



CITY OF MCKINNEY, TEXAS

Legislation Text

File #: 21-0990, **Version:** 1

TITLE: Consider/Discuss HNIZ Update: State of the Program 2021

COUNCIL GOAL: Enhance the Quality of Life in Downtown McKinney

MEETING DATE: November 04, 2021

DEPARTMENT: Development Services - Planning - Historic Preservation

CONTACT: Paula Jarrett Nasta, AIA, Historic Preservation & Downtown Development Planner
Jennifer Arnold, AICP, Director of Planning

RECOMMENDED HPAB ACTION: Consider/Discuss the HNIZ program

ITEM SUMMARY:

- Staff will provide an update on the state of the Historic Neighborhood Improvement Zone (HNIZ) Program to date.
- Staff seeks feedback from HPAB regarding advice for the program moving forward

BACKGROUND:

- The 2007 City Council worked through committee to create a program to support investment in the diverse housing mix in historic McKinney.
- In 2008, Council approved the three-tiered time limited HNIZ tax exemption program offering ad valorem tax exemptions for residential properties owners that invested in maintenance and/or rehabilitation.
- The City established an aggregate cap of \$50,000 of the total amount of City property taxes which could be exempted in any budget year was established to limit potential budgetary concerns. The annual cap would be reached on a "first come, first served" basis. The program could also be suspended for budgetary considerations.
- In 2013, 2015, and 2018 the City Council approved amendments raising the aggregate cap to \$250,000 and reducing the number of years for the 100% Level 1 exemption from 15 years to 7 years for any new Level 1 exemption.
- The program has grown from 3 homes in 2008 to 137 properties today. On average, the program, has added 10 houses per year.