



Pinellas County

Legislation Details (With Text)

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Title: Resolutions granting ad valorem tax exemptions for four historic properties located within the cities of St. Petersburg and Tarpon Springs.

Sponsors:

Indexes:

Code sections:

Attachments: 1. FE Property Tax Exemption Covenant with Keirn and Wehr, 2. FE Property Tax Exemption Covenant with Thomas Matthews, 3. FE Property Tax Exemption Covenant with Florida Farmhouse LLC, 4. FE Property Tax Exemption Covenant with Andrew Boeckl, 5. Adopted RES 18-34 - 160 Read Street, 6. Adopted RES 18-33 - 312 E Tarpon Avenue, 7. Adopted RES 18-32 - 449 11th Avenue N, 8. Adopted RES 18-31 - 136 19th Avenue NE, 9. PC Resolution-136 19th Ave NE-AATF, 10. PC Resolution- 449 11th Ave N-AATF, 11. PC Resolution-312 E. Tarpon Ave-AATF, 12. PC Resolution-160 Read Street-AATF, 13. OMB.CONTRACT.RVW-Planning-17MAY17__18-767A, 14. Proposed County Resolution_136 19th, 15. Proposed County Resolution_449 11th, 16. Proposed County Resolution_312 East Tarpon Ave., 17. Proposed County Resolution_160 Read St., 18. Tarpon Springs Staff Reports, 19. St. Petersburg Staff Reports, 20. 136 19th Ave_Covenant, 21. 449 11th_Covenant, 22. 312 Tarpon Ave_Covenant, 23. 160 Read St._Covenant, 24. Tarpon Springs Resolutions, 25. St. Petersburg Resolutions

Date	Ver.	Action By	Action	Result
6/19/2018	1	Board of County Commissioners	approved	Pass

Subject:

Resolutions granting ad valorem tax exemptions for four historic properties located within the cities of St. Petersburg and Tarpon Springs.

Recommended Action:

Adopt the proposed resolutions granting ad valorem tax exemptions for four historic properties located within the cities of St. Petersburg and Tarpon Springs.

Authorize the Chairman to sign and the Clerk to attest the tax exemption covenants for the subject properties.

Strategic Plan:

Practice superior environmental stewardship.

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

Deliver First Class Services to the Public and Our Customers.

5.1 Maximize partner relationships and public outreach.

Summary:

On April 5 and 24, 2018 the St. Petersburg City Council and Tarpon Springs Board of

Commissioners, respectively, adopted resolutions approving municipal property tax exemptions for two properties within their respective jurisdictions. The properties are located at:

1. 136 19th Avenue Northeast, St. Petersburg
2. 449 11th Avenue North, St. Petersburg
3. 312 East Tarpon Avenue, Tarpon Springs
4. 160 Read Street, Tarpon Springs

The Cities subsequently forwarded the resolutions, staff reports and associated covenants to the Board of County Commissioners (Board) for review and consideration for exemption from County ad valorem taxes. If approved, the exemptions would be valid for a period of ten years beginning on January 1, 2018 and ending on December 31, 2027.

The tax exemptions for these properties are based on the assessed value of qualified improvements to the exterior and interior of these properties. The specific improvements to each property are identified within the attached staff reports from the respective cities. Further, the cities have formally reviewed and approved the work with regard to its historical significance by issuing Certificates of Appropriateness for each property.

If approved, each property owner must have an executed covenant recorded in the official records of Pinellas County. The covenant requires that the property owner maintain and repair the property so as to preserve and maintain the historic architectural qualities or historical integrity of the qualifying property for which the exemption is granted. The recorded covenant shall be binding on the property owner, transferees, and their heirs, successors or assigns. The property owner must provide a certified copy of the recorded covenant to City and County officials within 120 days of County approval of the exemption.

Background Information:

In 1992, the voters of Florida approved a constitutional amendment allowing ad valorem tax exemptions for up to ten years on improvements to designated historic properties. In January of 1996 the Board adopted similar ad valorem tax exemption provisions into Chapter 118 of the County Code. This allowed the Board to grant exemptions from County ad valorem taxation equal to 100 percent of the assessed value of all improvements to historic properties which result from the restoration, renovation or rehabilitation of such properties located in unincorporated Pinellas County and in municipalities with similar ordinances. The County has approved ad valorem property tax exemptions for 70 properties to date.

Fiscal Impact:

According to the respective city staff reports, the total assessed value for the four properties in 2017 was \$573,246 and the owners of these properties paid a pre-rehabilitation total of \$12,418 annually in combined City and County taxes. Eligible construction costs for the qualifying improvements to these properties is \$928,068.

Using information provided by the cities, it is estimated that the total value for the 10-year exemptions would be approximately \$17,540 in City taxes and \$16,700 in County taxes. In today's dollars, therefore, the County and the City would be foregoing about \$3,424 in taxes annually over the ten year tax exemption period (*i.e.*, \$1,670 in County taxes plus \$1,754 in City taxes per year).

Calculating the exact value of the 10-year exemptions in advance is impossible due to the fact that

there is no guarantee the improvements made will result in the property being assessed at a higher value by the Property Appraiser. The types of improvements and their effects on the historic property, as well as fluctuations real estate market values all influence the final value of the exemption. The following table provides the estimated fiscal impact described above:

Case#	Property	App. #	Pre-construction Assessed Value	Pre-construction Tax Basis	Qualifying Rehab Costs	Estimated City/County Annual Tax Savings
1	Keirn/Wehr Residence 136 19th Avenue NE	17-90400001	\$232,709	\$4,198	\$39,337	\$89/71 = \$160 total
2	Matthews Property 449 1 1 th Avenue N	17-90400003	\$ 14 1,363	\$3,667	\$1 13,613	\$258/204 = \$462 total
3	Boeckl / 160 Read St.	14-44	\$74,174	\$1,545	\$640,224	\$1,162/1,152 = \$2,314 total
4	Sylvester / Florida Farm- house, LLC 312 East Tarpon Ave.	16-31	\$125,000	\$3,008	\$134,894	\$245/243 = \$488 total
Totals			\$573,246	\$12,418	\$928,068	\$1,754/1,670
Estimate based on Qualifying Construction Costs x (millage/2) x 0.67 Formula courtesy of St. Petersburg Histo						

Staff Member Responsible:

Renea Vincent, Director, Planning Department

Partners:

Cities of St. Petersburg & Tarpon Springs

Attachments:

Cities of St. Petersburg and Tarpon Springs Staff Reports
Fully Executed City Resolutions
Proposed County Resolutions
Proposed Covenants