

RESOLUTION NO. 716

A RESOLUTION OF THE CITY OF TERRELL ESTABLISHING THE RESIDENTIAL ECONOMIC INCENTIVE PROGRAM WITHIN THE CITY OF TERRELL, TEXAS

WHEREAS, the Terrell City Council finds that offering incentives for single-family residential development will promote economic growth, neighborhood integrity and fulfill the goals and objectives of the Comprehensive Plan to: “encourage development of high quality residential neighborhoods that are aesthetically pleasing yet meet the diverse housing market needs of the community”; and

WHEREAS, the Terrell City Council desires that residential incentives shall be made in accordance with written agreements approved by the governing body; and

WHEREAS, the Terrell City Council finds that the City Policy for the Residential Economic Incentive Program attached hereto (Exhibit “A”) is in the best interest of the citizens, property owners, businesses and visitors of the City of Terrell.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF TERRELL, TEXAS:

Section 1. The Terrell City Council hereby adopts Exhibit “A” attached hereto as the official policy which shall govern the approval, execution, qualification and payment of all residential economic incentives.

Section 2. That this Resolution shall hereby authorize the City Manager to enter into Developer Agreements with residential home builders, developers, and/or property owners for the purpose of implementing the policy shown as Exhibit “A” in which the Terrell City Council shall have considered and approved each agreement prior to its execution.

Section 3. That this Resolution shall take effect immediately from and after its passage.

PASSED AND APPROVED by the City Council of the City of Terrell this the 19th day of June, 2012.

APPROVED:

Hal Richards, Mayor

ATTEST:

John Rounsavall, City Secretary

APPROVED AS TO FORM:

Mary Gayle Ramsey, City Attorney

EXHIBIT "A"

CITY OF TERRELL

Residential Economic Incentive Program

PURPOSE: To establish guidelines for the approval, execution, qualification and payment of residential economic incentives within the City of Terrell.

APPLICABILITY: This policy shall apply only to the construction of new single-family detached owner occupied residential homes which shall not have been on the Kaufman County Tax rolls prior to January 1, 2012.

PROCESS: To initiate the application of this policy, the owner of certain land zoned for single-family residential uses shall make written application to the Municipal Development Department for consideration for residential economic incentives as described in this Exhibit for the development of new single-family home construction. City staff will conduct research to determine if the applicant is qualified under the eligibility requirements as adopted herein. City staff shall then prepare a report and draft a Developers Agreement and present to the City Council for consideration. The City Council will consider approval of the Agreement in accordance with the following criteria:

Residential Economic Incentive Program

1. Eligibility Requirements:
 - a. The Developers Agreement approval process may be initiated on any platted residential lot or upon filing of a newly platted residential subdivision within the corporate city limits of Terrell (i.e. must be subject to city ad valorem property taxes).
 - b. Incentives are payable only after newly constructed single-family detached homes with an approved Developers Agreement have received a certificate of occupancy.
 - c. The initial payment of the incentive shall not commence until after the home has been on the tax roll for one full year (assessed and collected one full year's taxes).
 - d. Paid to original developer who must remain in good standing with the City.
 - e. No outstanding liens or mowing charges.

- f. Full payment of Impact Fees, Permits and any other fees owing to City of Terrell.
 - g. Annual payment of property taxes by homeowner required and all property taxes paid in full.
 - h. Incentive shall only apply to owner (fee simple title) occupied houses.
1. The incentive shall be paid in March of each year for eligible homes completed and in good repair on December 31 of each previous year. No incentive payment shall be made until ad valorem taxes assessed have been paid.
 3. The incentive shall be calculated per unit as follows:

$$\text{House Value} \times 0.006 \times 4 \text{ years} = \text{Total Incentive}$$

Value is the most recent appraised value of house according to the Kaufman County Appraisal District.

Minimum fair market value - \$100,000.00

Maximum fair market value - \$800,000.00

4. Examples:
 - a. \$125,000 house X 0.006 X 4 years = \$3,000 total
 - b. \$175,000 house X 0.006 X 4 years = \$4,200 total
 - c. \$225,000 house X 0.006 X 4 years = \$5,400 total

In no event will incentive paid exceed the amount of taxes paid to City of Terrell. This incentive will not apply to any tax exempt entities or non-profit entities that are not subject to the payment of ad valorem taxes.

5. All applications for the Incentive Program shall be executed through a Developer's Agreement and shall be subject to approval by the City Council.
6. The City of Terrell shall have the right to discontinue this incentive at any time subject to the payment of any incentive previously approved by the City Council.