

AGENDA ITEM

SUBJECT: 1201 Howell Street

NAME OF OWNER: Welch, Brandy

NAME OF INTERESTED PARTIES:

OWNER'S ADDRESS: 1201 Howell Street
McKinney, TX 75069-4517

LEGAL DESCRIPTION OF THE PROPERTY:

Bush Garland addition, Blk 5, Lot 3-4-5b
Tax # R-0865-005-0030-1

GENERAL DESCRIPTION OF STRUCTURE: 1 story, wood frame

ZONING DISTRICT: "RS-60"

DATE STRUCTURE WAS PRESENTED A LETTER OF ELIGIBILITY FOR WORK WHICH QUALIFIES FOR HISTORIC TAX EXEMPTION February 23, 2017

SUPPORT DOCUMENTATION:

Staff Report
Copy of Letter of Eligibility
Receipt(s) for Work Completed
Final Inspection

STAFF RECOMMENDATION:

Staff is recommending final approval of the 50% tax exemption for 1201 Howell Street under Level 2 of the Historic Neighborhood Improvement Zone Tax Exemption Program.

COMMENTS:

STAFF REPORT

DATE: June 6, 2017

FROM: Guy R. Giersch, Historic Preservation Officer

THROUGH: Matt Robinson, AICP, Planning Manager

SUBJECT: Letter of Eligibility to Qualify the Residential Property Located at 1201 Howell Street for a Level 2 or Level 3 Historic Neighborhood Improvement Zone (HNIZ) Tax Exemption.

STAFF RECOMMENDATION: Staff is recommending final approval of a Level 2 (50%) tax exemption for 1201 Howell Street under the Historic Neighborhood Improvement Zone Tax Exemption Program.

ITEM SUMMARY: On February 23, 2017, Staff issued a Letter of Eligibility determining that the proposed improvements at 1201 Howell Street would qualify for a Level 2 or Level 3 tax exemption.

On May 10, 2017, the applicant submitted paid receipts for the following:

- Replace roof (exterior) total \$15,835.25

The applicant has submitted the necessary documentation to qualify for a Level 2 (50%) tax exemption since the total money spent on verified exterior improvements exceeds \$10,000 and was completed within the allotted time period. The Historic Preservation Officer has confirmed the documentation and the work.

BACKGROUND: On February 6, 2007, the City Council passed Ordinance #2007-02-014, as amended by Ordinance #2013-11-110 and 2015-12-105. The goal of the ordinance is to encourage preservation of McKinney's historic residential core by providing tax exemptions to owners of homes within a defined geographic area called the Historic Neighborhood Improvement Zone.

The ordinance establishes three levels under which owners of residential properties located in the Historic Neighborhood Improvement Zone may receive tax exemptions based on verified investments meeting specified criteria.

Under a Level 1 exemption, homes which receive a designation of the Historic Marker may receive a 100% exemption of the City's ad valorem taxes for a period of 7 years. Level 1 exemption (and its accompanying Historic Marker) is administered by the Historic Preservation Officer and the Historic Preservation Advisory Board.

Under Level 2, owners who make verified exterior improvements costing at least \$10,000 during any 12-month period may receive a 50% exemption of the City's ad valorem taxes for a period of 15 years.

Under Level 3, owners who make verified exterior and/or interior improvements costing at least \$5,000 during any 12-month period may receive a 30% exemption of the City's ad valorem taxes for a period of 15 years. If an owner submits plans for additional improvements under Level 2 or Level 3 during any period of exemption previously granted under Level 3, such owner, upon approval of the Building and Standards Commission, may receive an exemption of 50% of the ad valorem taxes for a period of 15 years from the date of such approval.

The application process for Level 2 and Level 3 requires owners to submit plans for proposed improvements to residential properties to the Historic Preservation Officer (and to the Building Permits Department, if a building permit is required). Owners then receive a Letter of Eligibility if the Historic Preservation Officer determines that the proposed improvements qualify for the tax exemption program. Upon completion of the improvements, owners are required to submit documentation to the Historic Preservation Officer acknowledging that the improvements have been made in accordance with the plans and verifying that the eligible costs have been incurred. After receiving the final documentation from the applicant, the HPO completes a field investigation of the property to confirm the documentation.

The Ordinance states that: Owners may submit additional applications under Level 2 during any period of exemption. If such applications are approved, the exemption period shall be extended from the date of the last approval. In such event, the exemption periods run concurrently until the earliest approval expires and continues until the latter approval expires.

For the verification process to be completed under Level 2 or Level 3, tax exemptions require final determination by the Building and Standards Commission.

ATTACHMENTS:

- Letter of eligibility
- Paid receipt
- Copy of Final Inspection Report



February 23, 2017

Brandy Welch and Kevin Kovatch
1201 Howell Street
McKinney, Texas 75069

RE: 2017-002HT Letter of Eligibility to Qualify the Residential Property Located at 1201 Howell Street for a Level 2 or Level 3 Historic Neighborhood Improvement Zone (HNIZ) Tax Exemption.

Dear Ms. Welch & Mr. Kovatch:

This letter shall serve as your Letter of Eligibility for the Historic Neighborhood Improvement Zone (HNIZ) Tax Exemption Program. Your application for 1201 Howell Street was received on February 22, 2017.

The following proposed improvement(s) are eligible:

- Replace roof (exterior)

Upon completion of the improvements, dated, paid, final receipts from the contractor must be submitted to this office for verification. Once copies of receipts are verified and the project is inspected, a Staff Report will be forwarded to the next meeting of the Building and Standards Commission for approval or denial of the tax exemption. **Note: The costs of the new porch will not count toward the \$10,000 threshold. Please keep those costs separate.**

From the date of issuance of this Letter of Eligibility, you have 1 year to complete any or all of the proposed improvements listed above. Depending on the combination of verifiable costs of these exterior and interior improvements, you may qualify for a Level 2 or Level 3 exemption. If the total costs of eligible *exterior* improvements are in excess of \$10,000, you may receive an exemption of 50% of the City's ad valorem taxes for a period of 15 years (Level 2 of the Historic Neighborhood Improvement Zone Program). If the combined cost of eligible *interior or exterior* improvements is in excess of \$5,000, you may receive an exemption of 30% of the City's ad valorem taxes for a period of 15 years (Level 3 of the Historic Neighborhood Improvement Zone (HNIZ) Tax Exemption Program).

Please be advised that there is an aggregate cap of \$150,000 on the total amount of ad valorem taxes that can be exempted in any budget year under any or all of the levels set forth in the HNIZ Tax Exemption Program. Therefore, it is possible that the completion of eligible improvements may not result in a historic tax exemption should capacity not be available in the program. At this time, capacity is still available in the program.

If you have any questions about the approval of this item, please contact the Historic Preservation Officer at 972-547-7416.

Sincerely,

Guy R. Giersch, Historic Preservation Officer

Guy R. Giersch
Historic Preservation Officer

"The Planning Department consistently strives to provide quality, professional customer service to our applicants. In an effort to evaluate and improve the service we provide, we ask that you complete this brief customer service survey. We sincerely appreciate your responses and opinions!"

0973083

11-24

Office AU #

1210(8)

CASHIER'S CHECK

Remitter: KEVIN KOVATCH

Purchaser: KEVIN KOVATCH

Purchaser Account: 2538774726

Operator I.D.: u437644 u466515

Funding Source: Electronic Items(s), Paper Items(s)

PAY TO THE ORDER OF ***TOWN AND COUNTRY ROOFING, INC.***

May 09, 2017

Fifteen thousand eight hundred thirty-five dollars and 25 cents

***\$15,835.25**

Payee Address:

Memo: 1201 HOWELL ST MCKINNEY, TX 75069

WELLS FARGO BANK, N.A.
2020 W UNIVERSITY DR
MCKINNEY, TX 75071
FOR INQUIRIES CALL (480) 394-3122

NOTICE TO PURCHASER - IF THIS INSTRUMENT IS LOST,
STOLEN OR DESTROYED, YOU MAY REQUEST CANCELLATION
AND REISSUANCE. AS A CONDITION TO CANCELLATION AND
REISSUANCE, WELLS FARGO BANK MAY IMPOSE A FEE AND
REQUIRE AN INDEMNITY AGREEMENT AND BOND.

VOID IF OVER US \$ 15,835.25

NON-NEGOTIABLE

Purchaser Copy

Town & Country Roofing, Inc.
 4900 Preston Road
 Suite 101
 Frisco, TX 75034

972-377-8188
 townandcountryroofingdfw.com



Invoice

Bill To
KEVIN KOVATCH 1201 HOWELL ST MCKINNEY, TX 75069

Date	Invoice #
4/6/2017	502

Rep	Project
CLENT	REROOF 4/17

Description	Quantity	Price/each	Amount
REMOVE EXISTING LAYER(S) OF ROOFING INSPECT DECKING AND REPLACE AS NEEDED INSTALL 30YR. OC TRU DEF SHINGLE - ONYX BLACK PAINT ALL TO MATCH SHINGLE SOLAHIDE RADIANT UNDERLAYMENT REPLACE GUTTERS & DOWNSPOUTS SBS BASE & CAP (FOR FUTURE DECK) CLEAN PROPERTY AND DRAG WITH MAGNET CITY PERMIT FEE	1	12,285.00	12,285.00
		1,310.00	1,310.00
		1,400.00	1,400.00
		575.00	575.00
	1	265.25	265.25
Make all checks payable to: Town and Country Roofing, Inc. All Major Credit Cards Accepted	Payments/Credits		\$0.00
1st Payment due at roof completion 2nd payment due once insurance depreciation is received and all additional work is completed.	Balance Due		\$15,835.25

Thank you for your business.

Jun 6, 2017

City of McKinney
Building Inspections Department

Permit # 17-3349

Address 1201 HOWELL ST

Bldg/Suite

Type of Inspection

Status

RE ROOF FINAL

APPROVED

Violation

Picked up paperwork

Print Form

Oscar Mejia
972-978-2284