



City of Denton

City Hall
215 E. McKinney Street
Denton, Texas
www.cityofdenton.com

AGENDA INFORMATION SHEET

DEPARTMENT: Department of Development Services

ACM: Cassey Ogden

DATE: May 16, 2023

SUBJECT

Consider approval of a resolution of the City of Denton, approving an application for a partial tax exemption of designated historic sites, in accordance with Chapter 10, Article VI, Sections 10-126 through 10-129 of the Denton Municipal Code of Ordinances, for a Local Historic Landmark, located at 1314 N Locust Street, located on the northeast corner of N Locust Street and E 3rd Street; providing for severability; and providing an effective date. (HL23-0001a, 1314 N Locust Street – Tax Exemption, Cameron Robertson) The Historic Landmark Commission recommends a favorable determination (4-0).

<https://dentontx.new.swagit.com/videos/223624?ts=109>

STRATEGIC ALIGNMENT

Community Character, Key Action #63

BACKGROUND

The property is a local historic landmark known as the John and Annie Maclachlan House, which is located on the northeast corner of N Locust Street and E 3rd Street. The applicant, Tim DePalma, on behalf of the property owner, has completed repairs and maintenance to the commercial property's crawl space, foundation, drainage network, and electrical system. The specifics of the work completed are listed below:

<u>Company</u>	<u>Service</u>	<u>Payment</u>
Nick Manesh Engineering, LLC	Inspection of Foundation, Crawl Space, Drainage System, and Interior/Exterior Walls w/ a Report and CAD Drawings	\$797.78 (Original Est. = \$775)
Brown Foundation Repair	Approx. 159' ADS Pipe French Drain w/ Filter Fabric Wrap and Downspout Connections	\$19,000 (Original Est. = \$18,500)
	Crawl Space Adjustments w/ Re-Shimming, Pre-Cast Pier replacements, and Joist replacements	\$28,200 (Original Est. = \$28,700)
A.H. Electrical Service, Inc.	Electrical System for the 2 Water Pumps (Water Drainage System)	\$775
TOTAL		\$48,772.78

The applicant has submitted photos and an invoice for the subject work, which is included in their application. Refer to Exhibit 4 - Application for Historic Landmark Tax Exemption Authorization for additional information.

Based on documentation, the improvements were started in January of 2023 and completed in March of 2023. Based on Staff review, no building permits were obtained prior to completion of the project. However, a building permit was issued April 17, 2023 for the installation of two electrical outlets (2304-0658), as well as a building permit issued May 12, 2023 for repair of the buildings crawl space and foundation, and the property's drainage network (2304-0713).

The total expense for the work was \$48,772.78. The applicant has provided staff with proof of payment for the completed repairs and maintenance in the form of supporting documentation (Refer to Exhibit 4). The work that was completed and the expense amount qualifies the applicant for the City's tax exemption for a property that is designated as a Local Historic Landmark or Site.

The residence at 1314 N Locust Street was designated as a Local Historic Landmark in 1982. On February 23, 1982, the City Council adopted an ordinance (82-24) designating the subject property a Local Historic Landmark.

CONSIDERATIONS:

1. Per the City's Code of Ordinances, Sec. 10-128 (d), Additional ten (10) year exemptions thereafter will require the property owner to demonstrate to city qualifying expenses of ten thousand dollars (\$10,000.00) or more, beyond those demonstrated for the initial or subsequent exemption, for permanent improvements and/or for restoration of said property. The Historical Landmark Commission must determine whether the qualifying expenses result in a permanent improvement and/or restoration of said property as a condition of receiving the exemption.
2. The subject property is designated as a Local Historic Landmark.
3. The applicant has spent a total of \$48,772.78 for improvements related to property drainage, foundation stability, and electrical repairs.
4. If the Historic Landmark Commission recommends a favorable determination that the expenses presented resulted in a permanent improvement and/or restoration of the landmarked property, staff will forward a draft Resolution to the City Council to consider approving the subject property as a designated Local Historic Landmark in need of continued tax relief.
5. If the City Council approves the Resolution, the applicant will then need to apply for the partial tax exemption with the chief appraiser of the Denton Central Appraisal District.

Based on the first evaluation criteria stated above and an evaluation of the documentation and receipts submitted, Staff believes that the improvements completed are consistent with permanent improvements being made to the structure, with the exception of the inspection, report, and CAD drawings as they are not tangible improvements; therefore, not serving as a permanent improvement and/or restoration of said property. Staff recommends approval of the application for a partial tax exemption, with the exception of the inspection, report, and CAD drawings, of the designated historic site located at 1314 N Locust Street, in accordance with Chapter 10, Article VI, Sections 10-128 (d) of the Denton Municipal Code of Ordinances as a designated as a Local Historic Landmark in need of tax relief.

PREVIOUS ACTION/REVIEW (Council, Boards, Commissions)

Date	Council, Board, Commission	Request	Action
April 10, 2023	Historic Landmark Commission	Historic Tax Exemption (1314 N Locust Street)	Favorable Determination (4-0)

NEIGHBORHOOD MEETING

Public engagement is not required for this application type.

OPTIONS

1. Approve as submitted
2. Approve subject to conditions
3. Deny
4. Postpone consideration

RECOMMENDATION

The Historic Landmark Commission made a favorable determination that the expenses presented, with the exception of the inspection, report, and CAD drawings, resulted in a permanent improvement and/or restoration of the landmarked property located at 1314 N Locust Street. With the exception of the inspection, report, and CAD drawings, the applicant still meets the minimum ten thousand dollars (\$10,000.00) or more requirement stated in the City's Code of Ordinances, Sec. 10-128 (d). Staff recommends **approval** of the application for a partial tax exemption of the designated historic site located at 1314 N Locust Street, in accordance with Chapter 10, Article VI, Sections 10-126 through 10-129 of the Denton Municipal Code of Ordinances as a designated as a Local Historic Landmark in need of tax relief. With the exception of the inspection, report, and CAD drawings, the applicant still meets the minimum ten thousand dollars (\$10,000.00) or more requirement stated in the City's Code of Ordinances, Sec. 10-128 (d).

EXHIBITS:

1. Agenda Information Sheet
2. Site Location Map
3. Chapter 10, Article VI, Sections 10-126 through 10-129
4. Application for Historic Landmark Tax Exemption Authorization
5. April 10, 2023 – Approved HLC Meeting Minutes
6. Draft Resolution
7. Presentation

Respectfully submitted:
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Deputy Director Development Services/
Planning Director

Prepared By:
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Historic Preservation Officer