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ARTICLE III. - HISTORIC NEIGHBORHOOD IMPROVEMENT ZONE

[Sec. 98-83. - Created.](#)

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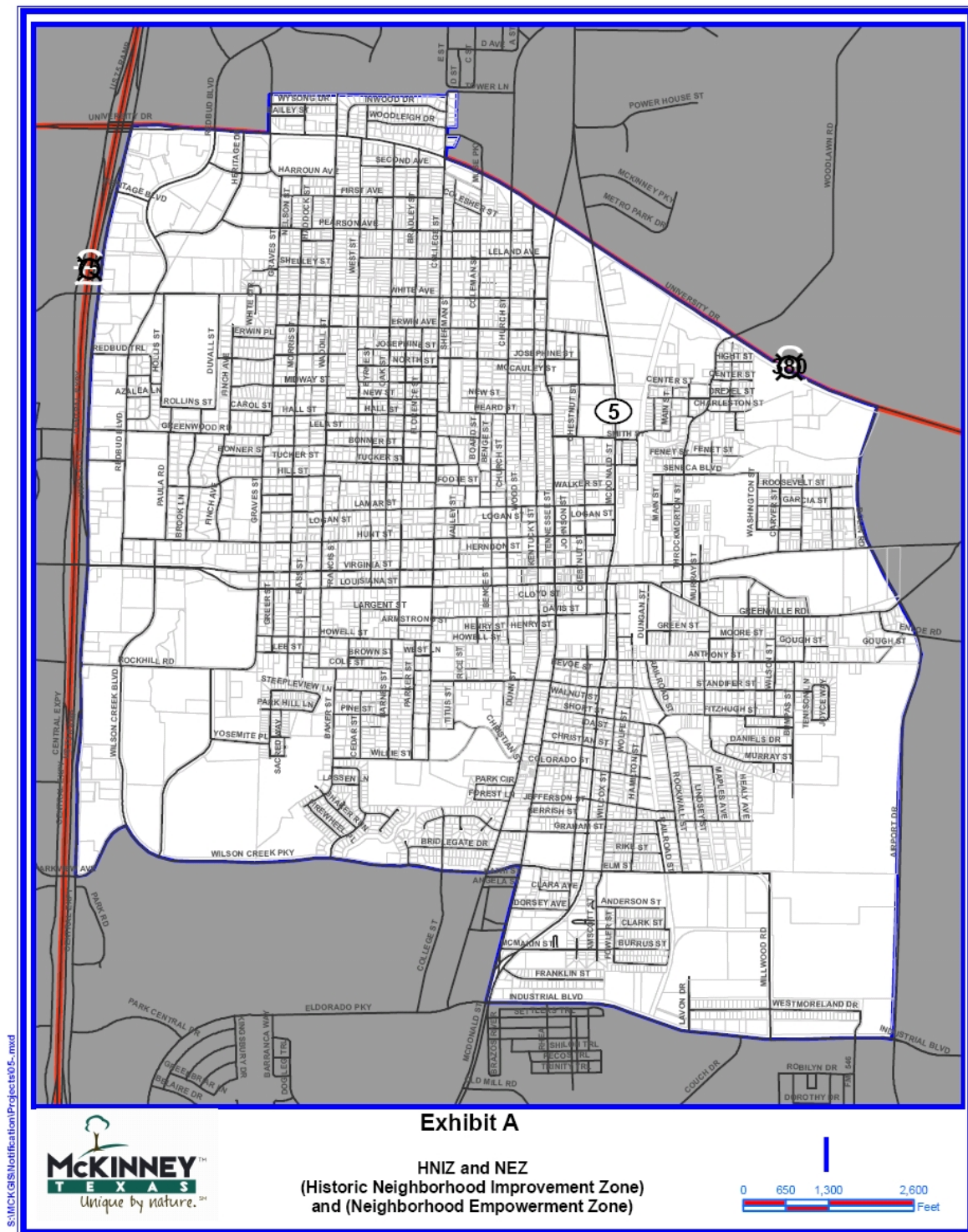
[Sec. 98-85. - Neighborhood empowerment zone.](#)

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Sec. 98-83. - Created.

A Historic Neighborhood Improvement Zone ("HNIZ") is hereby created for the purpose of preserving the city's unique and historic neighborhoods while encouraging property owners to maintain and/or rehabilitate their residences. The HNIZ shall be as shown on the graphic labeled Exhibit A attached hereto.

Exhibit A
Historic Neighborhood Investment Zone Graphic



(Ord. No. 2007-02-014, § 2, 2-6-2007; Ord. No. 2008-04-030, § 2, 4-1-2008)

Sec. 98-84. - Historic Neighborhood Improvement Zone Program.

A Historic Neighborhood Improvement Zone Program ("program") is created wherein owners in the defined geographic HNIZ may receive ad valorem tax exemptions (land and building improvements) based on verified investment meeting specified criteria. This program consists of three levels of participation and corresponding tax exemptions.

- (1) *Level 1:* Residential properties which receive the designation of the Historic Marker Program by the HPAB may receive a 100 percent exemption of the city's ad valorem taxes for a period of 15 years. The process and criteria for receiving the Historic Marker designation are as follows:
Purpose: The purpose of the marker program is to encourage owners of historic properties to become actively involved in the preservation of McKinney's historic past through the recognition of historic events, people, and architecture.
- a. The marker, if awarded, would allow the owner of the building to apply for a tax incentive provided the building has been rehabilitated/restored according to the Secretary of the Interior's Standards.
 - b. The following requirements would have to be met to obtain a marker:
 1. Written documented history.
 2. The building must be a minimum of 50 years of age.
 3. The house must be located within the HNIZ.
 4. Photo documentation of all four elevations using B&W photos with negatives, color slides, and copies of any available historic photographs.
 5. Legal description of the property with a location map.
 6. Site plan of the property.
 - c. The application is reviewed by the historic preservation officer (HPO). The HPO may ask for additions or revisions to the documentation if necessary. Once the application is completed the HPO will send a staff report to the historic Preservation advisory board (HPAB) for approval or denial of the historic marker application, with appropriate appeals to the city council.
 - d. If awarded, the owner may purchase and display the marker.
 - e. If the HPAB approves the marker the applicant may make application to the HPO for a tax incentive and would receive approval by the HPAB, with appropriate appeals to the city council, provided the building has architectural integrity and has been properly rehabilitated/restored and maintained. The marker and tax incentive may be sought simultaneously or separately.
- (2) *Level 2:* Owners shall submit plans for exterior improvements to residential properties to the HPO. The owner may then receive a letter of eligibility if the improvements qualify for the program. Thereafter, owners who make verified exterior improvements (however limited to comprehensive maintenance and rehabilitation painting, roof, windows, foundation, and siding) consistent with applicable codes, both historic district and building codes, as applicable, in any 12-month period beginning with receipt of a letter of eligibility and having a combined cost in excess of \$10,000.00, during that 12-month period, may receive an exemption of 50 percent of the city's ad valorem taxes for a period of 15 years, as finally determined by applications submitted to the building and standards commission. 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.
- (3) *Level 3:* Owners shall submit plans for improvements to residential properties to the HPO and to the building permits department. The owner may receive a letter of eligibility, if the improvements qualify for the program. Owners who make verified exterior improvements (however limited to comprehensive maintenance and rehabilitation painting, roof, windows, foundation, and siding) consistent with applicable codes, both historic district and building codes, as applicable, or who make verified interior improvements to upgrade interior systems to current building codes; however limited to sanitary sewer lines, fire, HVAC, insulation, electrical, plumbing, or a combination of interior or exterior improvements, in any 12-month period beginning with receipt of a letter of eligibility and having a combined cost in excess of \$5,000.00, during that 12-month period may receive an exemption of 30 percent of the city's ad valorem taxes for a period of 15 years, as finally determined by applications submitted to the building and standards commission. 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, shall receive an exemption of 50 percent of the ad valorem taxes for a period of 15 years from the date of such approval.
- (4) *Aggregate cap (per year):* The city council may impose an aggregate cap on the total amount of ad valorem taxes which would be exempted in any budget year under any or all of the levels set forth in subsections (a) through (c) of this section. The annual cap shall be exhausted on a "first come, first served" basis, as determined by the actual date the city receives a completed application. The cap shall be a tool to limit any budgetary concerns based on yearly fluctuations in tax revenues, and as such, the annual cap may be raised or lowered each year by the city council. For calendar year 2007 and continuing annually thereafter until otherwise adjusted by the city council, the aggregate cap on exempted ad valorem taxes shall be \$50,000.00 per year.
- (5) *Program suspension:* The city council may suspend the program at any time.
- (6) *Implementation:* The city shall set up an application process providing for the review of

applications based upon administrative guidelines promulgated by the HPO, verification of improvements and certification of the exemptions. The administrative guidelines shall be consistent with this section yet provide flexibility in reviewing, granting and processing exemptions. The exemption may continue and be transferable upon sale of the property so long as an annual written certification by the owner is timely received by the city. Code inspection and periodic checks on annual owner certifications for previously-constructed exterior improvements shall be a key element to verification of new construction as well as maintenance of improvements.

- (7) *Neighborhood Empowerment Zone (NEZ) Overlay under Local Government Code Chapter 378:* The HNIZ shall be geographically coexistent with the NEZ. Within the NEZ, new single-family, residential construction commencing on a lot of record, which lot of record existed as of the effective date of this article, shall receive residential impact fee waivers provided that the design and completion of the new construction is generally compatible with the massing, size, scale, and architectural features of the surrounding neighborhood. Prior to construction, an application shall be made to the HPO, who shall determine whether the proposed construction is eligible for the waiver of impact fees. Impact fees shall be collected at the time of building permit issuance and remitted to the owner upon completion and final inspection of compliant construction. The HPO shall make a determination of eligibility for impact fee waivers based, in part, on the "Guidelines for New Construction in the NEZ" set out as Exhibit B below and made a part hereof for all purposes. Appeals of the HPO's determination of eligibility for impact fee waivers shall be made to the city council.

EXHIBIT B GUIDELINES FOR NEW CONSTRUCTION IN THE NEZ

GUIDELINES FOR NEW CONSTRUCTION IN THE NEIGHBORHOOD EMPOWERMENT ZONE

New construction in the Neighborhood Empowerment Zone (NEZ) should be compatible with the massing, size, scale, and architectural features of the surrounding homes. New construction in the NEZ should not attempt to recreate or replicate a past architectural style in its entirety but should take cues from the architectural and design elements of surrounding historic structures. No specific architectural style shall be required for new construction in the NEZ.

The following aspects of new construction in the NEZ should be visually compatible with the buildings and environment with which the new construction is related. These include but are not limited to: height, proportion between width and height of facade, proportion and relationship between doors and windows, rhythm of solids and voids created by openings in the facade, materials, textures, colors, patterns, trims, and design of the roof. New construction in the NEZ should also preserve the existing rhythm created by existing building masses in the neighborhood.

Height: All new construction in the NEZ should take into consideration the general height of the buildings in the neighborhood and shall also comply with the regulating zoning district.

Proportion of the buildings front facade: The relationship of the width to height of a building creates a proportion that should be taken into consideration (such as tall and narrow, low and squat, or square). This proportional relationship should reflect the dominant character of the neighborhood.

Proportion of openings within the facade: This is a relationship of the width to height of windows and doors. For example, a window may be one unit wide and three units high, thus creating a proportional relationship of 1:3. If the majority of the buildings within a neighborhood have this 1:3 relationship, then new design should reflect this proportion as well. Large picture windows or horizontal bands of windows should be avoided. Modern interpretations of historic windows are acceptable if they retain the historic size ratios and pattern of placement on the facade. Doors should also be compatible in proportion. (See Illustration 1)

Illustration 1

Window Proportion:
The proportional relationship of the width to the height of the windows combined with the high pitch of the roof creates a tall elevated feeling.



Rhythm of solids to voids: Rhythm is an ordered recurrent alternation of wall to openings as well as spacing between buildings. This rhythm creates a feel as one moves past a building or group of buildings. The design of a new structure in the NEZ should respect the rhythm of the surrounding neighborhood in terms of its size, distance between buildings on either side, and the spacing of windows and doors. (See Illustration 2)

Illustration 2

Rhythms:

The grouping of windows creates a rhythm.



Relationship of materials: New designs in the NEZ should use materials that are compatible with the neighborhood and should seek to reflect the predominant materials found in the neighborhood. If the majority of existing buildings are brick, then the proposed building should be brick. If the predominant material is lap siding, then the proposed material should be lap siding. The texture and color of the materials should be considered as well and be compatible with the surrounding buildings.

Relationship to roof shapes: Roof shape includes the type and pitch of the roof (such as hip, gable, mansard, or shed). The treatment of the eaves, rafter tails, soffits, bargeboards, and fascia are important considerations when designing any new construction in the NEZ. For example, if the majority of the existing houses in a neighborhood have a gabled roof, then the proposed new construction should have a gabled roof. Additionally, if the existing buildings in a neighborhood have boxed eaves, then the new construction should seek to either incorporate the same or similar design element.

Relationships to architectural details: Architectural details include features such as cornices, brackets, columns, lintels, arches, roof crests, quoins, balustrades, doors, windows, and chimneys. New construction in the NEZ should be compatible with the predominant architectural details on surrounding buildings. These details do not need to be copied in the new construction, but they should be reflected in some manner. For example, if the majority of houses in the neighborhood have pediments above the windows, then the new construction should reflect pediment-like features above the windows as well. Additionally, chimneys that are not constructed of historical materials (brick or stone) should be located to the rear of the building in order to reduce the visibility of the modern chimney covering from the public-right-of-way.

Scale: Scale is created by the architectural detailing that relates to the size of a human and by the building mass as it relates to open space. A large building on a small lot has a different appearance when compared to a large building on a large lot. This relationship should be considered when designing for a particular neighborhood. New construction in the NEZ should observe the scale of surrounding and nearby structures. The window and door lines should be similar to neighboring structures. The detailing should be consistent with the size of the building. For example, a small house should not have massive or oversized details and decorations.

Massing: The term massing refers to how the basic shapes of the building are fit together. Massing can be very simple, such as a single rectangular shape, be more complex with an L-shape, or have a combination of shapes. Additional massing elements are also found among the different architectural styles. For example, in Victorian architecture, elements such as bays, towers, and turrets add to the basic massing of the house. Massing patterns of the neighborhood structures should be considered and reflected in the design of new construction in the NEZ. New construction in the NEZ shall also comply with the floor-area-ratios dictated by the regulating zoning district.

Directional expression of the front elevation: The use of architectural details and the proportion of the width to height ratio create structural shape. The structural shape will be expressed either vertically or horizontally. A building with a ratio of 1:5 will have a vertical appearance while a ratio of 5:1 would have a horizontal appearance. Tall narrow windows give a vertical appearance while wide windows tend to create a horizontal feel. New construction in the NEZ should observe the predominant feel of the surrounding area.

Rhythm of spacing and setbacks: It is important that new construction in the NEZ be consistent with adjacent structures in spacing and setback, which sets a rhythm for the block and neighborhood and is a part of the historic character. The setback of new construction in the NEZ should generally be within ten

percent of the setback lines of the adjacent structures. Setbacks for new construction in the NEZ should maintain the existing pattern of setbacks in the block if at all possible. New construction in the NEZ shall also comply with the setbacks dictated by the regulating zoning district. (See Illustration 3)

Illustration 3

Aligned Setbacks and
Rhythm of Spacing



Variation of styles: If groupings of two or more new homes are being built in the same area, then the new construction should reflect a variation in the styles of homes. It is not appropriate to build the same home or simply change the position of the front porch or the type of window or front door to comply with these criteria.

(Ord. No. 2007-02-014, § 2, 2-6-2007; Ord. No. 2008-04-030, § 2, 4-1-2008)

Sec. 98-85. - Neighborhood empowerment zone.

A neighborhood empowerment zone (NEZ) as set forth in V.T.C.A., Local Government Code ch. 378, as amended, is hereby created to promote the rehabilitation of affordable housing in the NEZ. The NEZ shall be geographically coexistent with the HNIZ.

(Ord. No. 2007-02-014, § 2, 2-6-2007)

Secs. 98-86—98-113. - Reserved.