
Sec. 66-57.1. Incentives.

- (a) *Purpose.* To promote and protect the rich heritage of the city, and to encourage the designation of structures as historic landmarks, and the designation of historic districts this section of the city's historic preservation ordinance provides a tax relief for the stabilization, rehabilitation, and renovation of property(s) that are designated by the city as historic landmarks or located within a local historic district.
- (b) *Rehabilitation tax relief.* From the date of passage of this section, the owner of property (structure and land) ~~having historic, architectural, and cultural significance, and so designated by the city's historic landmark commission, planning commission, and city council,~~ as a local historical landmark ~~or located within a local historic district,~~ as provided for in section 66-54 and 55, shall be eligible to apply for relief in city property taxes for a period of up to five-10 years. ~~Said property, whether owned by the same individual or not, shall be eligible for such relief an additional five years. The total period of time that any one property shall be eligible to receive such tax relief shall be ten years, whether such relief is granted for two consecutive five-year periods or separate terms. For a property to be considered for a consecutive five-year period, an application shall be made during the fourth year of the original request. Whether the application is for consecutive or future periods each request shall be considered separately and must qualify as outlined below. Upon the expiration of a relief period, the property shall be placed on the tax rolls at the new appraised value and taxed accordingly. Provided, however, that should an application be received and approved during the fourth year of the first request no new appraised value will be assessed or taxed.~~

(c) Application Process.

(1) Certification. An application for tax relief pursuant to this section shall be ~~made prior to the first of July of the tax year in which the relief would be granted submitted to the city's historic preservation officer prior to the rehabilitation work taking place.~~ Application shall be made to the city's historic landmark commission with a recommendation to the city council for final action. ~~If requested, the historic preservation officer may assist the owner in filing for such relief. The historic preservation officer shall request action from the historic landmark commission. Each application for certification shall be signed and sworn to by the owner of the property and shall:~~

- A. Include current pictures of the interior and exterior of the structure, as applicable to the work that is proposed to be performed;
- B. Include a complete set of plans for the structure's restoration, if applicable;
- C. Include an itemized statement of estimated costs for the restoration work;

(2) Verification. Once rehabilitation work is complete, the property owner shall submit an application to the city's historic preservation officer to complete the request for tax relief. The historic preservation officer shall request final action from the historic landmark commission. Each application for verification shall be signed and sworn to by the owner of the property and shall:

- a. Include current color pictures of the interior and exterior of the structure, as application to work that was performed, showing the completed rehabilitation work;
- b. Include an itemized statement or list of final costs for the restoration work that was completed;

~~A structure must be designated as a historic landmark as provided for in section 66-54 or located within a local historic district as provided for in section 66-55.~~

Tax Relief. In accordance with the provisions of this section, a building that is individually designated as a historic landmark or located within the boundaries of a locally designated historic district which is

substantially rehabilitated and is approved by the chief appraiser of the Comal or Guadalupe County Appraisal District, shall have an assessed value for ad valorem taxation as follows:

- a. Properties shall have the assessed value for the city portion of the ad valorem taxation for a period of ten (10) tax years equal to the assessed value immediately prior to preservation rehabilitation taking place; ~~the~~
- b. This exemption shall begin on the first day of the first tax year after final approval by the HLC, provided compliance with subsection (2) of this section.

~~(21)~~ *Qualification for tax relief.* The owner of a property, applying for tax relief, shall be entitled to such, provided that the improvement(s), renovation(s), or restoration(s) to the structure is at least ten (10) percent of the ~~value of the property improvements~~ value reflected on the tax rolls of the Comal or Guadalupe Appraisal District office of the tax year immediately prior to the rehabilitation work commencing. ~~The tax relief shall commence after the first of January in the tax year immediately following the year in which the work is completed.~~

~~The tax relief shall be determined in the following manner. The Comal or Guadalupe Appraisal District shall cause said improvement(s), renovation(s), or restoration(s) to the structure to be appraised on or before December 31 the year the work was completed. This new appraised value less the present property value shall be shown on the tax rolls of the Comal or Guadalupe Appraisal District as the new property value. However, said improvement(s), renovation(s), or restoration(s) shall not cause the value of the property to be less than the present value prior to completion of the work. under this subsection limited to.~~

~~(32)~~ *Eligible costs.* Eligible costs shall include exterior and interior improvements to the frame, walls, floor, ceiling, plumbing, electrical ~~wiring~~wiring, and mechanical items, such as heating and air conditioning systems. Fixtures, decorative items, and/or fencing shall not be eligible for consideration ~~unless such items were original fixtures and/or decorative items of the structure.~~ Materials and labor for repairing, ~~replacing~~replacing, or adding any of the following shall be eligible:

- a. Structural walls;
- b. Structural subfloors;
- c. Structural ceilings;
- d. Exterior doors;
- e. Exterior paint (consistent with those colors available during the time period the structure was built);
- f. Mechanical equipment;
- g. Windows;
- h. Exterior brick veneers or treatments;
- i. Plumbing;
- j. Electrical wiring;
- k. Roof and gutter where necessary for structural integrity;
- l. Facade items;
- m. Elevators;
- n. Foundations;

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- o. Termite damage and treatment;
 - p. Security and/or fire protection systems;
 - q. Architectural and engineering services if directly related to the eligible costs described above;
 - r. Plumbing and electrical fixtures documented as historic fixtures; and
 - s. Limited demolition, not more than 15 percent of the original structure, and cleanup related to the eligible costs described above.
 - t. Any other items directly related to the preservation of the integrity and longevity of the structures on the site.

(3) *Ineligible costs.* Ineligible costs include the following:

- a. Overhead;
 - b. Taxes;
 - c. Supervisor payroll;
 - d. Repairs of construction equipment;
 - e. Tools; and
 - f. Any other items not directly related to the exterior appearance or the structural integrity or viability of the structure.
- (c) *Tax exemption for historic districts.* For properties located within a city designated historic district, property owners in the historic district will qualify for an ad valorem tax exemption of 20 percent of the assessed city ad valorem property tax. This tax exemption shall begin on the first day of the first tax year after designation of the historic district.
- (d) *Building permit fees waived.* Upon approval of a certificate of alteration, the property owner will present said certificate to the ~~building department~~City. ~~-and a~~All building permit fees will be waived with the exception of the application fee and any inspection fees that which will still may be assessed.

(Ord. No. 98-25, § I, 9-14-98; Ord. No. 2007-24, § 1, 3-26-07; Ord. No. 2010-64, § 1(Exh. A), 10-11-10)