

HISTORIC PRESERVATION ADVISORY BOARD

DECEMBER 7, 2017

The Historic Preservation Advisory Board of the City of McKinney, Texas met in regular session in the 2nd Floor Conference Room of the Municipal Building on Thursday, December 7, 2017 at 5:30 p.m.

Board Members Present: Chairperson Jonathan Ball, Vice-Chairperson Amber Douzart, Peter Bailey, Shannon Burton, Terrance Wegner, and Lance Hammond

Board Member Absent: Karen Zupanic

Staff Present: Planning Manager Matt Robinson, Historic Preservation Officer Guy Giersch, and Administrative Assistant Terri Ramey

There were two guests present.

Chairperson Ball called the meeting to order at 5:30 p.m. after determining a quorum was present.

The Board unanimously approved the motion by Board Member Burton, seconded by Board Member Wegner, to approve the following consent item, with a vote of 5-0-0.

**17-1159 Minutes of the Historic Preservation Advisory Board
Regular Meeting of November 2, 2017**

END OF CONSENT

Chairperson Ball continued the agenda with the Discussion Items.

**17-1160 Discuss McKinney's Historic Neighborhood
Improvement Zone (HNIZ) Tax Exemption Program**

Mr. Guy Giersch, Historic Preservation Officer for the City of McKinney, gave a presentation on the Historic Neighborhood Improvement Zone (HNIZ) Tax Exemption Program. He stated that the program was initially adopted in 2007 with a maximum annual aggregate cap for the program of \$50,000 per year. Mr. Giersch stated that the annual aggregate cap for the tax incentive was increased to \$100,000 per year in 2013 and \$150,000 per year in 2015. He stated that since the HNIZ Program was adopted in 2007, the City has approved a total of 99 houses for the program. Mr. Giersch stated that the current annual aggregate cap for the program is almost met. He explained the three levels of tax incentive exemptions. Mr. Giersch asked the board members for their recommendations for the program. He stated that Staff would be going before City Council at the December 18, 2017 Work Session to receive direction from Council.

Board Member Burton asked if any of the houses in the program would be terming out soon to make more money available in the program. Mr. Giersch stated that none of the approved houses were close to terming out in the program.

Board Member Burton asked if the Historic Preservation Advisory Board had only approved Level 1 tax incentives. Mr. Giersch said yes. He stated that Level 2 and Level 3 tax incentives require approval from the Building and Standards Commission.

Board Member Bailey stated that the City of McKinney has a unique and large historic district compared to other cities. He stated that our historic district brings people to the city and that they then spend money at the various restaurants and shops.

Board Member Burton asked if the requested increase in the yearly amount would cover the property value increases in the current houses and new houses added to the program. Mr. Giersch said it would cover both for a period of time.

Board Member Wegner stated that if the yearly amount was increased to \$200,000 that it could be depleted in a couple of years. Mr. Matt Robinson, Planning Manager for the City of McKinney, stated that Staff had gone before City Council two years ago for an increase in the program and it was almost maxed out. He asked the board members for feedback on the program.

Board Member Hammond arrived at 5:44 p.m.

Board Member Wegner suggested asking for a larger increase and setting the yearly limit for the program to \$250,000, so that it would not be depleted so quickly.

Chairperson Ball asked Staff how they thought the new City Council members felt about the program and how much they might be willing to increase the yearly tax incentive amount. Mr. Robinson stated that Staff would take the board member's feedback to City Council. He stated that Staff would be seeking City Council's direction at the work session on Monday, December 18th. Mr. Robinson stated that Staff would then work on revising the ordinance and bringing it back before City Council at a later date for consideration.

Board Member Wegner stated that \$250,000 was not a lot of money for the benefits that were generated with the program. He stated that the program was very important for the Historic District.

Board Member Hammond stated that the total amount allowed in the program would not necessarily be spent each year. He stated that a number of factors would determine how much money was spent.

Board Member Burton asked how many houses have been added to the program in the past couple of years. Mr. Robinson stated that the number of houses added to the program had increased over the past couple of years. He stated that the valuation of the properties had also increased over time, which decreased the yearly total amount available in the program.

Board Member Bailey asked if the Historic Preservation Advisory Board Members need to attend the City Council Work Session on Monday, December 18th. Mr. Giersch stated that they were welcome to attend it; however, if more than three members attended the meeting it would need to be posted as having a quorum present. Mr. Robinson stated that Staff would be presenting to City Council and asking for their direction. He stated that it would not be a public hearing item. Mr. Robinson stated that what he was hearing was that the general recommendation from the Board Members was that they recommended increasing the program's aggregate cap to \$250,000 yearly.

Board Member Bailey questioned how long that amount might last before maxing out. Mr. Robinson stated that it would depend on a variety of things. Mr. Giersch stated that there were approximately seven submittals for the program pending at this time.

Board Member Wegner asked when one of the houses in the program sells if the tax exemption continues with the new owners. Mr. Giersch said yes and that it is tied with the property and not the property owners.

Board Member Wegner stated that at some point there would be a saturation point. He stated not all buildings were significant. Mr. Giersch stated that was true. Mr. Robinson stated that the program covers a larger area than just the Historic District. He stated that it covered the Historic Neighborhood Investment Zone as shown in Exhibit A in the ordinance, which was included in the Staff Report.

Board Member Bailey asked if Staff was looking at making changes to the Neighborhood Empowerment Zoning (NEZ) program. Mr. Robinson stated that Staff was not looking at making any changes to it at this time. Mr. Giersch stated the NEZ program had to do with new construction and impact fee reimbursements. He stated that the

program is designed to get new construction to be compatible with the surrounding neighborhood.

17-1161 Discuss Historic Home Recognition Calendar

Mr. Guy Giersch, Historic Preservation Officer for the City of McKinney, stated that Staff had received approximately 50 nominations for the 2018-2019 Historic Home Recognition Program calendar. A list of the nominations was distributed to the Board Members. He requested that they go by the nominated houses to rank them on a scale of 1 – 5, with one being the lowest score and five being the highest score, prior to the next meeting. Mr. Giersch stated photographs of each nominated house would be viewed and voted on at the January meeting. He stated that the Board Members would rank the 14 houses in order to select the houses that will be featured in the next calendar.

Chairperson Ball suggested that the calendar should have a variety of architectural styles. Board Member Wegner requested that Staff add the architectural style for each house to the scoring sheet.

END OF DISCUSSION ITEMS

Mr. Guy Giersch, Historic Preservation Officer for the City of McKinney, discussed the draft electronic Walking Tour for the Historic District. He asked the Board to review it and note any corrections that needed to be made. He thanked Vice-Chairperson Douzart's assistant in developing the electronic document. Board Member Wegner suggested including all of the properties with historic markers to the electronic Walking Tour. Mr. Giersch stated that there would be an electronic Downtown McKinney Walking Tour created at a later time. Board Member Bailey asked if the City would have electronic devices that could be loaned out to the public for the Walking Tours. Mr. Giersch stated that was not possible at this time and that it might be hard to get the devices back afterwards.

There being no further business, Chairperson Ball declared the meeting adjourned at 6:13 p.m.

JONATHAN BALL
Chairperson