

Sec. 20-51. – Granting of Exemptions.

The City Council shall by ordinance, concurrent with the levy of taxes for each current year, approve for partial exemption from ad valorem taxes certain ~~heritage resources~~ historically significant sites which have been recommended for exemption pursuant to provisions of this division.

Sec. 20-52. – Historically Significant Sites.

For the purpose of this division, historically significant sites are defined as structures within the (H) and (HD) zoning overlay districts, except for structures categorized by the Heritage Commission as non-contributing ~~or incompatible~~ structures within a (HD) zoning overlay district.

Sec. 20-53. – Classes of ~~heritage resources~~ Historically Significant Sites.

~~The heritage resources~~ Historically significant sites shall be divided into the following classes:

(1) *Class A.* Structures that are:

- a. Occupied exclusively for residential purposes; and
- b. ~~Individually designated heritage resources located~~ Individually designated as a Heritage Landmark (H).

(2) *Class B.* Structures that are:

- a. Occupied in whole or in part for purposes other than residential; and
- b. ~~Individually designated heritage resources located~~ Individually designated as a Heritage Landmark (H).

(3) *Class C.* Structures that are:

- a. Occupied exclusively for residential purposes;
- b. ~~Contributing or compatible structures located in a heritage resource overlay district designated with the suffix "HD."~~ Located in a designated Heritage District (HD); and
- c. Categorized as contributing or compatible to the (HD) district.

(4) *Class D.* Structures that are:

- a. Occupied in whole or in part for purposes other than residential;

- b. ~~Contributing or compatible structures located in a heritage resource overlay district designated with the suffix "HD."~~Located in a designated Heritage District (HD); and
- c. Categorized as contributing or compatible to the (HD) district.

Sec. 20-54. – Percentage of Value Exempted.

The following classes of ~~heritage resources~~historically significant sites, which are approved for exemption by ordinance pursuant to the provisions of this division, shall have the following percentage of assessed improvement value exempt from ad valorem taxes levied by the City:

- (1) Class A structures shall have an exemption of one hundred (100) percent of the assessed improvement value of the structure during the applicable collection period.
- (2) Class B structures shall have an exemption of fifty (50) percent of the assessed improvement value of the structure during the applicable collection period.
- (3) Class C structures shall have an exemption of seventy-five (75) percent of the assessed improvement value of the structure during the applicable collection period.
- (4) Class D structures shall have an exemption of thirty-eight (38) percent of the assessed improvement value of the structure during the applicable collection period.

Sec. 20-55. – Eligibility Requirements.

To qualify for a heritage tax exemption, a historically significant site must comply with the following eligibility requirements as of January 1 of the year in which the tax exemption is to be granted (current year):

- (1) The structure is being preserved and maintained in accordance with minimum property, structural, health, and safety standards as adopted by the City of Plano;
- (2) The structure and site are in compliance with the City's Zoning Ordinance and Heritage Preservation Ordinance;
- (3) There are no delinquent property taxes owed to the City of Plano;
- (4) No permits or applications for demolition, removal, or relocation of the structure have been submitted, suspended, approved, issued, or are in any other stage that may allow demolition or relocation of the structure during the current year;

- (5) No exterior work was completed, installed, or is under construction without a Certificate of Appropriateness (CA) or in deviation of a previously approved CA; and
- (6) All repairs required from a previous tax exemption inspection have been completed by the established deadline, if applicable.

Sec. 20-56. – Application.

Applications for heritage tax exemption shall be submitted as follows:

- (1) For the assessment year for which the owner of the structure desires such structure to be tax exempt to the extent provided by this division, the owner shall file with the Heritage Preservation Officer an application, no later than January 1, attesting that the eligibility requirements of this article and Texas Tax Code Section 11.42 are fully satisfied ~~at the time of application submittal.~~
 - a. Once the owner has filed and been approved for tax exemption of a property, a new application shall not be required to be filed by the property owner annually as long as he/she retains ownership of the property.
 - b. If the property ownership changes on an exempt property, the ~~new owner may request extension of~~ property shall retain tax exempt status for the remainder of the ~~calendar year for the year of purchase~~ current year and the new property owner is responsible for any outstanding repairs and other eligibility requirements to maintain eligibility for the following year. A new application will be required to be filed as set out herein for the following assessment year. ~~Any outstanding repair or maintenance items identified in the tax exemption survey of the most recent approved year shall need to be addressed for the following year eligibility.~~
 - c. If a property owner was previously denied tax exempt status for a property, a new application will be required to be filed as set out herein. Any outstanding ~~Zoning Ordinance compliance issues or, exterior repair or maintenance items identified in previous tax exemption surveys shall need to be addressed prior to regain eligibility~~ eligibility requirements, including maintenance items identified in previous tax exemption inspections, must be met to regain eligibility.
- (2) Application forms are to be available online and from the City Planning Department.
- (3) The application shall affirmatively set forth the owner's authorization for City staff members to visit and inspect the property and books and records as necessary to certify whether or not the structure is being preserved and maintained as required by Sec. 20-~~56~~57 of this division.

Sec. 20-57. – Inspection; ~~approval or denial certification.~~

- ~~(1) Upon receipt of sworn application, the Heritage Preservation Officer, or its designees, shall conduct a tax exemption survey to inspect the property and review the books and records as necessary to certify whether or not:~~
- ~~a. The structure is being preserved and maintained in accordance with minimum property, structural, health, and safety standards as adopted by the City of Plano;~~
 - ~~b. The building and site are in compliance with the City's Zoning Ordinance.~~
 - ~~c. The building and site are in compliance with the inspection criteria of this division listed under (2) and (3) below.~~

Upon receipt of sworn application, the Heritage Preservation Officer, or his/her designees, shall inspect the property and review the books and records as necessary to certify the following:

- (1) The property meets all eligibility requirements.
- (2) The structure, accessory structures, grounds, property elements, and Bbuilding elements with their materials and finishes ~~shall be~~ have been maintained in good repair and in operable condition to avoid decay, damage, structural failure and hazardous or unsafe conditions to life, health, or other property. Generally:
 - a. Exterior surfaces of all structures (main structure and accessory structures) shall be clean, maintained, protected, and weathertight. Surfaces that have been previously painted/stuccoed shall be protected with paint and/or other appropriate finishes/coatings.
 - b. Repainting/paint touch-ups shall closely match the existing paint colors and applied at reasonable intervals.
 - c. Damaged, loose, or rotted materials/details shall be reestablished, repaired or replaced. All joints or cracks shall be weatherproofed appropriately by proper maintenance.
 - d. Exterior facades shall be clean from any graffiti, overgrown vegetation, and left over residues from previous work/installations.
 - e. Damaged or worn property elements such as those listed in the immediate section below shall be repaired, restored or replaced and secured properly to remain operable.

- f. Vacant structures shall be securely closed and weathertight. Any unoccupied structure shall be maintained and secured to avoid becoming a structure that may be considered demolished by neglect as defined in Chapter 16, Planning and Development, Article IV. Heritage Resource Preservation.
 - g. Exterior materials shall be maintained to historic standards as outlined in the Heritage Resource Overlay District Design Guidelines/Standards and the Secretary of the Interior's Standards.
 - h. Exterior plumbing, electrical and mechanical fixtures shall be secured properly.
 - i. Grounds shall be maintained free of excessive rubbish, garbage, junk, refuse or debris.
- (3) ~~The Heritage Preservation Officer, or its designees, shall inspect the structure, accessory structures, property elements and grounds to ensure general maintenance has occurred as described immediately above.~~
- (4) ~~The Heritage Preservation Officer shall present to the Heritage Commission a list of properties recommended for approval or denial of the tax exemption based on the findings of the tax exemption survey. A denial recommendation could be due to following reasons:~~
- ~~a. A structure is not being preserved and maintained in accordance with minimum property, structural, health, and safety standards as adopted by the City of Plano or is not in compliance with the City's Zoning Ordinance; or~~
 - ~~b. Deficiencies from previous tax exemption surveys were not completed by January 1 of the subject year; or~~
 - ~~c. Exterior work was completed, installed, or is under construction without a Certificate of Appropriateness (CA) or in deviation of a previously approved CA.~~
- (5) ~~The Heritage Preservation Officer will notify applicants of properties recommended for denial by registered mail twenty (20) calendar days prior to the Heritage Commission public hearing.~~
- (6) ~~The Heritage Commission shall hold a public hearing to make a determination of property eligibility and to certify properties have adequately addressed the deficiencies in the required time frame from the previous year and are in compliance. The Heritage Commission may grant an extension to properties if it is determined that extenuating circumstances exist. Such circumstances should general be justified by supportive information such as:~~
- ~~a. Cost estimates or other information indicating the required repair is more substantial than initially expected;~~

~~b. Documentation that the issue(s) was misidentified or didn't exist in the manner described in the tax exemption survey; or~~

~~e. Documentation that the issue is being addressed as part of a larger series of repairs or improvements and has received approval with a Certificate of Appropriateness.~~

~~(7) The Heritage Commission shall certify the facts to the City Council not later than March 30 of the subject year, along with the Heritage Commission's determination for approval or denial of applications for tax exemption.~~

~~(8) Following adoption by City Council, the Heritage Preservation Officer will notify applicants of any new deficiencies based on the findings of the tax exemption survey. The applicant shall address the deficiencies within the time frame determined at the time of notification.~~

Sec. 20-58. – Eligible Property Certification.

Following completion of the inspection, the Heritage Preservation Officer shall make a finding as to whether the application meets all eligibility requirements. A list of all properties which have been certified in compliance with eligibility requirements shall be forwarded to the City Council for approval.

Sec. 20-59. – ~~Appeal of Heritage Commission's determination.~~ Ineligible Property Notification and Appeal.

~~An owner of a qualified heritage resource may appeal denial of the tax exemption by the Heritage Commission by submitting a notice of appeal in the form of a signed letter to the Heritage Preservation Officer within ten (10) business days of the date of the Commission's action. The Heritage Preservation Officer shall submit the letter of appeal to the City Council and it shall be heard as part of the Council's consideration of the adopting ordinance noted in Section 20-[60] of this division. Should the City Council overturn the Heritage Commission's determination and grant tax exempt status to the property, the property will be added to the ordinance and list of exempted properties forwarded to the chief appraiser. If the City Council upholds the determination of the Heritage Commission, the property will not be included in the list forward to the chief appraiser with the adopting ordinance and the property owner may resubmit for tax exemption considering the following year in accordance with section 20-[56] of this division.~~

(1) Notification shall be sent to applicants of properties deemed ineligible for tax-exempt status by certified mail at least twenty (20) calendar days prior to City Council consideration of the adoption ordinance as described in Section 20-60 of this division.

- (2) An applicant may appeal the finding of the Heritage Preservation Officer that the property is ineligible for tax exempt status by submitting a notice of appeal in the form of a signed letter to the Heritage Preservation Officer at least ten (10) calendar days prior to City Council consideration of the adoption ordinance.
- (3) Appeals shall be limited to evidence that the Heritage Preservation Officer incorrectly deemed the property ineligible or to present new evidence that the property indeed met eligibility requirements as of January 1 of the current year.
- (4) The Heritage Preservation Officer shall submit the letter of appeal to the City Council and it shall be heard as part of Council's consideration of the adoption ordinance.

Sec. 20-60. – ~~Adoption of Ordinance by City Council~~ Adoption Ordinance.

The City Council shall review the list of properties certified as eligible for tax exemption and consider any appeals. In considering appeals, the City Council shall only grant an appeal if it finds that the property met eligibility requirements as of January 1 of the current year. The City Council shall then adopt an ordinance granting partial tax exemption under this division. The ordinance shall specify the class of exempt structures and shall provide that all land shall be assessed for taxation in the same equal and uniform manner as all other taxable properties in the City. The City shall cause a copy of the ordinance to be forwarded to the chief appraiser not later than ~~May 1~~ March 1 of the subject year.

Sec. 20-61. – Inspection Report and Required Repairs.

By no later than March 31st of the current year, the Heritage Preservation Officer or his/her designee shall send to the applicant:

- (1) Written notification of the City Council's approval; and
- (2) A copy of the inspection report that details, at a minimum, maintenance items requiring repair and a deadline to complete the required repairs in order to maintain eligibility for the following year.

Sec. 20-62. – Appeal of Inspection Report.

- (1) Any applicant may appeal the results of the inspection report by submitting a notice of appeal in the form of a signed letter to the Heritage Preservation Officer by April 30 of the current year. Appeals shall be limited to items listed in the inspection report as requiring repair to maintain eligibility for the following year and the deadline to complete them.
- (2) The Heritage Commission shall hold a public hearing to consider any appeals of the inspection report by May 31 of the current year. The Heritage Commission may

grant an appeal if it finds that extenuating circumstances exist. Such circumstances should generally be justified by supportive information such as:

- a. Documentation that the required repair was misidentified or did not exist in the manner described in the inspection report;
- b. Cost estimates or other information indicating the repair required is more substantial than initially expected; or
- c. Documentation that the issue is being addressed as part of a larger series of repairs or improvements that may require additional time to complete than allowed by the deadline established in the inspection report.

Sec. 20-63. – Extension Requests

- (1) An applicant may submit a request to extend the deadline to complete a required repair to the Heritage Commission. Requests shall be submitted in the form of a signed letter to the Heritage Preservation Officer by October 31 of the current year.
- (2) The Heritage Commission shall hold a public hearing to consider the extension request by December 31 of the current year. The Heritage Commission may grant an extension to the deadline if it is determined that extenuating circumstances exist, as generally described in Section 20-62(b) and 20-62(c) of this division.
- (3) Extensions shall be granted in one-year increments from the originally established deadline.

Sec. 20-64. - Rendition and assessment of heritage resources for ad valorem taxation.

The provisions of this division pertaining to partial exemption of heritage resources do not change the provisions of any other ordinance provision of the City pertaining to taxation, and the applicant's structures shall be rendered and assessed in the same manner as any other property if the City Council elects to disapprove the application for exemption.

Sec. 20-65. - Definitions.

The definitions codified in Article VI, Heritage Resource Preservation, of Chapter 16, Planning and Development, of the Code of Ordinances of the City of Plano, as amended, shall apply this Division.

~~Compatible Structure means a structure within a heritage resource overlay district that was substantially constructed after the district's period of significance, but fits within the existing character of the heritage resource overlay district to reflect existing buildings in massing, height, scale, material, roof, color, architectural details, and general appearance, or is built in accordance with an approved Certificate of Appropriateness (CA).~~

~~*Contributing Structure* means a structure within a heritage resource overlay district that was substantially constructed within the district's period of significance and retains a significant amount of its physical integrity and character defining features including location, setting, design, construction, workmanship, or association with historical persons or events.~~

~~*Heritage Resource* means a structure, site, or landmark of historical, cultural, archeological, or architectural importance at the national, state, or local level, and that has received from the Plano City Council local heritage designation individually or as part of a heritage resource overlay district.~~

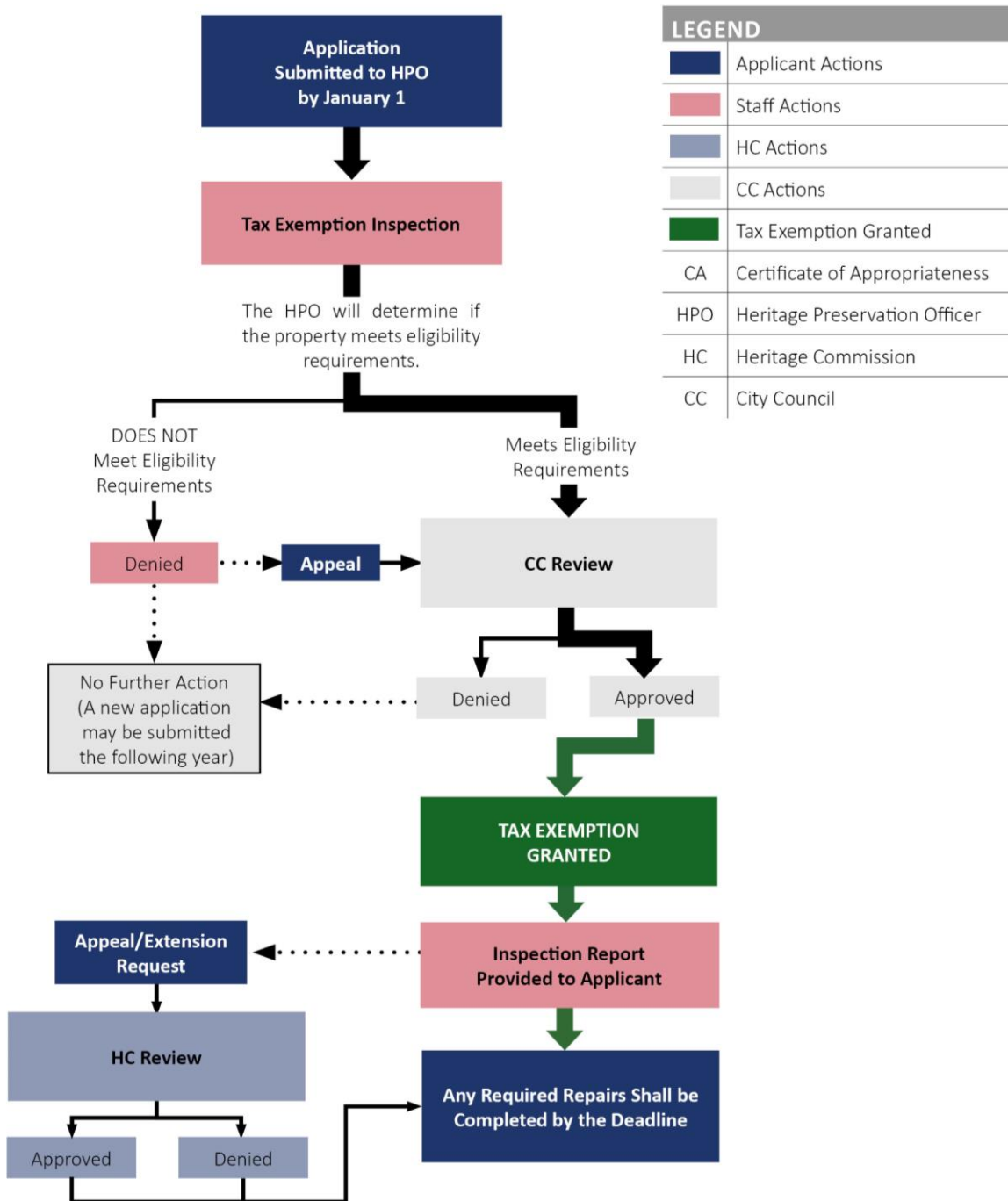
~~*Heritage Resource Overlay District* means an area which includes two (2) or more structures or sites, together with their accessory buildings, fences, and other appurtenances that are of historical, cultural, archaeological, or architectural importance, and that has received from the Plano City Council local heritage resource overlay district designation. A heritage resource overlay district may have within its boundaries contributing, compatible, noncontributing, and incompatible structures.~~

~~*Incompatible Structure* means a structure within a heritage resource overlay district that is built after the district's designation without an approved Certificate of Appropriateness (CA).~~

~~*Individually Designated Heritage Resource* means a structure, site, or landmark of historical, cultural, archaeological, or architectural importance that has received from the Plano City Council local heritage resource designation on its own and not as part of a heritage resource overlay district. It may consist of only a single property (not a district overlay), or may be located within a heritage resource overlay district.~~

~~*Non-Contributing Structure* means a structure within a heritage resource overlay district that was substantially constructed after the district's period of significance and is not an integral part of the historic, archaeological and architectural fabric of the district or the city, or was substantially constructed within the district's period of significance and does not retain a significant portion of its architectural or design integrity.~~

Exhibit A – Summary of Heritage Tax Exemption Process



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