



CITY OF MCKINNEY, TEXAS

Legislation Details (With Text)

File #:	HP2023-0043	Name:	HNIZ Historic Marker Exemption 512 W Virginia
Type:	Agenda Item	Status:	Regular Agenda Item
		In control:	Historic Preservation Advisory Board
On agenda:	5/4/2023	Final action:	5/4/2023
Title:	Consider/Discuss/Act on a Request by Heidi and John Lario for Approval of a Historic Marker Level (1) Historic Neighborhood Improvement Zone Program Tax Exemption for the Property Located at 512 W. Virginia Street.		
Indexes:			
Attachments:	1. Application, 2. Presentation		

Date	Ver.	Action By	Action	Result
5/4/2023	1	Historic Preservation Advisory Board		

Consider/Discuss/Act on a Request by Heidi and John Lario for Approval of a Historic Marker Level (1) Historic Neighborhood Improvement Zone Program Tax Exemption for the Property Located at 512 W. Virginia Street.

COUNCIL GOAL: Enhance the Quality of Life in McKinney by promoting reinvestment activities and ordinance changes in Historic Downtown McKinney that balance preservation of historic character and current market needs.

MEETING DATE: May 4, 2023

DEPARTMENT: Planning Department - Development Services

CONTACT: Cassie Bumgarner, Historic Preservation Planner
Paula Jarrett Nasta, AIA, Planning Manager

RECOMMENDED BOARD ACTION:

- Staff recommends approval of the request.

ITEM SUMMARY:

- The applicant requests approval of a Historic Marker level HNIZ Program tax exemption for the property located at 412 W Virginia.
- To be eligible for a tax exemption incentive under the HNIZ Program, residential properties must meet the minimum eligibility requirements of the program, along with specific criteria for the requested incentive level.
- Staff has reviewed the request and has found that it meets the minimum eligibility requirements of the HNIZ Program for a Historic Marker Level exemption.

- Specifically, the criteria for a Historic Marker Level incentive are as follows:
 - The property has received a historic marker designation pursuant to the Historic Mark Program requirements outlined in Chapter 98 of the City's Code of Ordinances.
 - The property owners are applying for a City of McKinney Historic Marker on May 2, 2023.
 - A minimum investment of \$10,000 in building improvements for the property has been demonstrated within at least the previous 3 years from the date of the incentive request.
 - Within the last three years, the owners have completed rehabilitation efforts to the structure, including:
 - Foundation repairs (30,160.85)

BACKGROUND INFORMATION:

- The Historic Neighborhood Improvement Zone (HNIZ) Program was established in 2008 for the purpose of preserving the city's unique and historic neighborhoods while encouraging property owners to maintain and/or rehabilitate residential properties and structures.
- The HNIZ Program includes a three-tiered incentive structure whereby residential properties that meet specified criteria are eligible to receive ad valorem tax exemptions on city taxes for a designated period of time.
- To be eligible for an HNIZ Program incentive, the following minimum general requirements apply:
 - The property shall be located within the HNIZ Program area.
 - The property shall be owner-occupied and shall maintain a homestead exemption from the Collin Central Appraisal District for the life of the incentive period.
 - Verified, eligible improvements shall have received all necessary permits and approvals, including COAs.
 - The structure, accessory structures, grounds, property elements and building elements with their materials and finishes have been maintained in good repair and in operable condition.
 - There are no pending code violations.
 - The total ad valorem taxes owed to the city must be current and paid on time.

FINANCIAL SUMMARY:

- A Historic Marker incentive carries a one-time, 100% exemption from city ad valorem taxes for a period of ten years.
- In order to limit potential budgetary concerns, the HNIZ Program has an annual aggregate cap of \$500,000 for the total amount of city ad valorem taxes that can be exempted in any budget

year.

Under the current program, Staff estimates that the total amount of ad valorem tax revenues being forgone to be approximately \$243,000.