



CITY OF HOUSTON - CITY COUNCIL

Meeting Date: 12/1/2020

District C

Item Creation Date: 11/12/2020

MYR - HSTE 1631 Oxford Street

Agenda Item#: 12.

Background:

SUBJECT: Ordinance approving a Historic Site Tax Exemption for property in a Historic District for the property located at: 1631 Oxford Street, which meets the relevant eligibility requirements of Section 44-5 of the Code of Ordinances.

RECOMMENDATION: Ordinance approving a Historic Site Tax Exemption for property in a Historic District for the property located at: 1631 Oxford Street, which meets the relevant eligibility requirements of Section 44-5 of the Code of Ordinances.

SPECIFIC EXPLANATION:

Section 44-5 of the Code of Ordinances provides an incentive for historic preservation in the form of a tax exemption for historic sites. Prior City Council designation of the property as a landmark, protected landmark, or as a contributing structure in a historic district is a prerequisite to granting a historic site tax exemption. The property owner must then demonstrate to the Chief Development Officer that restoration and preservation expenditures were made in an amount equal to at least 25% of the appraised value of the improvements and within the time frames prescribed in the Ordinance. The tax exemption amount is then calculated based on the amount spent on restoration, up to 100% of the following year’s appraised value of improvements only (not land). The exemption is for a 15-year period but is capped each year at the exemption amount calculated for year one.

The owner of the following contributing structure in the historic district submitted a sworn affidavit that meets the criteria set out in the Code of Ordinances. The table below shows the base value of improvement (pre-restoration), the amount of the restoration investment made by the property owner, the approximate dollar amount of the taxes that will be foregone for the first year based upon the Harris County Appraisal District’s 2020 property valuation and the City’s TY2021 property tax rate, and the estimated maximum amount that would be foregone over 15 years:

Contributing Structure	Historic District	Base Yr. Improvement Value (HCAD)	Total Eligible Expenditure	Estimated Yr. One Tax Benefit	Max. Estimated Tax Benefit over 15 Yr.
1631 Oxford Street	Houston Heights East	\$39,089	\$103,203	\$580	\$8,700

Since the property has been designated as a contributing structure in a historic district, and meets all other criteria, it is recommended that City Council grant this property the exemption from ad valorem taxation provided under Section 44-5 of the Code of Ordinances.

DocuSigned by:

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Andrew F. Icken, Chief Development Officer

Prior Council Action:

PCA 2019-143

PCA 2008-4

Amount of Funding:

No funding required.

Contact Information:

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ATTACHMENTS:

Description

PCA 2019-143

PCA 2018-4

HSTE Memo

Type

Backup Material

Backup Material

Backup Material

