

City of Houston, Texas, Ordinance No. 2019-143

AN ORDINANCE AMENDING SECTION 44-5 OF THE CODE OF ORDINANCES RELATING TO TAX RELIEF FOR THE RESTORATION OR PRESERVATION OF HISTORIC SITES; MAKING FINDINGS AND CONTAINING OTHER PROVISIONS RELATING TO THE FOREGOING SUBJECT; CONTAINING A SAVINGS CLAUSE; PROVIDING FOR SEVERABILITY; AND DECLARING AN EMERGENCY.

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WHEREAS, in accordance with Section 11.24 the Texas Tax Code, and Section 1-f of Article 8 of the Texas Constitution, the City of Houston (the "City") exempts all or part of the assessed value of the structures on certain historic sites; and

WHEREAS, the City most recently amended its Historic Site Preservation Ordinance in 2015, by Ordinance Number 2015-967; and

WHEREAS, the City now would like to amend its Ordinance as it relates to those areas in need of tax relief to encourage investment; **NOW THEREFORE**,

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF HOUSTON, TEXAS THAT:

Section 1. Section 44-5 of the Code of Ordinances, Houston, Texas, is hereby amended by amending Section 44-5(h) to read as follows:

"(h) *Calculation of tax exemption.* An exemption granted hereunder by the city council shall exempt the historic structure or improvements not including the value of any land associated with this historic site from ad valorem taxation and shall be computed on the following basis:

- (1) If the said qualifying expenditures are at least 25 percent but less than 100 percent of the base value, then the exemption for each tax year on the assessed value of the structure shall be equal to the amount of the qualifying expenditures; or
- (2) If the said qualifying expenditures are 100 percent or more of the base value of the improvements, then for each tax year:
 - a. For single-family residential properties that are not within a qualifying census tract, the exemption shall be equal to the qualifying expenditures; or
 - b. For properties other than single-family residential properties and all properties within a qualifying census tract, as that term is defined below, the exemption shall be equal to 100 percent of the assessed value of the historic structure or improvements not including the value of any land associated with this historic site.

In any event, however, the exemption granted to any historic site pursuant to this section shall be subject to a limitation in the form of a maximum dollar amount. The maximum dollar amount shall be the assessed value of the historic structure in the year following demonstration of completion of the restoration or preservation work and demonstration of the qualifying expenditures to the director of finance. The amount of the exemption allowed on a historic structure shall not exceed the aforesaid maximum dollar amount in any tax year for the duration of the exemption period.

For purposes of this subsection *qualifying census tract* means any population census tract if either:

- (1) The poverty rate for such tract is at least 20 percent; or
- (2) The median family income for such tract does not exceed 80 percent of the metropolitan area median family income."

Section 2. The City Council officially finds, determines, recites and declares that a sufficient written notice of the date, hour, place and subject of this meeting of the City Council was posted at a place convenient to the public at the City Hall of the City for the time required by law preceding this meeting, as required by the Open Meetings Law, Chapter 551 of the Texas Government Code, and that this meeting has been open to the public as required by law at all times during which this Ordinance and the subject matter thereof has been discussed, considered and formally acted upon. The City Council further ratifies, approves and confirms such written notice and the contents and posting thereof.

Section 3. If any provision, section, subsection, sentence, clause or phrase of this Ordinance, or the application of same to any person or set of circumstances, is for any reason held to be unconstitutional, void or invalid, the validity of the remaining portions of this Ordinance or their applicability to other persons or sets of circumstances shall not be affected thereby, it being the intent of the City Council in adopting this Ordinance that no portion hereof or provision or regulation contained herein shall become inoperative or fail by reason of any unconstitutionality, voidness or invalidity of any other portion hereof, and all provisions of this Ordinance are declared to be severable for that purpose.

Section 4. The City Attorney is hereby authorized to direct the publisher of the Code of Ordinances, Houston, Texas, (the "Code") to make sure such nonsubstantive changes to the Code as are necessary to conform to the provisions adopted in this Ordinance, and also make such changes to the provisions adopted in this Ordinance to conform them to the provisions and conventions of the published Code.

Section 5. There exists a public emergency requiring that this Ordinance be passed finally on the date of its introduction as requested in writing by the Mayor; therefore, this Ordinance shall be passed finally on that date and shall take effect immediately upon its passage and approval by the Mayor; however, in the event that the Mayor fails to sign this Ordinance within five days after its passage and adoption, it shall take effect in accordance with Article VI, Section 6, Houston City Charter.

PASSED AND ADOPTED this 20th day of March, 2019.

APPROVED this _____ day of _____, 2019

Mayor of the City of Houston

Pursuant to Article VI, Section 6, Houston City Charter, the effective date of the foregoing Ordinance is MAR 26 2019.

[Signature]
City Secretary **Assistant**

[Signature]
Prepared by Legal Dept. [Signature]
JRC:jmb 3/1/2019 Assistant City Attorney
Requested by Margaret Wallace-Brown, Interim Director, Planning and Development Department
L.D. No. 0611800027001

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CAPTION PUBLISHED IN DAILY COURT
 REVIEW **MAR 26 2019**
 DATE:

AYE	NO	
✓		MAYOR TURNER
....	COUNCIL MEMBERS
✓		STARDIG
✓		DAVIS
ABSENT		COHEN
ABSENT		BOYKINS
✓		MARTIN
✓		LE
✓		TRAVIS
✓		CISNEROS
✓		GALLEGOS
✓		LASTER
✓		CASTEX-TATUM
✓		KNOX
✓		ROBINSON
✓		KUBOSH
✓		EDWARDS
✓		CHRISTIE
CAPTION	ADOPTED	