



Pinellas County

Staff Report

File #: 19-1319A, **Version:** 1

Subject:

Resolution granting ad valorem tax exemption for a historic property located at 823 10th Avenue South, within the City of St. Petersburg.

Recommended Action:

Approval of a resolution authorizing an ad valorem tax exemption covenant for property located at 823 10th Avenue South, St. Petersburg.

- The ad valorem tax exemption is for a historic property for a period of ten years at 100% of the value of qualifying improvements, beginning on January 1, 2019 and ending on December 31, 2028.
- On July 11, 2019, St. Petersburg City Council approved by Resolution No. 2019-345 the request for the city ad valorem tax exemption.
- The annual estimated tax savings to the property owner is \$795.00 based on City analysis.

Authorize the Chairman to sign and the Clerk of the Court to attest the resolution and covenant.

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 relationship and public outreach

Summary:

The City of St. Petersburg (City) has forwarded the resolution, staff reports, and associated covenant to the Board of County Commissioners for review and consideration for exemption from County ad valorem taxes for the contributing property located at 823 10th Avenue South, and is a contributing property in the Roser Park Local Historic District in St. Petersburg.

The tax exemption for the contributing property is for the assessed improved value of improvements to the exterior and interior of the dwelling, completed in 2018, and approved by the City under its Certificates of appropriateness procedures. The attached City staff reports specify the improvements to the contributing property.

The St. Petersburg City Council approved the request for a historic preservation exemption of city ad valorem taxes for a ten (10) year period for one hundred percent (100%) of the value the improvements, and historic preservation covenant by Resolution No. 2019-345 adopted on July 11, 2019.

Background Information:

In 1992, Florida approved a constitutional amendment to authorize counties and municipalities to allow historic preservation ad valorem tax exemptions.

Chapter 196.1997 and 196.1998, Florida Statutes, allows for up to a ten year exemption on up to 100% of the assessed value of improvements made to eligible historic properties for restoration, renovation, or rehabilitation.

In January of 1996, the Pinellas County Board of County Commissioners adopted by Ordinance (Chapter 118, Article V, Pinellas County Code) providing for ad valorem tax exemptions ten years in duration on improvements made to a designated historic property for the restoration, renovation, or rehabilitation of a contributing property in municipalities that have adopted a historic preservation tax exemption ordinance within their jurisdiction.

To date, the County has approved historic preservation ad valorem property tax exemptions for 74 properties.

Fiscal Impact:

According to the city staff report provided, the pre-construction assessed value of the contributing property in 2018 was \$126,827 and the owner of the property paid a pre-rehabilitation total of \$2,834 annually in combined City and County ad valorem taxes. Eligible construction costs for the qualifying improvements for this property is \$195,711.

Using the information provided by the City, the estimated total value for the 10-year exemption is approximately \$7,950 (City \$4,430 and County \$3,520). Determining the exact figures is not possible due to; 1.) Differences between the value of improvements made by the property owner and value increases assessed by the Property Appraiser, 2.) Fluctuating real estate market values, and 3.) Changing millage rates.

The following table provides the estimated fiscal impact described above:

| Property | App. # | Pre-construction Assessed Value | Pre-construction Tax Basis | Qualifying Rehab Costs | Estimated* City/County Annual Tax Savings |
|--|-------------|---------------------------------|----------------------------|------------------------|---|
| Fritzius Residence, 823 10th Avenue South | 18-90400004 | \$126,827 | \$2,834 | \$195,711 | \$795 |
| *Estimate based on Qualifying Construction Costs x (millage rate/2) x 0.67; formula courtesy of the City of St. Petersburg | | | | | |

Staff Member Responsible:

Renea Vincent, Director, Planning

Tom Scofield, Principal Planner, Historic Preservation

Partners:

City of St. Petersburg

Attachments:

City of St. Petersburg Resolution ATF

City of St. Petersburg Covenant FE
Resolution