

# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

September 27, 2016  
Workshop Agenda Item 6.

A large, faint, stylized graphic of a house with a star on the roof, centered in the background of the slide.

# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

- **Program History:**

- Resolution 3540: passed March 25, 2014
  - Established Chapter 380 program
    - Program to include the following Incentives:
      - Building permits cost waived.
      - Tap fees waived for Water (Up to \$400) and Sewer (Up to \$350) in new subdivisions, with waivers limited to base fees in existing subdivisions.
      - Rebate Home Builders “Parade of Home” fee to pull realtors and home buyers into neighborhoods.
    - Homes must be:
      - “Single Family” home construction.
      - Heated/Cooled square footage in the range of 2200 – 3000 (“Target Range”).
      - Within the City limits of Bryan.

# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

- **Program History:**

- Resolutions adopted April 14, 2015

- Resolution 3598:

- Replace the requirement for a “Certificate of Occupancy within 7 months” with “slab inspection approval within 3 months”.
- Remove references to the Parade of Homes entry fee reimbursement from Resolution 3540.
- Clarify that program includes both “custom” and “speculative” homes.

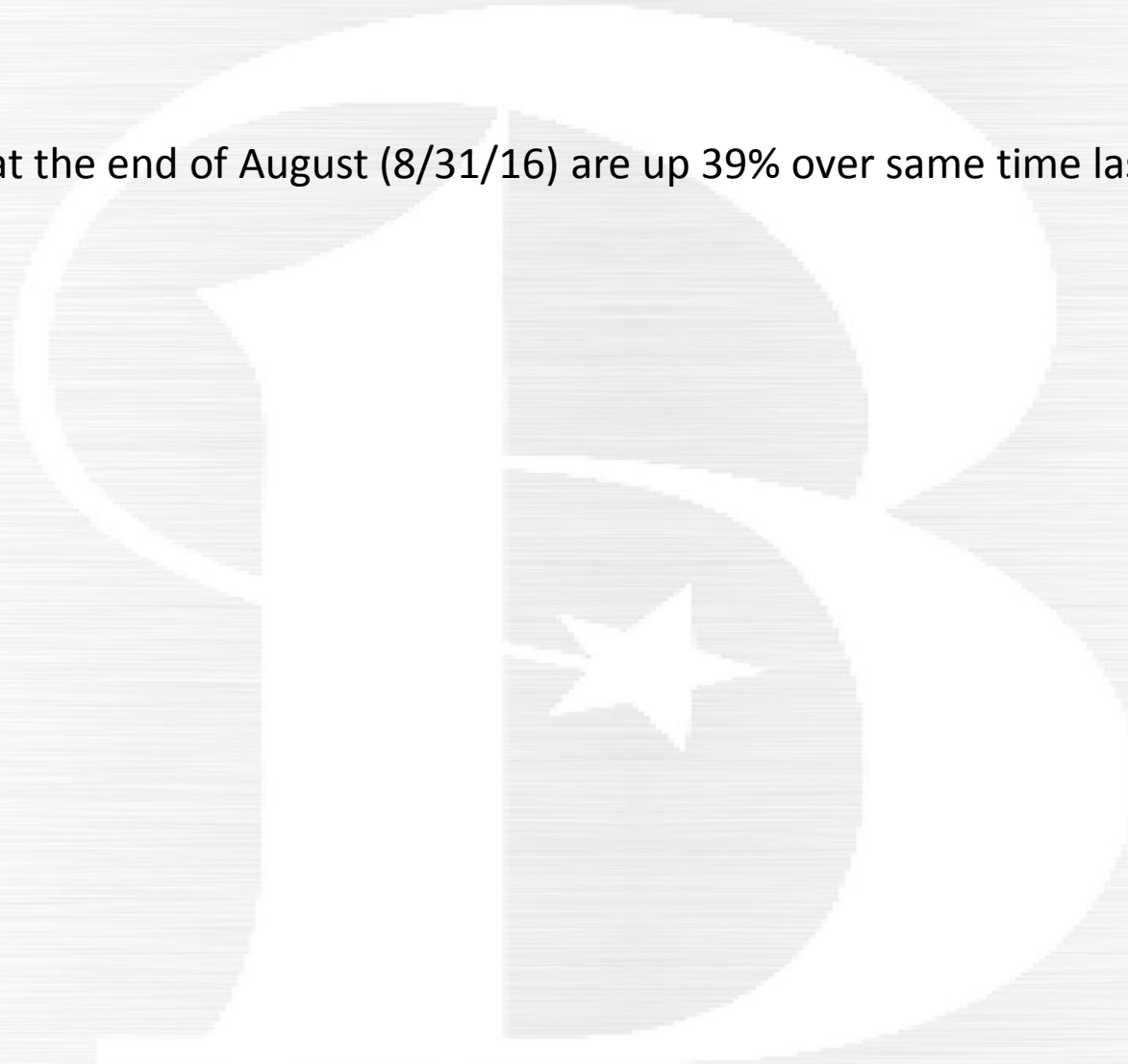
- Resolution 3599:

- Established new 380 program for Parade of Home entry rebate grant to include:
  - Include all sizes of homes.
  - fund the reimbursement fees annually beginning in Fiscal Year 2016, not to exceed \$12,000.

# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

## Current Status:

- “Target Range” homes at the end of August (8/31/16) are up 39% over same time last year (85 versus 61).





# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

## Building Permit Data – Year/Size

### City of Bryan's Single Family "Detached"

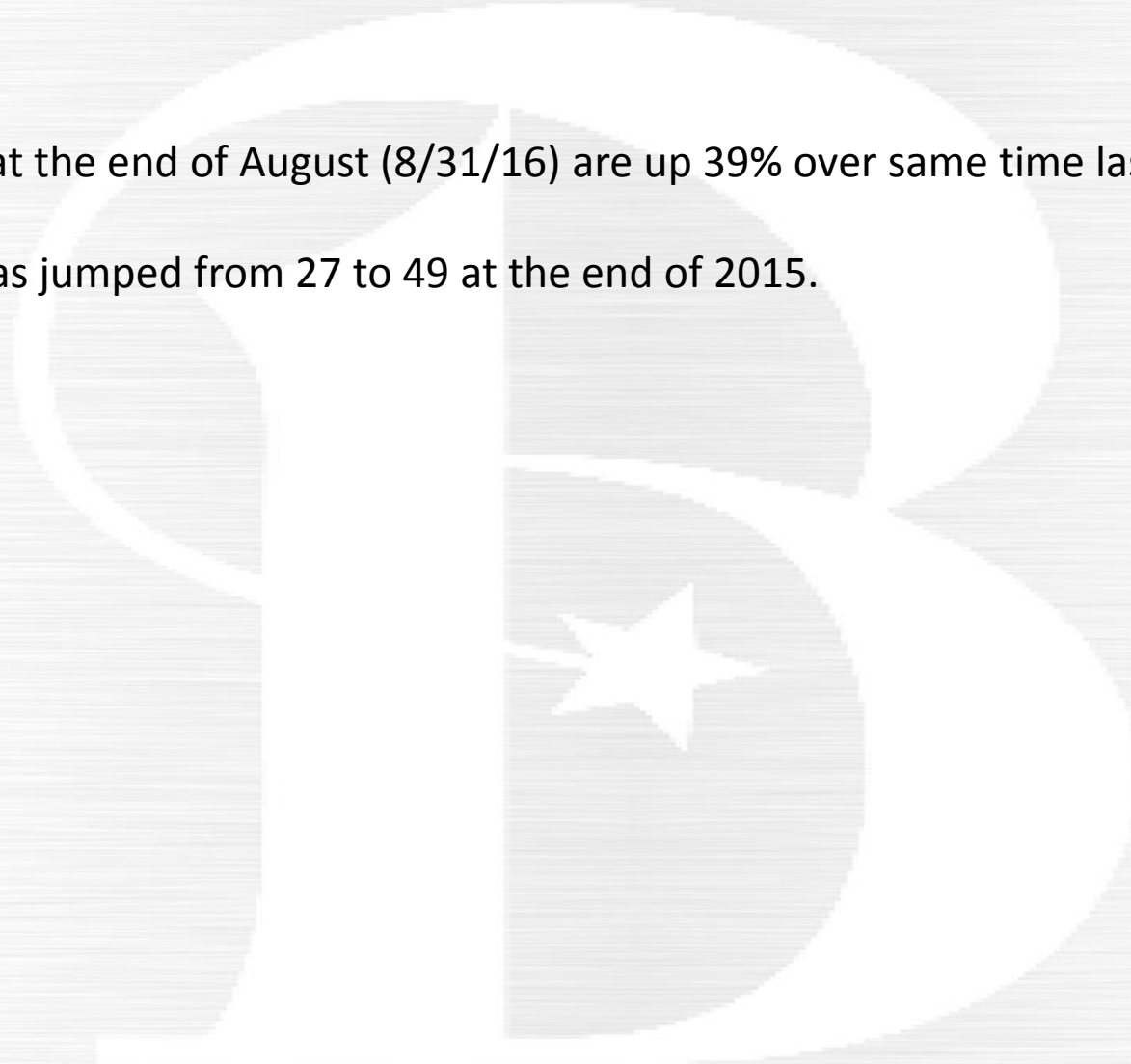
Application Year	0-2199	2200-2999	>3000	Totals
2009	137	23	16	176
2010	160	23	8	191
2011	88	24	15	127
2012	101	36	35	172
2013	105	28	21	154
2014	114	65	29	208
2015	149	89	15	253
01/01/2015 - 08/31/2015	113	61	11	185
01/01/2016 - 08/31/2016	157	85	20	262

Change percentages from 2013 to 2014:
   
 0-2199: 31% increase
   
 2200-2999: 132% increase
   
 >3000: -52% decrease
   
 Change percentages from 2014 to 2015:
   
 0-2199: 25% increase
   
 2200-2999: 37% increase
   
 >3000: -48% decrease
   
 Change percentages from 2015 to 2016:
   
 0-2199: 14% increase
   
 2200-2999: 39% increase
   
 >3000: 82% increase

# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

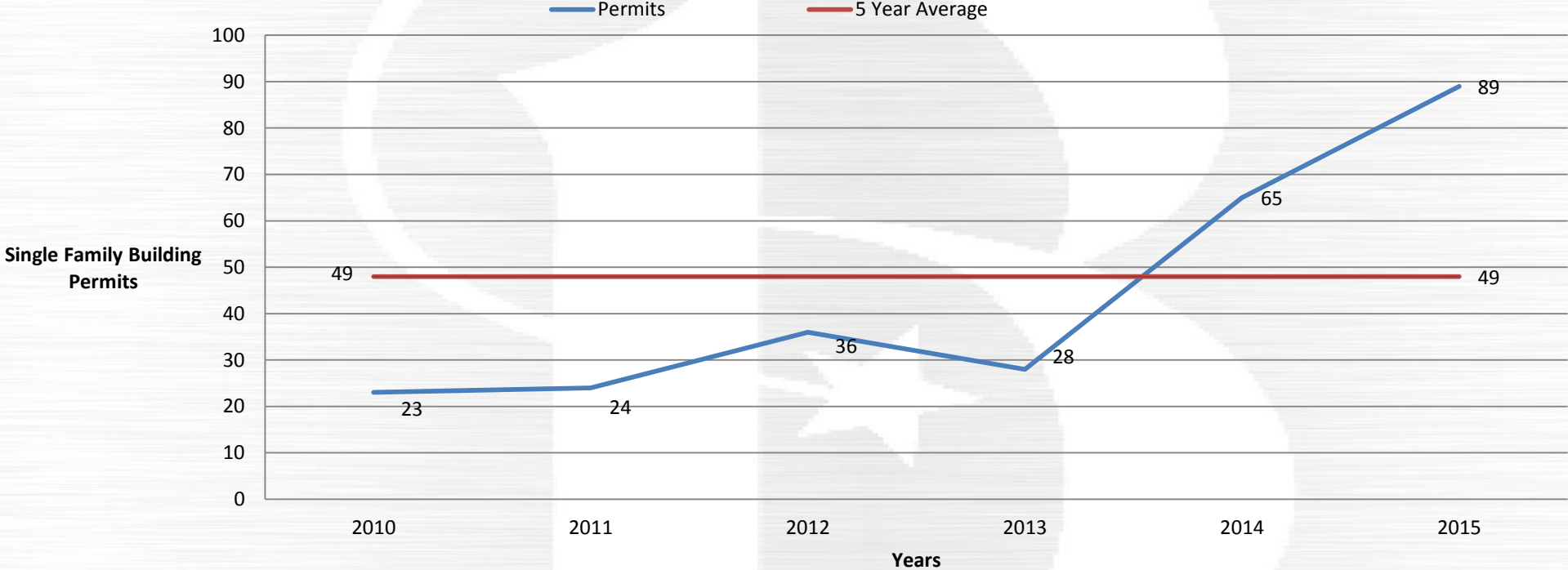
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# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

### Number of Homes in Target Range of 2,200-3,000 Square Feet





# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

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- The five year average has jumped from 27 to 49 at the end of 2015.
- For the 36 Homes above 5 year average of 49, additional \$53,906 per year in ad valorem.
  - 2016 Program Homes represent approx. \$18,539,271 or average of \$237,683 per home.
  - Jan – August 2015 estimated value was at \$13,601,961 and \$238,631 per home.

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- Parade of Homes participation increased from 3 in the Spring 2014 to 10 in Spring 2015 and 9 in Spring 2016.
  - Parade Rebates total for Fiscal 2016 - \$7,055.

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- Program Cost as of 8/31/16:

Waived permit fees:	\$ 81,460
Reimbursements of parade fees:	\$ 7,055
<u>Waived sewer and water tap fees:</u>	<u>\$ 39,050</u>
Total:	\$120,510

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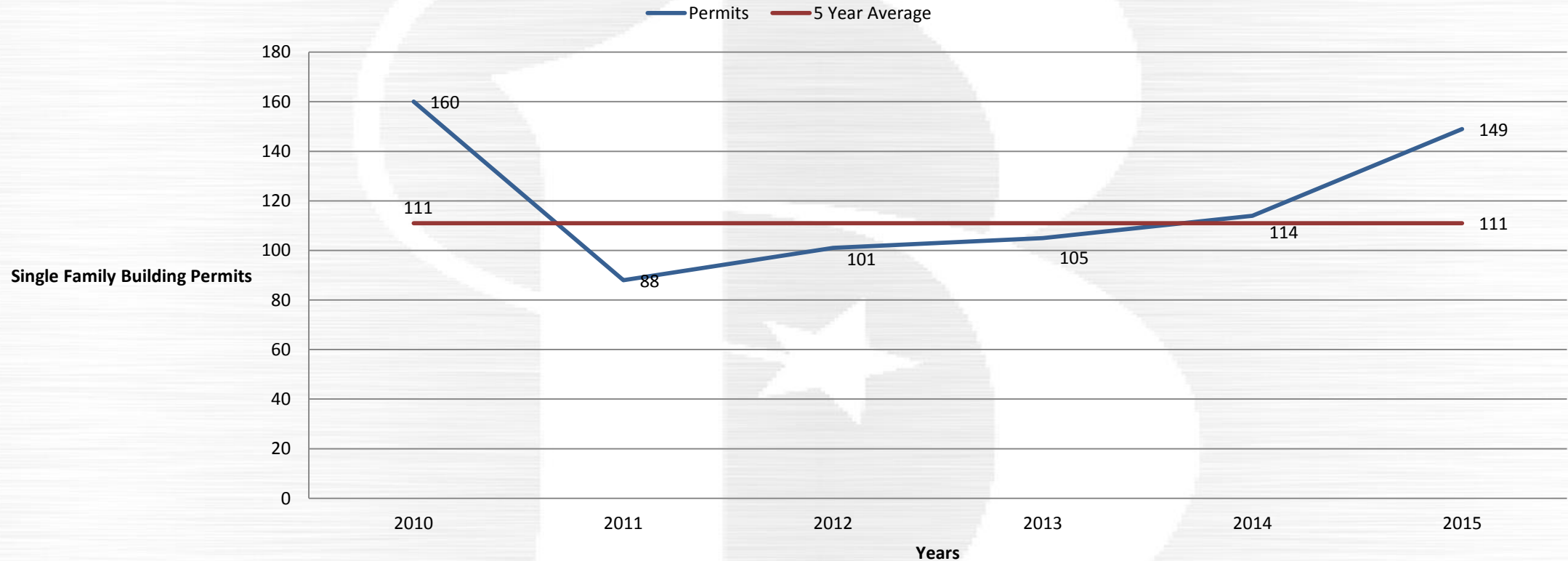
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<u>Waived sewer and water tap fees:</u>	<u>\$ 39,050</u>
Total:	\$120,510
- Current Simple Payback at 2.2 years.
- 37 builders/homeowners taking advantage of the program.

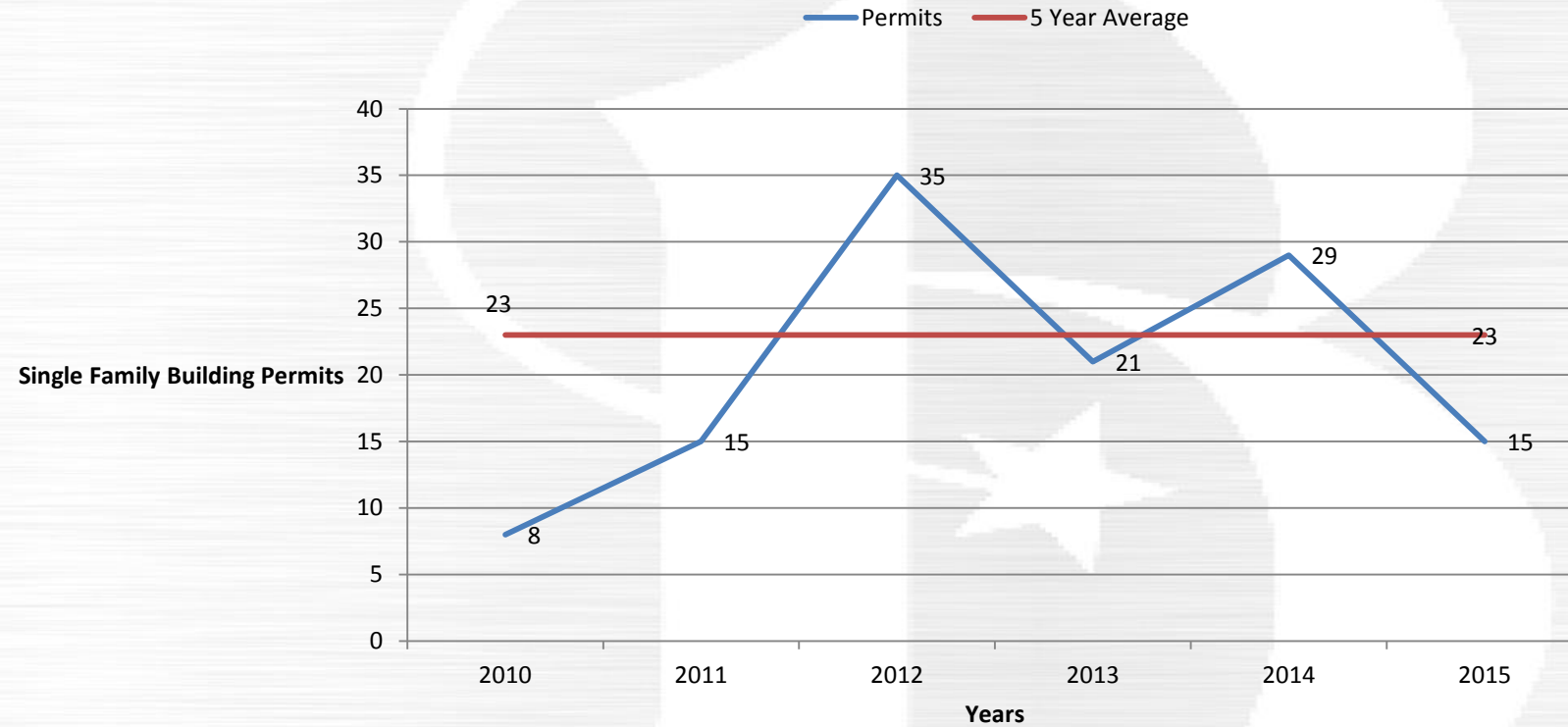
# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

## Number of Homes Less Than 2,200 Square Feet



# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

## Number of Homes Greater Than 3,000 Square Feet



# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

## City of Bryan 2016 Building Report

AUGUST 2016			AUGUST 2015		
Permit Type	Total	Value	Permit Type	Total	Value
Residential - Single Family - Detached	47	\$9,878,405.00	Residential - Single Family - Detached	20	\$4,532,778.00
Residential - Single Family - Attached	0	\$0.00	Residential - Single Family - Attached	0	\$0.00
Residential - New 2 Unit Bldgs	0	\$0.00	Residential - New 2 Unit Bldgs	0	\$0.00
Residential - New 3-4 Unit Bldgs	135% 2	\$1,250,000.00	Residential - New 3-4 Unit Bldgs	0	\$0.00
Residential - New 5+ Unit Bldgs	0	\$0.00	Residential - New 5+ Unit Bldgs	0	\$0.00
Residential - Add/Alter/Reno	77	\$926,792.00	Residential - Add/Alter/Reno	35	\$866,786.00
Manufactured Homes	16	\$597,260.00	Manufactured Homes	13	\$366,629.00
Demolition	14	\$0.00	Demolition	4	\$0.00
Commercial - New Construction	9	\$13,747,594.00	Commercial - New Construction	4	\$44,000.00
Commercial - Add/Alter/Reno	8	\$610,300.00	Commercial - Add/Alter/Reno	10	\$642,600.00
Swimming Pools	4	\$165,900.00	Swimming Pools	1	\$30,000.00
Signs	17	\$0.00	Signs	13	\$0.00
<b>TOTALS</b>	<b>194</b>	<b>\$27,176,251.00</b>	<b>TOTALS</b>	<b>100</b>	<b>\$6,482,793.00</b>

JANUARY - AUGUST 2016			JANUARY - AUGUST 2015		
Permit Type	Total	Value	Permit Type	Total	Value
Residential - Single Family - Detached	262	\$51,645,079.00	Residential - Single Family - Detached	186	\$35,416,874.00
Residential - Single Family - Attached	0	\$0.00	Residential - Single Family - Attached	10	\$1,314,032.00
Residential - New 2 Unit Bldgs	0	\$0.00	Residential - New 2 Unit Bldgs	7	\$727,716.00
Residential - New 3-4 Unit Bldgs	41% 11	\$6,241,690.00	Residential - New 3-4 Unit Bldgs	8	\$606,672.00
Residential - New 5+ Unit Bldgs	20	\$32,788,046.00	Residential - New 5+ Unit Bldgs	0	\$0.00
Residential - Add/Alter/Reno	488	\$5,586,124.00	Residential - Add/Alter/Reno	293	\$3,417,865.00
Manufactured Homes	81	\$3,128,622.00	Manufactured Homes	93	\$3,048,829.00
Demolition	73	\$0.00	Demolition	79	\$0.00
Commercial - New Construction	84	\$53,830,408.00	Commercial - New Construction	39	\$54,388,304.00
Commercial - Add/Alter/Reno	103	\$27,893,183.00	Commercial - Add/Alter/Reno	97	\$29,435,938.00
Swimming Pools	29	\$2,106,270.00	Swimming Pools	19	\$808,834.00
Signs	129	\$0.00	Signs	96	\$0.00
<b>TOTALS</b>	<b>1280</b>	<b>\$183,219,422.00</b>	<b>TOTALS</b>	<b>927</b>	<b>\$129,165,064.00</b>



# HOMEBUILDERS INCENTIVE PROGRAM UPDATE

- Summary:
  - January – August 2016:
    - Target Home Permits for are up by 39%.
    - Under 2200 square feet are up by 39%.
    - Over 3000 square feet are up by 82%.
  - Target Homes have increased 218% from 2013 to 2015.
  - Under 2200 square feet are up by 50% from 2013 to 2015.
  - Greater Brazos Valley Home Builders Association Parade of Homes are running anywhere from 9 to 12 homes per parade since the program started in 2014.
    - Currently there are 12 signed up for the Fall 2016 Parade will be the weekend of October 15th-16<sup>th</sup>.

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A large, light gray, stylized number '12' is centered on the page. The '1' is a simple vertical bar, and the '2' is a rounded shape with a small white star in the center of its lower curve.

Questions?