

**ORDINANCE NO. 20111215-091**

**AN ORDINANCE AMENDING CITY CODE CHAPTER 11-1, CHAPTER 25-2, AND CHAPTER 25-11 RELATING TO HISTORIC LANDMARK TAX EXEMPTIONS, HISTORIC LANDMARK AND HISTORIC DISTRICT DESIGNATION CRITERIA, AND CERTAIN PERMITS AND CERTIFICATES OF APPROPRIATENESS.**

**BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF AUSTIN:**

**PART 1.** City Code Section 11-1-22 (*Determination of Exemption Amount*) is amended to read:

- (A) Except as provided in Subsection (B) and Subsection (C), ~~[for]~~ a property designated as a historic landmark ~~[before December 1, 2004]~~ is eligible for a partial exemption from ad valorem taxes levied by the City under the requirements of this subsection. ~~[the following percentage of the assessed value of a property designated "H" Historic and approved for tax exemption shall be exempt from ad valorem taxes levied by the City.]~~
- (1) For an owner-occupied historic residential property that is not fully or partially leased to another person or for a property owned by a nonprofit corporation, as defined in the Texas Nonprofit Corporation Act, 100 percent of the assessed value of the historic structure and 50 percent of the assessed value of the portion of the land the chief appraiser for the county appraisal district determines is reasonably necessary for access to and use of the historic structure. ~~[for:~~
- (a) ~~an owner-occupied historic residential property that is not fully or partially leased to another person; and~~
- (b) ~~a property owned by a nonprofit corporation, as defined in the Texas Nonprofit Corporation Act; and]~~
- (2) For any other historic property, including property used for a commercial purpose, 50 percent of the assessed value of the historic structure and 25 percent of the assessed value of the portion of the land the chief appraiser for the county appraisal district determines is reasonably necessary for access to and use of the historic structure ~~[for any other historic property, including property used for a commercial purpose].~~
- (B) The percentage of assessed value exempted under Subsection (A) may not exceed a percentage that would result in a tax equivalent to the greater of

\$2,000 or 50 percent of the ad valorem tax that the City would otherwise levy on the property if:

(1) the property was designated as a historic landmark before December 1, 2004, and changed ownership after November 30, 2004 but before January 1, 2012; or

(2) the property was designated as a historic landmark after November 30, 2004, but before January 1, 2012.

(C) The percentage of assessed value exempted under Subsection (A) may not exceed a percentage that would result in a tax exemption greater than \$2,500 if:

(1) the property was designated as a historic landmark before January 1, 2012, and changed ownership after December 31, 2011; or

(2) the property was designated as a historic landmark after December 31, 2011.

~~[(B) This subsection applies to a property designated as a historic landmark before December 1, 2004 that changed ownership after November 30, 2004, or designated as a historic landmark after November 30, 2004.~~

~~(1) The following percentage of the assessed value of a property designated "H" Historic and approved for tax exemption shall be exempt from ad valorem taxes levied by the city:~~

~~(a) subject to the limitation of Paragraph (2), 100 percent of the assessed value of the historic structure and 50 percent of the assessed value of the portion of the land the chief appraiser for the county appraisal district determines is reasonably necessary for access to and use of the historic structure for:~~

~~(i) an owner occupied historic residential property that is not fully or partially leased to another person; and~~

~~(ii) a property owned by a nonprofit corporation, as defined in the Texas Nonprofit Corporation Act; and~~

~~(b) 50 percent of the assessed value of the historic structure and 25 percent of the assessed value of the portion of the land the chief appraiser for the county appraisal district determines is reasonably necessary for access to and use of the historic structure for any other historic property, including property used for a commercial purpose.~~

~~(2) The percentage of assessed value exempted under Subparagraph (1)(a) may not exceed a percentage that would result in a tax equivalent to the greater of \$2,000 or 50 percent of the ad valorem tax that the City would otherwise levy on the property.]~~

(D) ~~(C)~~ The City shall recommend to the chief appraiser for the county appraisal district that the entire tax parcel on which the historic structure is located, and which is designated "H" Historic, is reasonably necessary for access to and use of the historic structure, unless otherwise determined by the City Council in a specific case.

(E) The amount of the \$2,500 exemption in Subsection 11-1-22(C) shall be modified every three years with the adoption of the ad valorem tax rate to increase or decrease in accordance with the most recently published federal government, Bureau of Labor Statistics Indicator, Consumer Price Index (CPI-W U.S. City Average) U.S. City Average. The most recently published Consumer Price Index on May 4, 2012, shall be used as a base for future adjustments.

**PART 2.** City Code Section 25-2-242 (*Initiation of Zoning or Rezoning*) is amended to read:

Zoning or rezoning of property may be initiated by the:

- (1) Council;
- (2) Land Use Commission;
- (3) Record owner;
- (4) Historic Landmark Commission, if the property is, or is proposed to be, designated as a historic landmark (H) combining district or a historic area (HD) combining district; or
- (5) For a proposed historic area (HD) combining district:
  - (a) petition of:
    - (i) the owners of at least 51 percent of the land, by land area, in the proposed district; or
    - (ii) at least 51 percent of the owners of individual properties in the proposed district.
  - (b) property ~~[Property]~~ owned by the City of Austin or other governmental entities shall be fully excluded from the area subject to petition of the owners, except such property may be included in support if it contains structures or features that

contribute to the historic character of the district, as determined by the Historic Landmark Commission. The amount of such property to be calculated as supporting shall not exceed one-third of the 51% of the land in the proposed district.

**PART 3.** City Code Section 25-2-352 (*Historic Designation Criteria*) is amended to read:

- (A) The council may designate a structure or site as a historic landmark (H) combining district if:
- (1) the property is at least 50 years old and represents a period of significance of at least 50 years ago, unless the property is of exceptional importance as defined by the National Register Bulletin 22, National Park Service (1996);
  - (2) the property retains a high degree of integrity, as defined by the National Register of Historic Places, that clearly conveys its historical significance and does not include an addition or alteration which has significantly compromised its integrity [~~sufficient integrity of materials and design to convey its historic appearance~~]; and
  - (3) the property:
    - (a) is individually listed in the National Register of Historic Places, or is designated as a Recorded Texas Historic Landmark, State Archeological Landmark, or National Historic Landmark; or
    - (b) demonstrates significance in at least two of the following categories [~~meets the criteria prescribed by at least two of the following clauses~~]:
      - i) Architecture. The [~~the~~] property embodies the distinguishing characteristics of a recognized architectural style, type, or method of construction; exemplifies [~~represents~~] technological innovation in design or construction; displays high artistic value in [~~contains features~~] representing ethnic or folk art, architecture, or construction; represents a rare example of an architectural style in the city; serves as an outstanding example of the work of an [~~represents the significant work of a noted~~] architect, builder, or artisan who significantly contributed to the development of the city, state, or nation; possesses cultural, historical, or architectural value as a particularly fine or unique example of a utilitarian or vernacular structure; or

represents an architectural curiosity or one-of-a-kind building. [~~;- represents a rare example of an architectural style; or bears a physical or contextual relation to other historically or architecturally significant structures or areas;~~] A property located within a local historic district is ineligible to be nominated for landmark designation under the criterion for architecture, unless it possesses exceptional significance or is representative of a separate period of significance.

- ii) Historical Associations. The property has long-standing significant associations [~~is substantially associated~~] with persons, groups, institutions, businesses, or events of historic importance [~~significance~~] which contributed significantly to the history [~~to the social, cultural, economic, development, or political history~~] of the city, state, or nation; or [~~the property~~] represents a significant portrayal of the cultural practices or the way of life of a definable group of people in a historic time [~~is representative of a culture or group of people in a historical era through its architecture, method of construction, or use;~~] .
- iii) Archeology. The property [~~possesses archeological significance because it~~] has, or is expected to yield, significant data concerning the human history or prehistory of the region.
- iv) Community Value. The property has a unique location, physical characteristic, or significant feature that contributes to the character, image, or cultural identity of the city, a neighborhood, or a particular group. [~~The property possesses value to the community because it significantly represents the cultural, economic, social, ethnic, artistic, or historical heritage of the city or an area of the city; or because it has a location, physical characteristics, or other unique features which greatly contribute to the character or image of the city, a neighborhood, or a population group; or~~]
- v) Landscape Feature. The property is a significant natural or designed landscape or landscape feature with artistic, aesthetic, cultural, or historical value to the city.

- (B) The council may designate an area as a historic area (HD) combining district if at least 51 percent of the principal structures within the proposed district are contributing to the historic character of the district [structures] when the historic preservation officer certifies that the zoning or rezoning application is complete.
- (C) The council may enlarge the boundary of an existing historic area (HD) combining district if the additional structure, group of structures, or area adds historic, archeological, or cultural value to the district.
- (D) Except as limited by Subsection (E), the council may reduce the boundary of an existing historic area (HD) combining district if:
  - (1) the structure to be excluded does not contribute to the historic character of the district;
  - (2) excluding the structure or area will not cause physical, historical, architectural, archeological, or cultural degradation of the district; or
  - (3) a reasonable use of the structure that allows the exterior to remain in its original style does not exist.
- (E) The minimum size for a historic area (HD) combining district is one block face.

**PART 4.** Subsection (G) of City Code Section 25-11-213 (*Building, Demolition, and Relocation Permits and Certificates of Appropriateness Relating to Certain Buildings, Structures, or Sites*) is amended to read:

- (G) The building official shall not issue a building permit, relocation permit, or demolition permit for a structure to which this section applies until the earlier of:
  - (1) the date the Commission makes a decision not to initiate a historic zoning designation case regarding the structure;
  - (2) the date on which the Commission approves an application for a certificate of appropriateness, or makes recommendations on an application for a building permit; [or]
  - (3) except as provided in Subsection (G)(4), the expiration of 75 days after the date of the first Commission meeting at which the application is posted on the agenda; or [-]
  - (4) the expiration of 180 days after receipt of a complete application for a contributing structure within a National Register Historic District or a pending historic area (HD) combining district.

**PART 5.** This ordinance takes effect on December 26, 2011.

**PASSED AND APPROVED**

December 15, 2011

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§ Lee Löffingwell  
Lee Löffingwell  
Mayor

**APPROVED:** Karen M. Kennard  
Karen M. Kennard  
City Attorney

**ATTEST:** Shirley A. Gentry  
Shirley A. Gentry  
City Clerk