

City of Fort Worth, Texas

Mayor and Council Communication

DATE: 06/10/25M&C FILE NUMBER: M&C 25-0489

LOG NAME: 06HSTE VERIFICATION 2ND QUARTER 2025

SUBJECT

(CD 2, CD 8, and CD 9) Verify Completion of Rehabilitation Projects for the Historic and Cultural Landmark Properties Located at 2411 N Main Street, 1405 E Leuda Street, 950 E Pulaski Street, and 1712 Alston Avenue; and Declare Said Properties to be Entitled to a Historic Site Tax Exemption

RECOMMENDATION:

It is recommended that the City Council:

1. Verify completion of the rehabilitation projects for the Historic and Cultural Landmark properties located at 2411 N Main Street, 1405 E Leuda Street, 950 E Pulaski Street, and 1712 Alston Avenue; and
2. Declare that 2411 N Main Street, 1405 E Leuda Street, 950 E Pulaski Street, and 1712 Alston Avenue are entitled to the Historic Site Tax Exemption set forth herein.

DISCUSSION:

The purpose of this Mayor and Council Communication (M&C) is to verify the completion of the rehabilitation projects for the Historic and Cultural Landmark (HC) properties located at 2411 N Main Street, 1405 E Leuda Street, 950 E Pulaski Street, and 1712 Alston Avenue (Properties) and declare said Properties to be entitled to the Historic Site Tax Exemption set forth below. The applications for these properties requesting the historic site tax exemption were submitted after May 1, 2018.

Any structure that is designated as HC, or that contributes to a district, and the land necessary for access to and use of the structure that is substantially treated is eligible to receive the following tax exemption under Appendix A, Chapter 4.401 of the City Code, with the intent that the property receiving the tax exemption will be in the same position in regards to City of Fort Worth taxes for the entire term of the exemption. Substantial treatment means treatment at a cost that equals or exceeds the greater of (i) \$3,000.00 or (ii) 20% of the appraised value of the structure as of the year prior to the year in which a historic site tax exemption application is deemed complete by the historic preservation officer. During the term of the historic site tax exemption, the structure and land will receive an exemption in an amount equal to the difference between the following: (1) The City of Fort Worth current-year taxable value after application of any other applicable exemptions, including the homestead exemption; and (2) the City of Fort Worth base-year taxable value after application of any other applicable exemptions, including the homestead exemption.

The term of these tax exemptions is ten years, commencing January 1 of the tax year immediately following verification and approval of the tax exemption by the City Council. If an individual qualifies a property to (1) receive a special valuation under Tex. Tax Code, Chapter 23, Subchapters B through H, except for a homestead special valuation under Tex. Tax Code § 23.23; or (2) to receive an ad valorem tax limitation, then the historic site tax exemption will end effective on the date on which the special valuation or ad valorem tax limitation becomes effective. The Historic and Cultural Landmarks Commission (HCLC) reviewed and approved the verification applications for the Properties on the dates set forth in the table below. Staff presents that it has made an investigation of the Properties and has verified that the projects have been completed in accordance with the Historic Preservation Ordinance.

| Location | Taxing Year* | Land Value | Improvement (Structure) Value | Homestead Exemption | Base-Year Taxable Value | Required Expenditure | Total Expended | Completed Application | HCLC Verification |
|--------------------|--------------|--------------|-------------------------------|---------------------|-------------------------|----------------------|----------------|-----------------------|-------------------|
| 2411 N Main St | 2023 | \$145,600.00 | \$285,400.00 | N | \$431,000.00 | \$82,000.00 | \$121,875.00 | 9/6/2024 | 4/14/2025 |
| 1405 E Leuda St | 2022 | \$5,000.00 | \$30,856.00 | N | \$35,856.00 | \$7,171.00 | \$13,500.00 | 10/31/2023 | 3/10/2025 |
| 950 E Pulaski St | 2022 | \$5,000.00 | \$61,888.00 | N | \$66,888.00 | \$18,372.00 | \$151,343.00 | 4/18/2023 | 3/10/2025 |
| 1712 Alston Avenue | 2023 | \$113,300.00 | \$246,700.00 | N | \$360,000 | \$49,340.00 | \$80,000.00 | 6/16/2024 | 1/13/2025 |

*This represents the year prior to the year in which the historic site tax exemption application was deemed complete by the historic preservation officer.

The estimated loss of property tax revenue over the next ten years as a result of these exemptions was calculated using the following equation from the FWLab: \$366,718.00 in total expended value x 0.6725/100 x 10 years = \$24,661.79.

These properties are located in COUNCIL DISTRICT 2, COUNCIL DISTRICT 8, AND COUNCIL DISTRICT 9.

A Form 1295 is not required because: This M&C does not request approval of a contract with a business entity.

FISCAL INFORMATION / CERTIFICATION:

The Director of Finance certifies that upon final approval of the Historic Site Tax Exemption-Verification applications, a loss of an estimated \$24,661.79 in property tax revenue may occur over the next ten-year period. This reduction in revenue will be incorporated into the long-term financial forecast upon the Historic Site Tax Exemption being officially granted.

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