



Pinellas County

Staff Report

File #: 21-897A, **Version:** 1

Subject:

Historic preservation ad valorem tax exemptions for five recently renovated historic properties located in the City of St. Petersburg.

Recommended Action:

Approval of the resolutions authorizing a County historic preservation ad valorem tax exemption for each of the five recently renovated historic properties located in the City of St. Petersburg located at the following addresses:

- The single-family residence at 556 Beach Drive Northeast designated as a local historic landmark by the City and a contributing property in the North Shore National Register Historic District.
- The single-family residence at 406 14th Avenue Northeast designated as a contributing property in the North Shore Historic District.
- The single-family residence known as the Frank Broadfield House at 956 39th Avenue North designated as a local historic landmark by the City.
- The commercial building known as the Smalley-Green Auto Building at 1180 Central Avenue designated as a local historic landmark by the City.
- The single-family residence at 336 9th Avenue Northeast designated as a contributing resource in the North Shore Historic District.
- The tax exemption applies only to the increase in the value of improvements after renovation, as determined by the Pinellas County Property Appraiser.
- The exemption of County ad valorem taxes is requested for a period of ten years.
- Work for each project has been reviewed and certified by historic preservation staff with the St. Petersburg Planning & Economic Development Department.

Authorize the Chair 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 five (5) property owners who have recently completed renovation projects on five (5) designated historic properties in the City of St. Petersburg. The designated historic properties are:

- The single-family residence at 556 Beach Drive Northeast designated as a local historic landmark by the City and a contributing property in the North Shore National Register Historic District.
- The single-family residence at 406 14th Avenue Northeast designated as a contributing property in the North Shore Historic District.
- The single-family residence known as the Frank Broadfield House at 956 39th Avenue North designated as a local historic landmark by the City.
- The commercial building known as the Smalley-Green Auto Building at 1180 Central Avenue designated as a local historic landmark by the City.
- The single-family residence at 336 9th Avenue Northeast designated as a contributing resource in the North Shore Historic District.

The tax exemption applies only to the increase in the value of improvements after renovation, as determined by the Pinellas County Property Appraiser.

The exemption of County ad valorem taxes is requested for a period of ten (10) years.

Work for each project has been reviewed and certified by historic preservation staff with the St. Petersburg Planning & Economic Development Department. The St. Petersburg City Council has approved a resolution for each of the five properties granting a historic preservation exemption of City ad valorem taxes for a period of (10) ten years as follows:

- 556 Beach Drive Northeast - City Res. 2021-134, approved on April 8, 2021
- 406 14th Avenue Northeast - City Res. 2021-155, approved on April 8, 2021
- 956 39th Avenue North - City Res. 2021-156, approved on April 8, 2021
- 1180 Central Avenue - City Res. 2021-157, approved on April 8, 2021
- 336 9th Avenue Northeast - City Res. 2021-158, approved on April 8, 2021

A copy of the City of St Petersburg resolutions; City staff report identifying the specific improvements made to each historic building; and the associated historic preservation covenant for each of the five properties are provided as an attachment.

This information has been reviewed by staff in the Pinellas County Housing & Community Development Department. The County staff findings conclude 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. Staff recommends APPROVAL of the five (5) 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 renovating, rehabilitating or restoring 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.

To date, the County has approved the historic preservation ad valorem tax exemption for 76 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 Renovation Costs
556 Beach Drive NE	\$454,509	\$6,309	\$387,840
406 14 th Avenue NE	\$564,693	\$11,510	\$309,913
956 39 th Avenue N	\$327,175	\$6,370	\$81,525
1180 Central Avenue	\$440,000	\$10,966	\$530,392
336 9 th Avenue NE	\$497,852	\$9,819	\$59,844
Totals	\$2,284,229	\$44,974	\$1,369,514

The "Pre-construction Tax Basis" in the table above represents what the property owner owed in ad valorem taxes before construction work started. 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 Renovation 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 eligible for the ad valorem exemption is currently 12.129 (6.755 City,

5.374 County [General Fund, Health Department, and Pinellas Planning Council]) for the subject historic properties. On average, qualified property owners would save \$121.29 for every \$10,000 of assessed value increase 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 value, which is calculated annually using established appraisal formulas. Therefore, the total dollar value of these exemptions cannot be effectively 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 \$1,103 per year for residential properties and \$1,836 per year for commercial/multi-family properties. The range of tax savings are from a low of \$44 per year to a high of \$3,560 per year.

Staff Member Responsible:

Carol Stricklin, Director, Housing & Community Development

Tom Scofield, Principal Planner, Housing & Community Development

Partners:

City of St. Petersburg

Attachments:

Proposed BCC Resolutions (5)

City of St Petersburg - Agenda package, 5 tax exemptions

City of St Petersburg - 5 executed resolutions

Chap 118, Article V, PCC

Example of historic preservation covenant