

Legislation Text

File #: 2569, **Version:** 1

CC MEETING: April 5, 2016

DATE: February 26, 2016

TO: Leonard Martin, City Manager

FROM: Ravi Shah, Director of Development Services

Consider A **Resolution Authorizing The City Manager To Negotiate And Execute A “Billboard Removal” Tax Rebate Agreement With Overlook At Prestonwood, LP, Located At 3033 East Hebron Parkway In** An Amount Not To Exceed \$285,000.00.

BACKGROUND:

Overlook at Prestonwood, LP has requested a tax rebate for the new four-story, 183 unit age- restricted community to be located at the northwest corner of Marsh Lane and Hebron Parkway.

On October 13, 2015, City Council adopted the Billboard Removal Tax Rebate Program. The program is intended to facilitate the removal of billboards along major thoroughfares and allow development to occur on property without the interference of existing, non-conforming billboards. Under this program, tax rebates are provided to assist in the removal of billboards for qualified properties in order to reduce visual clutter and blight and help the affected properties develop to their full potential.

The objective of the program is to remove obstacles for future development, improve the corridor’s visual character, sustain property values, and encourage quality private investment along strategic corridors. The estimated project construction valuation on this site is approximately \$25,808,815.00.

Staff presented the rebate application to the Re-Development Sub-Committee on March 1, 2016. The Sub-Committee unanimously recommended approval of the rebate agreement.

The property is located within the limits of the eligible corridors identified in the policy. All applicable demolition and removal permits, contractor registrations and licensing must be obtained prior to the commencement of any construction work. In addition, all applicable permit fees will be included as part of this incentive package.

FINANCIAL IMPLICATIONS:

Under this program, the owner/developer of the property is eligible for a tax rebate of ad valorem taxes on the property upon which the billboard is located for a period not to exceed five (5) years, equal to up to 100% of the total billboard lease value and the cost of the actual billboard removal and demolition, not to exceed \$285,000. In accordance with the Billboard Removal Tax Rebate Program, the ad valorem tax can only be rebated after a Certificate of Occupancy has been issued for the new development on the property and the first year’s total property taxes have been paid to the City of Carrollton.

IMPACT ON COMMUNITY SUSTAINABILITY:

In accordance with the Economic Development plan of enhancing the tax base, the City of Carrollton is committed to sustaining the highest quality of development and quality of life for its citizens. The City Council has identified billboard sign control as an important initiative. Because of billboards' size and intrusion on prime developable property, they are of particular concern to pending and future development. The development of this site will generate additional tax revenue and enhance the economic viability of the surrounding area.

STAFF RECOMMENDATION/ACTION DESIRED:

Staff recommends City Council approval of a resolution authorizing the City Manager to negotiate and execute a Tax Rebate Agreement with Overlook at Prestonwood, LP, located at 3033 East Hebron Parkway in an amount not to exceed \$285,000.00