

**REQUEST FOR COUNCIL ACTION**

**TO: Mayor via City Secretary**

**RCA #**

**SUBJECT:** Ordinances approving Historic Site Tax Exemption for properties in Designated Historic District for the property located at: 1648 Cortlandt St.; which meet the relevant eligibility requirements of Section 44-5 of the Code of Ordinances.

**Category #**

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**Agenda Item#**

**FROM: (Department or other point of origin):**

**Origination Date**

**Agenda Date**

Andy Icken  
Chief Development Officer

**SIGNATURES**



**Council Districts affected:**

C

**For additional information contact:**

Gwendolyn Tillotson  
Ketan Inamdar

**Phone:** (832) 393-0937  
**Phone:** (832) 393-0840

**Date and identification of prior authorizing Council Action:** Ord. No. 2007-0658, Res. No. 2008-0004

**RECOMMENDATION: (Summary)**

That City Council adopt Ordinance approving Historic Site Tax Exemptions for property in Designated Historic Districts for the property located at: 1648 Cortlandt St.; which meet the relevant eligibility requirements of Section 44-5 of the Code of Ordinances.

**Amount of Funding:** No funding required.

**Finance Budget:**

**SOURCE OF FUNDING:**  General Fund       Grant Fund       Enterprise Fund       Other (Specify)

**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 contributing structure in an historic district is a prerequisite to granting an 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 50% of 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 ad valorem taxes that would be owed the following year on the 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 is in historic district submitted sworn affidavits that meet 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 Harris County Appraisal District's 2015 property valuation and the City's current property tax rate, and the estimated maximum amount that would be exempt over 15 years:

Contributing Structure	Historic District	Base Yr. Improvement Value (HCAD)	Total Restoration Expenditure	Estimated Yr. One Exemption	Max. Estimated Exemption over 15 Yr.
1648 Cortlandt St	Houston Heights	\$25,800	\$645,500	\$4,478	\$67,170

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

cc: Marta Crinejo, Agenda Director  
Anna Russell, City Secretary  
Donna Edmundson, City Attorney  
Gary Dzierlenga, Senior Assistant City Attorney

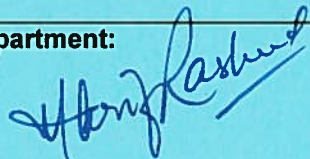
**REQUIRED AUTHORIZATION**

**Finance Department:**

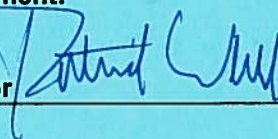
**Planning & Development Department:**

**Other Authorization:**

**Director**



**Director**



*For Kelly Dove*