

Mayor and Council Communication

DATE: 06/11/24

M&C FILE NUMBER: M&C 24-0460

LOG NAME: 06HSTE VERIFICATION 2ND QUARTER 2024

SUBJECT

(CD 2, CD 8, and CD 9) Verify Completion of Rehabilitation Projects for the Historic and Cultural Landmark Properties Located at 1204 W Arlington Street, 1308 Lincoln Avenue, 1320 Lincoln Avenue, 1324 Lincoln Avenue, 1328 Lincoln Avenue, 1805 5th Avenue, 4445 Rolling Hills Drive, 2228 Fairmount Avenue, 1133 E Pulaski Street, and 2255 Washington 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 1204 W Arlington Street, 1308 Lincoln Avenue, 1320 Lincoln Avenue, 1324 Lincoln Avenue, 1328 Lincoln Avenue, 1805 5th Avenue, 4445 Rolling Hills Drive, 2228 Fairmount Avenue, 1133 E Pulaski Street, and 2255 Washington Avenue; and
2. Declare that 1204 W Arlington Street, 1308 Lincoln Avenue, 1320 Lincoln Avenue, 1324 Lincoln Avenue, 1328 Lincoln Avenue, 1805 5th Avenue, 4445 Rolling Hills Drive, 2228 Fairmount Avenue, 1133 E Pulaski Street, and 2255 Washington Avenue be 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 1204 W Arlington Street, 1308 Lincoln Avenue, 1320 Lincoln Avenue, 1324 Lincoln Avenue, 1328 Lincoln Avenue, 1805 5th Avenue, 4445 Rolling Hills Drive, 2228 Fairmount Avenue, 1133 E Pulaski Street, and 2255 Washington 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
1204 W Arlington St	2021	\$75,000.00	\$73,688.00	N	\$148,688.00	\$14,738.00	\$355,325.00	6/9/2022	12/11/2023
1308 Lincoln Ave	2020	\$15,000.00	\$45,000.00	N	\$60,000.00	\$9,000.00	\$9,437.00	1/20/2021	12/11/2023
1320 Lincoln Ave	2020	\$15,000.00	\$51,000.00	N	\$66,000.00	\$10,200.00	\$10,200.00	1/20/2021	12/11/2023
1324 Lincoln Ave	2020	\$15,000.00	\$50,000.00	N	\$65,000.00	\$10,000.00	\$10,000.00	1/20/2021	12/11/2023
1328 Lincoln Ave	2020	\$15,000.00	\$50,000.00	N	\$65,000.00	\$10,000.00	\$10,000.00	1/20/2021	12/11/2023
1805 5th Ave	2021	\$75,000.00	\$213,841.00	Y	\$231,073.00	\$42,768.00	\$373,433.00	1/21/2022	12/11/2023
4445 Rolling Hills Dr	2022	\$137,400.00	\$385,769.00	Y	\$418,535.00	\$77,154.00	\$80,000.00	3/7/2023	12/11/2023
2228 Fairmount Ave	2022	\$75,000.00	\$195,000.00	Y	\$216,000.00	\$39,000.00	\$81,563.00	2/17/2023	1/8/2024
1133 E Pulaski St	2022	\$5,000.00	\$28,129.00	N	\$33,129.00	\$5,626.00	\$96,584.00	11/1/2023	3/27/2024

2255 Washington Ave	2021	\$75,000.00	\$163,134.00	Y	\$190,508.00	\$32,627.00	\$35,823.00	9/9/2022	3/27/2024
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*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 was calculated using the following equation from the FWLab group: $\$71,444.05 (\$1,062,365.00 \text{ (expended value)} \times 0.6725/100) \times 10 \text{ yrs.}$

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

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 \$71,444.05 in property tax revenue 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.

Submitted for City Manager's Office by: Dana Burghdoff 8018

Originating Business Unit Head: D.J. Harrell 8032

Additional Information Contact: