



Pinellas County

Staff Report

File #: 23-0536A, **Version:** 1

Subject:

Resolutions approving ad valorem tax exemptions for improvements made to four historic properties in the City of St. Petersburg.

Recommended Action:

Approval of the resolutions authorizing an exemption of County ad valorem taxes for improvements made to each of the four recently rehabilitated historic properties in the City of St. Petersburg located at the following addresses:

- The single-family dwelling at 2500 Burlington Avenue North, a contributing historic property in the Kenwood National Register Historic District; (PID# 23-31-16-35082-013-0010).
- The office building at 436 2nd Street North, a contributing historic property in the Downtown St. Petersburg National Register Historic District (PID# 19-31-17-74466-004-0010).
- The single-family dwelling at 217 10th Avenue Northeast, a contributing historic property in the North Shore Section - 200 Block of 10th Ave NE Local Historic District (PID# 18-31-17-05274-008-0090).
- The single-family dwellings at 734 Grove Street North, the William L. Rawls House, a Local Historic Landmark (PID# 18-31-17-46836-002-0060).

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.

Authorize the Chairman to be a signatory party on the associated 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 designated historic properties are 2500 Burlington Avenue North, 436 2nd Street North, 217 10th Avenue Northeast, and 734 Grove Street North.

The 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 the 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.

Eligible properties include buildings individually listed on the National Register of Historic Places; listed as a contributing resource in a National Register Historic District; designated as a historic property by local ordinance; or designated by 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 85 applicants.

Fiscal Impact:

Staff with 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
2500 Burlington Ave N	\$197,174	\$4,437.78	\$80,356
217 10 th Ave NE	\$252,230	\$4,986.97	\$395,805
436 2 nd St N	\$369,050	\$8,388.97	\$179,699
734 Grove St N	\$223,609	\$3,655.36	\$66,500

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 \$21,469. This amount, along with any inflationary increases or tax adjustments, will continue to be the annual amount due for each property owner during the 10-year exemption period. The exemption applies only to the increase in market value of the subject property resulting from the 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 eligible millage rate for the ad valorem exemption is currently 11.4386 (6.525 City, 4.9136 County) for the subject properties. On average, qualified property owners would save \$114.39 for every \$10,000 increase in assessed value after rehabilitation if the exemption is granted. However, the total 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 \$1,587.84 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:

Carol Stricklin, Director, Housing & Community Development
Tom Scofield, Principal Planner, Housing & Community Development

Partners:

City of St. Petersburg

Attachments:

- BCC Resolution, 2500 Burlington Avenue North - PROPOSED
- BCC Resolution, 436 2nd Street North - PROPOSED
- BCC Resolution, 217 10th Avenue Northeast - PROPOSED
- BCC Resolution, 734 Grove Street North - PROPOSED
- City of Petersburg Agenda Package (informational)

Chap 118, Article V, PCC