

# **Application for Local Historic District Tax Abatement**

DRAFT

**City of Austin  
Historic Preservation Office  
Planning & Development Review Department  
505 Barton Springs Road, 5<sup>th</sup> Floor  
Austin, Texas  
<http://www.ci.austin.tx.us/historic/>  
512-974-2727**

## City of Austin Local Historic District Tax Abatement

To encourage preservation and maintenance of the architectural character of local historic districts, the City makes available property tax abatements to the owners of contributing and potentially contributing properties who have completed substantial rehabilitation or restoration projects. The program abates 100% of the city property taxes assessed on the added value of the property for a designated number of years.

### ABATEMENT AVAILABLE BY PROPERTY TYPE:

Category of property	Ownership type	Required minimum expenditure	Minimum % that must be spent on exterior improvements	Amount of abatement	Duration of abatement	Frequency abatement may be granted
Residential	Owner occupied (homestead)	Equal to 25% of pre-rehabilitation value of structure	5%	100% of the city taxes assessed on the added value of the property	7 years	Once every 10 years
Residential located within Revitalization Area*	Owner occupied (homestead)	Equal to 10% of pre-rehabilitation value of structure	5%	100% of the city taxes assessed on the added value of the property	10 years	Once every 15 years
Commercial	Income-producing property	Equal to 40% of pre-rehabilitation value of structure	5%	100% of the city taxes assessed on the added value of the property	10 years	Once every 15 years
Commercial located within Revitalization Area*	Income-producing property	Equal to 30% of pre-rehabilitation value of structure	5%	100% of the city taxes assessed on the added value of the property	10 years	Once every 15 years

\*Area bounded by Interstate 35 from Manor Road to Riverside Drive, Riverside Drive from Interstate 35 to Highway 71, Highway 71 from Riverside Drive to Highway 183, Highway 183 from Highway 71 to Manor Road, and Manor Road from Highway 183 to Interstate 35.

### APPLICATION PROCESS:

The program involves a three (3) step application process that requires approval by the Historic Landmark Commission and the Historic Preservation Office. Approval of Part I is required prior to starting any work.

#### Part I – Application for Certification of Eligibility

Upon submission of a complete application for Certificate of Eligibility, including an application for a Certificate of Appropriateness, the case will be placed on the next Historic Landmark Commission (HLC) agenda for review. Incomplete applications will not be forwarded to the HLC for action.

**Deadline for application:** twenty-one (21) days prior to Historic Landmark Commission meeting.

#### Part II – Verification of completed work and review of expenditures

Upon completion of the work, issuance of a certificate of occupancy, and submission of the Application for Verification, the Historic Preservation Officer will inspect the property to ensure the work complies with the approved Certificate of Eligibility and Certificate of Appropriateness. The Historic Preservation Officer will also review the record of expenditures and receipts to determine

the eligibility of all expenditures. If the verification is approved by the Historic Preservation Officer, a Certificate of Verification will be issued to the property owner and forwarded to the Travis County Appraisal District.

**Deadline for completion of work:** a certificate of occupancy must be obtained within 2 years after the date the Certificate of Eligibility is approved.

### **Part III – Annual application to Travis County Appraisal District**

Property owners must submit an annual request to the Travis County Appraisal District to receive the abatement.

The tax abatement goes into effect the first day of the first tax year after verification is obtained.

#### **ELIGIBLE EXPENSES:**

- Labor/materials related to eligible costs
- Architectural and engineering fees related to eligible costs *(limit \$ amount?)*
- Demolition related to eligible costs or to remove non-historic additions/features
- Repair/restoration/replacement of historic façade features
- Exterior masonry and siding repair
- Roofing
- Foundation
- Structural repairs
- Gutters
- Windows *(only repair or replacement of windows beyond repair?)*
- Doors *(only repair or replacement of doors beyond repair?)*
- HVAC systems (heating and cooling)
- Electrical wiring & systems
- Plumbing systems
- Escalators/Elevators (if necessary for operation of building)
- Fire Escapes (if necessary for operation of building)
- Sprinkler/Fire suppression systems
- Security system
- Paint (interior and exterior)
- Rehabilitation of contributing structures used as parking (e.g. garages/carriage houses)
- Interior partitions and ceilings
- Floors (structural and permanent flooring)
- Permanent coverings (e.g. paneling, tile, glued carpet)
- Plumbing fixtures *(limit \$ amount?)*

#### **INELIGIBLE COSTS:**

- Light fixtures
- Carpet (tacked)
- Appliances
- Cabinetry
- Furniture
- Window treatments
- Decks/patios not original to building
- Demolition costs related to removal of contributing buildings or structures
- New construction or additions (including porches/porticoes/carports not original to building) *(consider allowing new construction and additions if done appropriately?)*
- Non-historic landscape features (e.g. retaining walls, fencing, paving, planters, vegetation, paths, sidewalks)
- Parking lot
- Signage
- Building permit, variance, zoning or platting application fees
- Feasibility studies
- Financing fees
- Leasing expenses
- Storm sewer costs
- Legal/Accounting fees
- Purchase of, or repair to, construction tools and equipment
- Taxes

## FREQUENTLY ASKED QUESTIONS:

**1. How do I know if my property is in a local historic district?**

Properties located within a local historic district have an “HD” in their zoning classification (e.g. SF-3-HD-NP). You can determine your property’s zoning classification by searching for the property address on the City of Austin’s internet GIS viewer (<http://www.ci.austin.tx.us/GIS/DevelopmentWebMap/>), or by visiting the City’s Historic Preservation Office web site at <http://www.ci.austin.tx.us/historic/localhd.htm>.

**2. What is a “contributing” property?**

Historic districts are comprised of two types of properties, contributing and non-contributing. Broadly defined, a contributing property is any structure built during the district’s period of significance that adds to the historical integrity or architectural qualities that make a historic district significant. In general, contributing properties are integral parts of the historic context and character of a historic district. Properties are classified as contributing or non-contributing as part of the process of adopting the local historic district zoning overlay. You can determine if your property is a contributing building by visiting the City’s Historic Preservation Office (CHPO) web site at <http://www.ci.austin.tx.us/historic/localhd.htm>, or by contacting the CHPO at 512-974-2727.

**3. If my property is not a contributing building in the district, am I eligible to receive the Local Historic District tax abatement?**

Yes, if the improvements you propose will remove non-historic architectural features, or restore original features and bring your property to contributing status for the district, and the project meets other requirements of the program, you may be eligible to receive the rehabilitation tax abatement.

**4. What guidelines are used to determine if the work I propose is appropriate?**

All work must comply with the Preservation Plan and Design Standards adopted for the local historic district in which the property is located. These Standards can be found on the City of Austin’s Historic Preservation Office web site for each local historic district.

**5. If I sell my property, can the new owner receive the abatement?**

The abatement is transferred to new owners within the allowed duration period, however new owners are required to submit a request to the Travis County Appraisal District annually to receive the abatement.

**6. What if I have completed my rehabilitation work prior to submitting my application?**

Abatements can not be applied to expenditures made prior to approval of the Certificate of Eligibility. *[Consider allowing work that has been completed under a Certificate of Appropriateness within the past year?]*

**7. Can I appeal a denial of the Certification of Eligibility or Certificate of Verification?**

If the Historic Landmark Commission determines your project is not eligible for an abatement you may appeal the decision to the Planning Commission. To appeal you must file a written request with the Historic Preservation Office not later than the 30th day after the date written notice of the decision is provided to you. On appeal, the Planning Commission shall consider only whether the Historic Preservation Commission erred in determining your project not eligible for the abatement under Section [11-1-68](#) of the City ordinance.

**8. Are there other financial incentives to assist me in rehabilitating my historic property?**

The Austin Convention and Visitors Bureau provides Heritage Grants (<http://www.austintexas.org>) for properties owned by non-profit organizations.

There are incentives for some commercial and income producing properties in the form of Federal Rehabilitation Tax Credits. Visit the Texas Historical Commission web site (<http://www.thc.state.tx.us/>) for more information on State and Federal incentives.

**City of Austin**  
**Local Historic District Tax Abatement**  
**Part I - Application for Certificate of Eligibility**

**PART I - APPLICATION CHECK LIST:**

- \_\_\_ Completed Application for Certificate of Eligibility signed by owner.
- \_\_\_ Estimate of costs for eligible work.
- \_\_\_ Completed Certificate of Appropriateness Application signed by owner.
- \_\_\_ Proof of pre-rehabilitation value from the Travis County Appraisal District.
- \_\_\_ Signed authorization for inspection of the property by City staff, and affidavit stating all property taxes are current and no city fees, fines, or penalties are owed on property owned by a business association in which the applicant has an ownership interest.
- \_\_\_ Tax certificate providing proof no property taxes or City fees, fines, or penalties are delinquent on the property.
- \_\_\_ Proforma and development budget, if an estimated abatement is over \$100,000.
- \_\_\_ Letter of intent from a financial institution or potential investors, if applicable.

**City of Austin**  
**Local Historic District Tax Abatement**  
**Part I - Application for Certificate of Eligibility**

Address of property: \_\_\_\_\_

Name of Local Historic District: \_\_\_\_\_

☐ Contributing property    ☐ Non-contributing property

Legal Description of Property: \_\_\_\_\_

Tax Parcel ID Number: \_\_\_\_\_

**APPLICANT/PROJECT CONTACT:**

Name: \_\_\_\_\_ Telephone: (\_\_\_\_) \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Mobile phone: (\_\_\_\_) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Email: \_\_\_\_\_

**OWNER:**

Name: \_\_\_\_\_ Telephone: (\_\_\_\_) \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Mobile phone: (\_\_\_\_) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Email: \_\_\_\_\_

Proposed Use of the Property: \_\_\_\_\_

Proposed Scope of Work: \_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Projected Construction Schedule: \_\_\_\_\_

Has the property received any other property tax relief under § 11.24 of the Texas Tax Code?:

\_\_\_\_\_

Describe all City Code violations, if any, on the property within the previous five years:

\_\_\_\_\_

\_\_\_\_\_

For Historic Preservation Office use only:

\_\_\_\_ Property is not a contributing or potentially contributing structure

\_\_\_\_ Certificate of Eligibility approved by Historic Landmark Commission

\_\_\_\_ Certificate of Eligibility not approved by Historic Landmark Commission

\_\_\_\_\_  
Historic Preservation Officer

\_\_\_\_\_  
Date



**City of Austin**  
**Local Historic District Tax Abatement**  
**Part I - Application for Certificate of Eligibility**

**Statement of Understanding, Authorization for Inspection of Property, and Affidavit  
Regarding Taxes, Fees, Fines and Penalties**

THE STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

I certify that the information in the application for a tax exemption, including all supporting documentation, is complete and correct.

I authorize city officials to visit and inspect the property as necessary to certify eligibility and verification for a tax exemption.

I acknowledge that I have read and understand the program regulations, and that I will not receive an exemption until all program requirements have been met and a certificate of verification obtained.

I understand that all rehabilitation work must be completed within 2 years after the date of the issuance of a Certificate of Eligibility and Certificate of Appropriateness. If the deadline for completion is subsequently extended by the Historic Landmark Commission all rehabilitation work must be completed by the extended time specified. I understand that penalties may apply if I do not complete the work as proposed and approved by the Historic Landmark Commission.

All property taxes are current, and no City of Austin fees, fines or penalties are owed, on the property or any property owned by a business association in which I have an ownership interest.

I understand that I must make an annual application to Travis County Appraisal District each year in order to receive the exemption for that year, and that if I do not make the application in time, I will lose the ability to receive a tax exemption for that year.

Owner's Name: \_\_\_\_\_

Owner's Signature: \_\_\_\_\_

Before me, the undersigned authority, Notary Public in and for the State of Texas, on this day personally appeared, \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and who acknowledged to me that he or she executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires \_\_\_\_\_



**City of Austin**  
**Local Historic District Tax Abatement**  
**Part II - Verification Work Complete and Statement of Expenditures**

**PART II - VERIFICATION CHECK LIST:**

- \_\_\_ Complete Part II - Application for Verification including Record of Expenditures.
- \_\_\_ Copy of the approved Certificate of Eligibility.
- \_\_\_ Signed Statement of Compliance with Certificate of Appropriateness and Minimum Expenditures, Authorization for Inspection by City Officials, and Affidavit Regarding Taxes, Fees, Fines and Penalties
- \_\_\_ Copy of the Certificate of Occupancy.
- \_\_\_ Executed Commitment to Repay, acknowledged before a notary public.
- \_\_\_ Copy of City Council resolution if the abatement exceeds \$100,000.

**City of Austin**  
**Local Historic District Tax Abatement**  
**Part II - Verification Work Complete and Statement of Expenditures**

Address of property: \_\_\_\_\_

Name of Historic District: \_\_\_\_\_

Legal Description of Property: \_\_\_\_\_

Tax Parcel ID Number: \_\_\_\_\_

**APPLICANT/PROJECT CONTACT:**

Name: \_\_\_\_\_ Telephone: (\_\_\_\_) \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Mobile phone: (\_\_\_\_) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Email: \_\_\_\_\_

**OWNER:**

Name: \_\_\_\_\_ Telephone: (\_\_\_\_) \_\_\_\_\_

Mailing Address: \_\_\_\_\_ Mobile phone: (\_\_\_\_) \_\_\_\_\_

City: \_\_\_\_\_ State: \_\_\_\_\_ Zip: \_\_\_\_\_ Email: \_\_\_\_\_

Date of Certificate of Eligibility: \_\_\_\_\_

Date Certificate of Occupancy obtained: \_\_\_\_\_

Brief description of completed Scope of Work:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Total eligible expenditures: \_\_\_\_\_

Pre-rehabilitation appraised value: \_\_\_\_\_

For City Historic Preservation Office use only:

\_\_\_\_ Inspection completed \_\_\_\_\_.

\_\_\_\_ Work completed per approved Certificate of Eligibility and Certificate of Appropriateness

\_\_\_\_ Work not completed per approved Certificate of Eligibility and Certificate of Appropriateness

\_\_\_\_\_  
Historic Preservation Officer

\_\_\_\_\_  
Date

## RECORD OF REHABILITATION EXPENDITURES

Address of Property:			
Scope of Work	Contractor/vendor	Receipt Date	Amount
Total:			
Pre-rehabilitation/restoration value of property:			
% of value spent on rehabilitation/restoration:			
% of total cost spent on exterior work:			

City of Austin  
Application for Historic Area District Tax Abatement

**City of Austin**  
**Local Historic District Tax Abatement**  
**Part II - Verification Work Complete and Statement of Expenditures**

**Statement of Compliance with Certificate of Appropriateness and Minimum Expenditures, Authorization for Inspection by City Officials, and Affidavit Regarding Taxes, Fees, Fines and Penalties**

THE STATE OF \_\_\_\_\_ §  
COUNTY OF \_\_\_\_\_ §

I am the owner of the property at \_\_\_\_\_, Austin, Texas ("the Property"). I am of sound mind, capable of making this affidavit, and personally acquainted with the facts herein stated. I have personal knowledge of the facts contained in this affidavit. The facts stated herein are all true and correct.

I certify that the information in this application for a tax exemption, including all attachments, is complete and correct. I certify that I have made the minimum expenditure on the rehabilitation project in compliance with any certificates of appropriateness.

I authorize city officials to visit and inspect the property as necessary to certify eligibility and verification for a tax exemption.

I acknowledge that I have read and understand the program regulations, and that I will not receive an exemption until all program requirements have been met and a certificate of verification obtained.

I understand that the owner of the Property must make an application to Travis County Appraisal District each year in order to receive the exemption for that year, otherwise, the owner will lose the ability to receive a tax exemption for that year.

All property taxes are current, and no City of Austin fees, fines or penalties are owed, on the Property or any property owned by a business association in which I have an ownership interest.

Owner's Name: \_\_\_\_\_

Owner's Signature: \_\_\_\_\_

Before me, the undersigned authority, Notary Public in and for the State of Texas, on this day personally appeared, \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and he acknowledged to me that he executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office this the \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires \_\_\_\_\_

**City of Austin**  
**Local Historic District Tax Abatement**  
**Part II - Verification Work Complete and Statement of Expenditures**

CITY OF AUSTIN  
HISTORIC AREA DISTRICT TAX ABATEMENT  
STATEMENT OF COMMITMENT TO REPAY  
TAXES FOR NONCOMPLIANCE

I, \_\_\_\_\_, the owner of property located at \_\_\_\_\_ do hereby commit to repay to the City of Austin all City taxes previously exempted on property should the property be determined by the City Building Official or Historic Preservation Officer to be out of compliance with any of the provisions of Section 25-11 of the City of Austin Code of Ordinances or the Preservation Plan and Design Standards of the Local Historic District.

This commitment shall be filed in the Travis County Deed Records and shall run with the land and bind the owner and the owner's heirs and assigns. Any unpaid repayment shall constitute a lien against said property.

Signed and sworn this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_ by

Signature \_\_\_\_\_

Name \_\_\_\_\_

Legal Capacity \_\_\_\_\_

Before me, the undersigned authority, Notary Public in and for the State of Texas, on this day personally appeared, \_\_\_\_\_, known to me to be the person whose name is subscribed to the foregoing instrument and he acknowledged to me that he executed the same for the purposes and considerations therein expressed.

Given under my hand and seal of office this the \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public in and for the State of Texas  
My Commission Expires \_\_\_\_\_