

Adel City Council
Residential Tax Abatement Program – Proposed Modifications

Shirley McAdon

- Modify to a five-year or seven-year sliding scale program
- Requested more information

Bob Ockerman

- Prefers to end current program January 1, 2018
- Modify to a sliding scale program until January 1, 2020

Rebecca Hillmer

- End current program January 1, 2020
- Requested more information

Jon McAvoy

- Option 1: Maintain current program; modify to a seven-year sliding scale program (first two years at 100%, next five years at a sliding scale) effective January 1, 2018
- Option 2: Maintain current program; modify to a five-year program (all five years at 100%) effective January 1, 2019
- Option 3: Maintain current program; modify to a five-year sliding scale program effective January 1, 2020

Mike Haynes

- Prefers to end program completely
- Modify to a seven-year sliding scale program (first year at 100%, then approximately 16.7% decrease every year) beginning January 1, 2018
- Any new development that is not shovel ready will not receive abatement

Citizen and Mayoral suggestions for changing abatement

Jim Peters: Sliding scale or 100% with a cap on assessed value, such as \$200,000 or \$300,000. Later refined to 5 year abatement, 100/100/75/50/25 on the first \$100,000.

Ahlers Law: 100% abatement for five years of first \$75,000 of value

Jonathan Fokken: Apply abatement on a development by development basis. Or, allow 100% 7 year abatement if closed by 12/31/2019, 6 years in 2020, 5 years in 2021, etc.

Carl Duffy: Institute a cliff to end the abatement in 2020

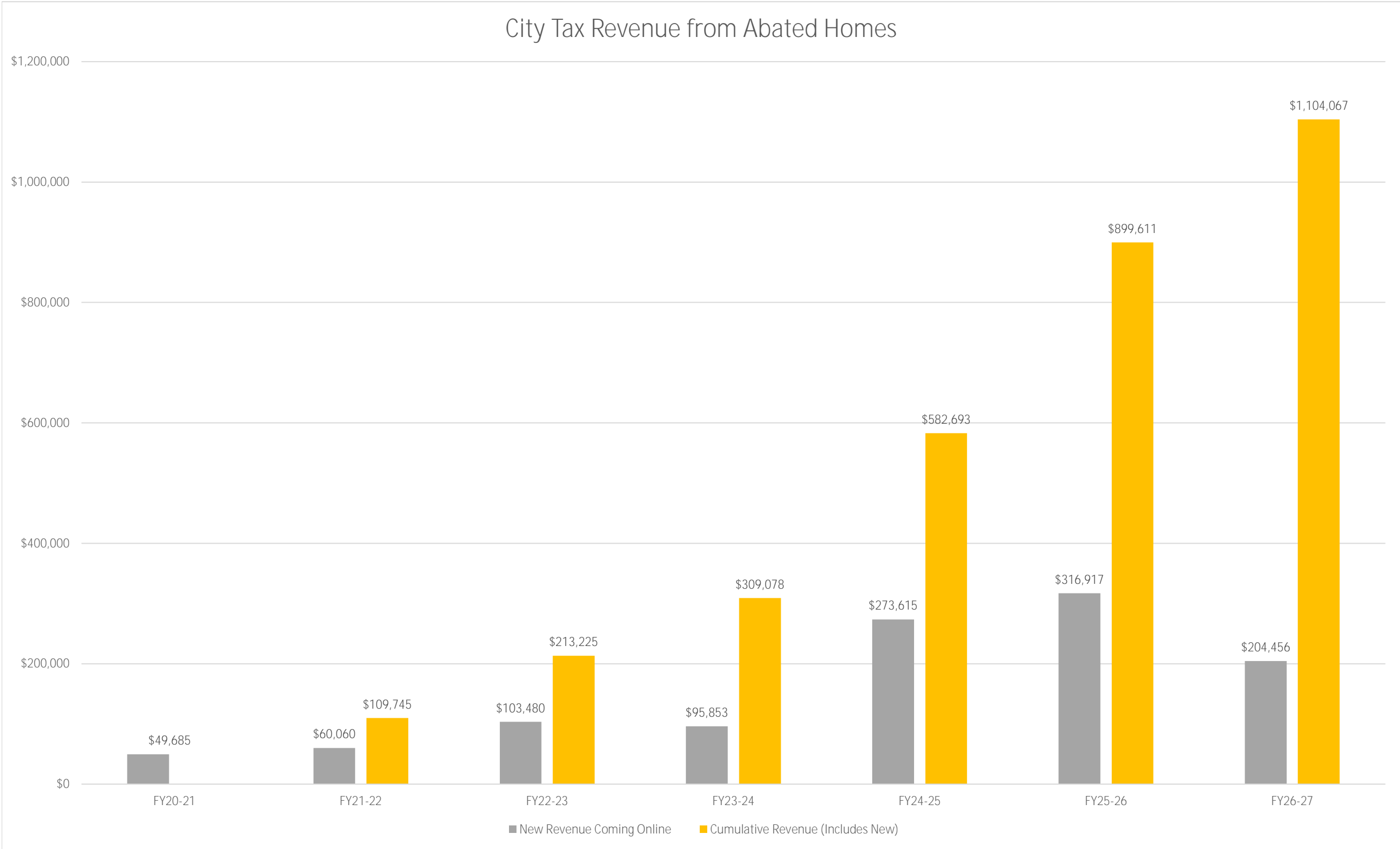
Ron Simmons: 100% abatement for two years, then 80% third year, 60% fourth year, 40% fifth year, 20% sixth and final year

Elizabeth Holland: match residential to commercial abatement

Kelly Shull: end all abatements by 06/30/2018

Assumptions	
City Levy Rate:	\$14.30433
Rollback:	56.9391%
Building information as of 7/31/17	

	2011	2012	2013	2014	2015	2016	2017
Information	FY20-21	FY21-22	FY22-23	FY23-24	FY24-25	FY25-26	FY26-27
Average Building Value	\$234,626	\$254,278	\$270,320	\$287,041	\$282,303	\$281,961	\$295,327
Total Building Value	\$6,100,288	\$7,374,073	\$12,705,050	\$11,768,685	\$33,594,023	\$38,910,606	\$25,102,816
New Revenue Coming Online	\$49,685	\$60,060	\$103,480	\$95,853	\$273,615	\$316,917	\$204,456
Cumulative Revenue (Includes New)		\$109,745	\$213,225	\$309,078	\$582,693	\$899,611	\$1,104,067



No projections on future growth. As building values are construction permit values, the official County valuations may vary. If future levy rates or rollback figures change, the revenue figures will change.

Development	Status	Number of Lots Remaining
Brickyard Summit	Temporarily delayed by owner after P&Z meeting; Needs rezoning to proceed	55
Eagle Vista	Final plat; Five homes currently being built	37
Prospect Pointe	Will request preliminary plat in next few months; Will be built out in two plats	89
Southbridge	Preliminary (two plats); Final Plat 1 to council on August 8	195
Timberview West	Plats 1-2 underway; Plat 3 not started (waiting on HWY 169)	81
Twin Eagles Riverview PUD	Final Plat; Building has commenced; Half rental units this year, half in 2019	118
TOTAL:		575