

CITY COUNCIL MEMORANDUM

AGENDA ITEM

ESTABLISHING NORTH KILLEEN TAX ABATEMENT
GUIDELINES AND CRITERIA

ORIGINATING DEPARTMENT

PLANNING & DEVELOPMENT SERVICES

BACKGROUND INFORMATION

In March of 2015, at a combined meeting of the Killeen City Council and Planning and Zoning Commission, it was decided that a joint committee made up of 3 appointed City Council members and 3 appointed Planning and Zoning Commissioners would be formed to discuss and make recommendations regarding the revitalization of north Killeen and other topics. The group met on multiple occasions and discussed the appropriate boundary and target area for north Killeen redevelopment, desired goals and outcomes for the area, development incentives, and current code constraints.

DISCUSSION/CONCLUSION

The joint committee proposed an area bounded by W. S. Young to the east, Ft. Hood Street to the west, the northern city limits and West Hallmark Avenue and Terrace Drive to the south. The joint committee drafted specialized Tax Abatement Guidelines and Criteria for this area offering tax abatement opportunities to commercial and multi-family property owners who increase their property value 150% for new construction or 25% for expansion of a new facility and an overall new investment of at least \$25,000 in taxable assets.

FISCAL IMPACT

The fiscal impact will be a direct result of tax abatement projects approved in this area. The fiscal impact will be offset through new taxable development incentivized through this program.

RECOMMENDATION

The Joint Committee of the Killeen City Council and Planning and Zoning Commission and city staff recommend that City Council approve the North Killeen Guidelines and Criteria for Tax Abatement for the maximum allowed period of 2 years in the area depicted in the attached boundary map as proposed by the joint Planning and Zoning Commission and City Council Committee.