



# Lakeside Bold Neighborhood Initiative

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- 2025: Big Move #4 – Thriving Neighborhoods
- Goal: To encourage reinvestment and renovation of single-family homes
- Action Step: Develop homeowner incentives that grant residents and builders upfront cash and tax rebates to demolish and rebuild or significantly renovate existing single-family homes in targeted neighborhoods
- Budget: \$100,000 annually

# Example

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- Existing home is valued by Denton Central Appraisal District at \$245,000
- Homeowner decides to demolish existing home for a price of \$12,000
- City would then provide a grant in an amount of \$10,000 (50% of eligible \$20,000 grant)
- Upon completion of new home, and assuming all program criteria are met, City would then provide the remaining \$10,000 grant
- Finally, this example would result in a city tax rebate for four years on the incremental increase in city property taxes, or \$785 per year (\$3,140 total). This is new tax value minus old tax value.

<b>Original Home</b>	<b>New Home</b>	<b>Difference</b>
\$245,000	\$425,000	\$220,000
City Tax Value: \$1,068	City Tax Value: \$1,853	\$785 per year

# Incentives

- **Cash Grant Demolition**
  - Applicant will be reimbursed up to 100% of cost of demolition of existing structure as determined by City Council on a case-by-case basis
    - Cash grants are issued in two payments. 50% following demolition of old home and 50% when certificate of occupancy is issued for new home
    - Value of grant is determined as follows:
      - Original Improvement Value - \$200,000 and under = \$30,000 cash grant
      - Original Improvement Value - \$200,001 - \$265,000 = \$20,000 cash grant
      - Original Improvement Value - \$265,001 - \$320,000 = \$10,000 cash grant

# Incentives

- **City Property Tax Rebate for Improvements**
  - **City property tax rebate is an economic development grant equal to 100% of the difference between City property taxes assessed and paid on new improvement value and the assessed value prior to demolition/renovation. All valuations are based on structure only, does not include land value.**
    - **Value of grant is determined as follows:**
      - **Original Improvement Value - \$200,000 and under = 3 year city property tax rebate**
      - **Original Improvement Value - \$200,001 - \$265,000 = 4 year city property tax rebate**
      - **Original Improvement Value - \$265,001 - \$320,000 = 5 year city property tax rebate**
      - **Original Improvement Value - \$320,001 and up = 7 year city property tax rebate**

# Incentives

- **Construction values will be determined at time of building permit issuance**
- **New construction value is difference between value of new construction and value of the existing house, as such existing value is determined by the appraisal district for the year in which incentive agreement is approved by City Council**
- **All construction permit fees required by the City, including demolition fees, directly related to demolition and rebuild will be waived**
- **Property must be within targeted area as identified by City Council**

# Target Area

- With efforts to provide highest quality of reinvestment in Lewisville neighborhoods, careful attention must be maintained on avoiding gentrification and displacement of existing residents
- Map provides target area for program to be implemented
- All applicants must be within area to be considered for demo or reno incentives

