

A RESOLUTION OF THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS, ADOPTING THE METHOD AND EXAMPLES FOR FIGURING THE HISTORIC ZONE TAX REDUCTION AND THE HISTORIC PROJECT TAX REDUCTION.

WHEREAS, the City Council recognizes the importance of historically, architecturally, and culturally significant sites and structures in the City of Abilene; and,

WHEREAS, the City Council has heretofore established an ordinance for zoning of historical sites and structures; and,

WHEREAS, the City Council has heretofore established an ordinance for tax reduction for historical sites; and,

WHEREAS, the Landmarks Commission of the City of Abilene after careful study and after public hearing has recommended to the Council the Method and Examples for Figuring the Historic Zone Tax Reduction and the Historic Project Tax Reduction; and,

WHEREAS, the Planning and Zoning Commission of the City of Abilene after careful study and after public hearing has recommended to the Council the Method and Examples for figuring the Historic Zone Tax Reduction and the Historic Project Tax Reduction; and,

WHEREAS, the Council has carefully considered these methods and examples and has held a public hearing therein and finds that said methods and examples shall be beneficial to historically, architecturally, and culturally significant sites; now, therefore,

BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ABILENE, TEXAS:

PART 1: That the Method and examples for figuring the Historic Zone Tax Reduction and the Historic Project Tax Reduction attached as "Exhibit A" is hereby approved; and,

PART 2: That this resolution shall take effect immediately from and after its passage.


PASSED this 25th day of February, A.D. 1993.

Attest:


City Secretary


Mayor

Approved:


City Attorney

RESOLUTION NO. 10-1993
"Exhibit A"

Method and examples for figuring the Historic Zone Tax Reduction and the Historic Project Tax Reduction (See Chapter 30, Article IV of the Abilene City Code for Historic Zone Tax Reduction):

(1) General Provisions

- a. the \$200 or 20% reduction (whichever is greater) is to be subtracted first; then,
- b. the 50% project tax reduction shall be figured next; please refer to the following example:

City Property Tax	\$560
Historic Zoning Tax Reduction	<u>-200</u>
Subtotal	\$360
Historic Project Tax Reduction	<u>-280</u>
(50% of Property Tax Eligible for 10 years)	

- c. Remaining City Property Tax \$ 80
- c. The 50% project amount shall be credited for a maximum of ten (10) years as provided in Section 30-41 of the Abilene City Code. If the amount on the project will not last the allotted ten (10) years, the Planning Director, the property owner(s), and the Tax Assessor shall agree on how to divide the credit;
- an example of how this could be done; a certain property owner spent \$1,000 on Project A; at that amount and at this tax rate, the Tax Assessor would assess the 50% credit for three (3) years at \$280 and a fourth year at \$160;

	<u>Year One</u>	<u>Year Two</u>	<u>Year Three</u>	<u>Year Four</u>
City Property Tax	\$560	\$560	\$560	\$560
Credit	<u>\$200</u>	<u>\$200</u>	<u>\$200</u>	<u>\$200</u>
Subtotal	\$360	\$360	\$360	\$360
1/2 of \$560	<u>\$280</u>	<u>\$280</u>	<u>\$280</u>	<u>\$160</u>
Remaining City Tax	\$ 80	\$ 80	\$ 80	\$200

If the same property owner spends \$15,000 or any amount on project B, the fourth year could be given the 50% credit and the property owner would receive the full 50% credit for 10 years.

The intent is for this credit to run sequentially and not concurrently. Each property owner shall have only the potential of a maximum 10 year tax credit per project even if large amounts of money are spent over the \$750 minimum (Section 30-41, 1, C, Abilene City Code). Credit remains with the land. If a new property owner buys the building or land during the 10 year period of credit, the credit will remain until the 10 years expires. If the same new property owner has an allowable project, no matter when the property is purchased, the new owner must wait to get his or her own credit. Consequently, a new 10 year period per project would start over once the previous 10 year period expires (See Section 30-41, Paragraph 1, f., Abilene City Code.)