



Pinellas County

Staff Report

File #: 24-0655A, **Version:** 1

Subject:

Resolutions granting historic preservation ad valorem tax exemptions for four properties in the City of St. Petersburg.

Recommended Action:

Approval of the resolutions authorizing a historic preservation tax exemption of County ad valorem taxes for improvements made to each of the four recently rehabilitated historic properties in the City of St. Petersburg identified as:

- The single-family dwelling at 458 Joyce Terrace North, a contributing historic resource in the Round Lake National Register Historic District; (PID# 18-31-17-14202-000-0280).
- The single-family dwelling at 2135 3rd Avenue North, a contributing historic property in the Southeast Kenwood Local Historic District (PID# 24-31-16-11808-009-0130).
- The commercial building at 10000 Gandy Boulevard North, the Peninsular Fruit Company Building, a Local Historic Landmark (PID# 18-30-17-11322-009-0060).
- The single-family dwellings at 336 Lang Court North, a contributing historic property in the Lang's Bungalow Court Local Historic District (PID# 19-31-17-49932-000-0030).
- The tax exemption applies only to the increase in the value of improvements after rehabilitation, as determined by the Pinellas County Property Appraiser, and is for a period of ten years.
- Were these four exemptions applied in the current fiscal year (Fiscal Year 2024), they would have resulted in a reduction of \$5,761.84 to the revenue of the Countywide Property Tax. This amount will likely increase in future years and will have similar impacts on other ad valorem collections, such as the City of St. Petersburg, the Emergency Medical Services fund, and the Health Department.

Authorize the Chair to be the signatory party for the County on the historic preservation covenant for each property and authorize the Clerk of the Circuit Court to attest the resolutions and associated covenants.

Strategic Plan:

Practice Superior Environmental Stewardship

3.2 Preserve and manage environmental lands, beaches, parks, and historical assets

Foster Continual Economic Growth and Vitality

4.3 Catalyze redevelopment through planning and regulatory programs

Deliver First Class Services to the Public and Our Customers

5.1 Maximize partner relationships and public outreach.

Summary:

The City of St. Petersburg has recommended that Pinellas County approve historic preservation ad valorem tax exemptions for four (4) property owners who have recently completed rehabilitation projects on four (4) designated historic properties in the City of St. Petersburg. The addresses for the designated historic properties are 458 Joyce Terrace North, 2135 3rd Avenue North, 10000 Gandy Boulevard North, and 336 Lang Court North.

The historic preservation tax exemption applies only to the increase in the value of improvements after rehabilitation, as determined by the Pinellas County Property Appraiser. The exemption of County ad valorem taxes is for a period of ten (10) years. Work for each project has been reviewed and certified by staff with the St. Petersburg Urban Planning & Historic Preservation Division. The St. Petersburg City Council has approved a resolution for each of the four properties granting a historic preservation exemption of the increase in City ad valorem taxes for a period of (10) ten years.

Copies of the City of St Petersburg resolutions, associated staff reports, and historic preservation covenants are provided as an informational attachment to this agenda item. These documents have been reviewed by staff in the Pinellas County Housing & Community Development Department who have concluded that the information, project work, and city approvals for each request are consistent with the intent of the historic preservation tax exemption program authorized under Chapter 118, Article V, Pinellas County Code.

Therefore, County staff recommends APPROVAL of the four (4) requested historic preservation tax exemptions for the designated historic properties referenced above and execution of the associated resolutions and covenants.

Background Information:

In 1992, the citizens of Florida passed an amendment to the state constitution enabling counties and municipalities to adopt ordinances that allow owners of designated historic properties to apply for historic preservation ad valorem tax exemptions when making substantial renovations and improvements. The Florida Legislature adopted Chapters 196.1997 and Chapter 196.1998, Florida Statutes that establish parameters and requirements for these historic preservation tax exemptions. Specifically, up to a ten-year exemption is allowed on up to 100% of the assessed value of improvements made to designated historic properties.

In January 1996, the Pinellas County Board of County Commissioners adopted an ordinance (Chapter 118, Article V, Pinellas County Code) providing for historic preservation ad valorem tax exemptions to be ten (10) years in duration on 100% of the assessed value of improvements made in rehabilitating a designated historic property.

Properties eligible for the tax exemption include buildings individually listed on the National Register of Historic Places; listed as a contributing property in a National Register Historic District; designated by local ordinance as a historic property, such as a Local Historic Landmark; or designated by local ordinance as a contributing property in a local historic district. The County's tax exemption is available to owners of eligible historic properties in the unincorporated area and in municipalities that

have adopted the historic preservation tax exemption ordinance.

Since 1996, the County has approved ad valorem tax exemptions as a historic preservation incentive for 89 applicants.

Fiscal Impact:

The City of St. Petersburg has provided the following information to estimate fiscal impact:

Property Address	Pre-construction Assessed Value	Pre-construction Tax Basis	Qualifying Rehab. Costs
458 Joyce Terrace N	\$158,221	\$3,998.29	\$416,631
2135 3rd Avenue N	\$313,771	\$5,474.90	\$46,423
10000 Gandy Blvd. N	\$305,000	\$6,411.61	\$718,515
336 Lang Court N	\$307,782	\$5,354.03	\$34,061

The “Pre-construction Tax Basis” in the table above represents what the property owners owed in ad valorem taxes before construction work started—a total of \$21,239. This amount, along with any inflationary increases or tax adjustments, will be the annual amount each property owner continues to pay in ad valorem taxes during the 10-year exemption period. The exemption applies only to the increase in market value of the subject property resulting from the recent improvements as determined by the Pinellas County Property Appraiser. The Property Appraiser’s Office will consider the “Qualifying Rehabilitation Costs” when reassessing the property after approval of the exemptions by the St. Petersburg City Council and Pinellas Board of County Commissioners.

The combined millage rate for the ad valorem exemption is currently 11.2073 (6.4675 City, 4.7398 County) for the subject properties. On average, qualified property owners save \$112.07 for every \$10,000 increase in assessed value after the exemption is granted. However, the total value of the tax exemption to be realized at the end of the 10-year period depends on future market values and tax rates, which is calculated annually using established appraisal formulas. Because of this, the total dollar value of these exemptions cannot be precisely predicted.

Past performance of historic preservation tax exemptions in the City of St. Petersburg granted since 2016 show a combined city/county tax savings average of \$1,406 per year. The range of tax savings are from a low of \$44 per year to a high of \$3,588 per year.

Staff Member Responsible:

Glenn Bailey, Interim Director, Housing & Community Development
Tom Scofield, Principal Planner, Housing & Community Development

Partners:

City of St. Petersburg

Attachments:

BCC Resolution, 458 Joyce Terrace North - PROPOSED

BCC Resolution, 2135 3rd Avenue North - PROPOSED
BCC Resolution, 10000 Gandy Boulevard North - PROPOSED
BCC Resolution, 336 Lang Court North - PROPOSED
City of St Petersburg AVT Agenda Package (informational)
Chap 118, Article V, PCC