

City of Carrollton

Single-Family Exterior Rehabilitation Incentive

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

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

***Applications regarding driveways associated with the NOTICE program and replacement fences are not required to be reviewed by the Re-Development Sub-Committee prior to presentation to the City Council.**

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 \$100,000 or less (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 Calculation

Incentive Payment = $A \times 0.8 \times B \times C \times D$

A = Property Values determined by latest tax roll

0.8 = Multiplier to reflect homestead exemption

B = Current tax year (fiscal year) municipal valorem tax rate

C = Multiplier based on value of property (50% for property value in exceeding of \$100,000 and 75% for property value of \$100,000 or less)

D = Multiplier based on project value (1, 2, 3 or 4 years as in Incentive Terms)

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

$\$76,000 \times \text{Tax Year 2016 tax rate } \$0.6037 = \$459$ municipal ad valorem tax

$\$459 \times 75\% = \344 abatement

$\$344 \times 3 = \$1,032$ total incentive + construction permit 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

$\$84,000 \times \text{tax year 2016 tax rate } \$0.6037 = \$507$ municipal ad valorem tax

$\$507 \times 50\% = \254 abatement

$\$254 \times 4 = \$1,016$ total incentive + construction permit fee waivers

End of Exhibit A