



BRECKENRIDGE CITY COMMISSION
AGENDA SUMMARY FORM

Subject: Discussion and any necessary action regarding approval of Interlocal on the Waiving of Back Taxes

Department: Administration

Staff Contact: Cynthia Northrop

Title: City Manager

BACKGROUND INFORMATION:

This interlocal involves the waiving of back taxes by all taxing entities as it relates to the City's efforts to address substandard/dangerous homes in the City of Breckenridge. The City has actively been addressing these properties over the years in an effort to get substandard homes either in compliance with our ordinances or to declare them dangerous buildings and get them demolished, thereby creating additional in-fill projects by selling the lot (sealed bid process) for a new owner to rebuild new homes (assuming the lot is not in the floodplain). In many cases, this creates an issue where there are back taxes due on the property(s) that then become the responsibility of the new owner.

The following benefits accrue to all taxing entities:

1. Reduces liability for the new owner which encourages investment in buying/building a new home.
2. Increases tax base by adding a new quality home to the tax roll.
3. Serves to beautify Breckenridge, reducing overall blight.

Instead of each taxing entity taking action to waive back taxes each time, this interlocal with all taxing entities will allow one-time approval of the ILA thereby reducing staff time and streamlining the process.

FINANCIAL IMPACT:

This serves to increase the overall tax base with new quality housing.

STAFF RECOMMENDATION:

Consider approval of Interlocal on the Waiving of Back Taxes.