

Legislation Text

File #: 24-275, **Version:** 2

PRESENTER:

Katie Totman, Historic Preservation Officer

SUBJECT:

Approval of the first reading of an ordinance granting rehabilitation tax relief for a five-year period to the property currently addressed as 708 West Mill Street, a local Historic Landmark known as the Mergele House.

DEPARTMENT: Planning & Development Services

COUNCIL DISTRICTS IMPACTED: 1

BACKGROUND INFORMATION:

On February 13, 2024, the Historic Landmark Commission recommended approval of the rehabilitation tax relief for a five-year period. The owners have completed substantial rehabilitation and improvements to the property as required in Chapter 66 of the City's Code of Ordinances to qualify for such relief. This tax relief makes the property eligible to apply for a freeze in the appraised value of the property, used for calculating the City's ad valorem tax. This freeze holds the taxable value of the property to pre-improvement levels and is only applicable to the City's taxes as no other taxing entities (County or School District) participate in this program.

Per the adopted ordinance, the applicant may request an extension of this relief for an additional five years. The City Code specifies that the maximum amount of time any single property may be eligible for tax relief is 10 years, or two five-year periods. However, those two periods do not have to be contiguous.

FISCAL IMPACT:

The tax relief will freeze the appraised value of the structure for City ad valorem tax collection for a period of five years. Therefore, exact value of the fiscal impact is contingent upon future, undetermined appraised values.

HISTORIC LANDMARK COMMISSION RECOMMENDATION:

The Historic Landmark Commission held a public hearing on February 13, 2024, and recommended approval of the rehabilitation tax relief (5-0-0, Commissioners Bliss, Ball and Tumlinson absent).