premises are thereafter maintained, operated, and occupied in accordance with all applicable agreements with the City.

Section 8. Notices required to be given to any party to this Agreement shall be in writing and shall be duly served when it shall have been deposited, enclosed in a wrapper with proper postage prepaid thereon, addressed to the party at its address as set forth below, and shall be deemed to have been received three days after the date deposited in the United States Mail:

For City by notice to:

City of Carrollton
Attn: City Manager
P. O. Box 110535
Carrollton TX 75011-0535

For Owner by notice to:

(Applicant Address)

Any party may change the address to which notices are to be sent by giving the other parties written notice in the manner provided in this section.

Section 9. This Agreement was authorized by action of the City Council, authorizing the City Manager to execute the Agreement on behalf of the City. This action by the Council was at a meeting open to the public, and that public notice of the time, place and purpose of said meeting was given, all as required by Texas Open Meetings Act, V.T.C.A. Government Code, and Chapter 551.

Section 10. This shall constitute a valid and binding Agreement between the City and Owner upon execution, and the terms and conditions are binding upon the successors and assigns of all parties hereto.

Section 11. Owner warrants to the best of its knowledge that the Premises do not include any property that is owned by a member of the City Council or any board, Commission or other governmental body approving or having responsibility for the approval of this Agreement.

Section 12. If any provision of this Agreement or the application thereof to any person or circumstances shall be invalid or unenforceable to any extent, and such invalidity or unenforceability does not destroy the basis of the bargain between the parties, then the remainder of this Agreement and the application of such provisions to other persons or circumstances shall not be affected thereby and shall be enforced to the greatest extent permitted by law.

Section 13. Venue of any action to enforce any of the provisions hereof shall lie exclusively in Dallas County, Texas. The laws of the State of Texas shall apply in all respects to interpretation of the Agreement.

Section 14. This Agreement contains the entire understanding of the parties with respect to the subject matter hereof and there are no oral understandings, statements or stipulations bearing upon the meaning or effect of this Agreement which have not been incorporated herein. This Agreement may only be modified, amended, supplemented or waived by a written instrument executed by the parties except as may be otherwise provided therein.

Section 15. This Agreement has been executed by the parties in multiple originals, each having full force and effect.

EXECUTED the _____ day of _____, 2016.

ATTEST:

CITY OF CARROLLTON, TEXAS

Laurie Garber, City Secretary

Leonard Martin, City Manager

APPROVED AS TO FORM:

APPROVED AS TO CONTENT:

Meredith Ladd
City Attorney

Scott Hudson
Environmental Services Director

(Applicant), PROPERTY OWNER

By: _____