

ORDINANCE NO. 2018-32

AN ORDINANCE AMENDING THE CODE OF ORDINANCES OF THE CITY OF VENICE, FLORIDA, CHAPTER 66, TAXATION, TO ADD ARTICLE VII, HISTORIC PRESERVATION AD VALOREM TAX EXEMPTION; PROVIDING FOR REPEAL OF ALL ORDINANCES IN CONFLICT HEREWITH; PROVIDING FOR SEVERABILITY AND PROVIDING FOR AN EFFECTIVE DATE

WHEREAS, Section 196.1997, Florida Statutes authorizes the governing authority of any municipality to adopt an ordinance to allow ad valorem tax exemptions under s. 3, Art. VII of the State Constitution to historic properties if the owners are engaging in the restoration, rehabilitation, or renovation of such properties in accordance with guidelines established in said section; and

WHEREAS, the City of Venice ("City") city council desires to amend the City Code of Ordinances to support the rehabilitation and restoration of historical resources in the City of Venice through the adoption of an ad valorem tax exemption.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA, as follows:

SECTION 1. The Whereas clauses above are ratified and confirmed as true and correct.

SECTION 2. Chapter 66, Taxation, Article VII, Historic preservation ad valorem tax exemption is hereby added to read:

ARTICLE VII. HISTORIC PRESERVATION AD VALOREM TAX EXEMPTION

Sec. 66-330. Purpose.

- (a) It is hereby declared as a matter of public policy that the protection, enhancement and perpetuation of properties of historical, cultural, archaeological, aesthetic and architectural merit are in the interest of the health, prosperity and welfare of the people of Venice.
- (b) The purpose of this article is to provide an incentive for protecting nationally or locally designated historic resources in Venice by allowing ad valorem tax exemptions under certain circumstances as described herein.

Sec. 66-331. Definitions.

The following words and phrases, when used in this article, shall have the following meanings, except where the context clearly indicates a different meaning:

Act means the National Historic Preservation Act of 1966 (Public Law 89-665; 80 STAT. 915; 16 U.S.C. 470), as amended.

Applicant means the owner of record or their authorized agent.

City council means the Venice City Council.

Certified local government program means a local historic preservation program which has been certified by the Florida Department of State, Division of Historical Resources in accordance with section 101 of the Act.

Contributing property means a building, site, structure, or object which adds to the historical architectural qualities, historic associations, or archaeological values for which a district is significant.

Manager means the manager of historical resources or designee.

District means a grouping of two or more buildings, structures, sites, objects, or other real or personal property.

Venice historic preservation board means an advisory board appointed by city council to perform the duties assigned it in this and other ordinances, as well as any other duties assigned by city council.

Historic properties means a historic resource that has been designated in accordance with Sec. 86-28 of this code.

Historic resource means a building, structure, object, or other real or personal property of historic, architectural, or archaeological value.

Improvement means changes in the condition of real property brought about by the expenditure of labor or money for the restoration, renovation or rehabilitation of such property. Improvements include additions and accessory structures (i.e. a garage) necessary for efficient contemporary use.

National register of historic places means the list of historic properties significant in American history, architecture, archeology, engineering and culture, maintained by the Secretary of the Interior, as established by the Act.

Noncontributing property means a building, site, structure, or object which does not add to the historic architectural qualities, historic associations, or archaeological values for which a district is significant.

Project completion means that point at which the manager determines that the project is substantially complete in accordance with the approved application.

Property appraiser means the Sarasota County Property Appraiser.

Renovation or rehabilitation means the process of returning a property to a state of utility, through repair or alteration, which makes possible an efficient contemporary use while preserving those portions and features of the property which are significant to its historic architectural and cultural values. For historic properties or portions thereof, which are of archaeological significance or

are severely deteriorated, renovation or rehabilitation means the act or process of applying measures designed to sustain and protect the existing form and integrity of a property or reestablish the stability of an unsafe or deteriorated property while maintaining the essential form of the property as it presently exists.

Restoration means the act or process of accurately recovering the form and details of a property and its setting as it appeared at a particular period of time by means of the removal of later work or by the replacement of missing earlier work.

Secretary of the Interior's Standards for Rehabilitation and Illustrated Guidelines for Rehabilitating Historic Buildings means those standards developed by the Secretary of the Interior to guide work undertaken on historic resources, as codified in 36 Code Federal Regulation Part 67 as amended.

Sec. 66-332. Ad valorem tax exemptions for historic properties.

City council may, at its discretion, allow tax exemptions, from that portion of ad valorem taxes levied by Venice, for the restoration, renovation or rehabilitation of historic properties.

- (1) The exemption shall apply to 100 percent of the assessed value of all improvements to historic properties which result from restoration, renovation, or rehabilitation.
- (2) The exemption shall apply only to improvements to real property and does not apply to personal property.
- (3) The exemption shall apply only to ad valorem taxes levied by the city. The exemption does not apply to taxes levied for the payment of bonds or to taxes authorized by a vote of the electors pursuant to Sections 9(b) or 12, Article VII, of the Florida Constitution.
- (4) The exemption shall remain in effect for ten years regardless of any change in the authority of the city to grant such exemptions or any changes in ownership of the property. In order to retain an exemption, however, the historic character of the property and the improvements which qualified the property for an exemption must be maintained over the period for which the exemption is granted.

Sec. 66-333. Covenant.

To qualify for an exemption, the property owner must enter into a covenant or agreement with the city for the term of the exemption. The form of the covenant or agreement must be established by the Florida Department of State and must require that the character of the property and the qualifying improvements to the property be maintained during the period that the exemption is granted. The city shall have the covenant or agreement recorded in the official records of Sarasota County. The covenant or agreement shall be binding on the current property owners, transferees, and their heirs, successors, or assigns. Violation of the covenant or agreement shall result in the property owner being liable for the payment of the difference between the total amount of ad valorem tax which would have been due each year the covenant or agreement was in effect had the

property not received the exemption, and the total amount actually paid, plus interest on the difference calculated as provided in F.S. § 212.12(3).

Sec. 66-334. Eligible properties and improvements.

In order for the improvements to a property to be eligible for an ad valorem tax exemption, the historic preservation board must certify the following:

- (1) At the time the exemption is granted, the property is designated by the city as a historic property, or as a contributing property to a historic district.
- (2) The improvement:
 - a. Is consistent with the Secretary of the Interior's Standards for Rehabilitation and Illustrated Guidelines for Rehabilitating Historic Buildings; and
 - b. Is equal to or greater than 15 percent of the assessed value of the property, excluding the value of the land, in the year in which the qualifying improvement was initiated; and
 - c. Has an exterior component equal to at least \$2,500.00 or 15 percent of the total project budget for improvements to real property, whichever is more; and
 - d. Meets the criteria established by the Department of State in Chapter 1A-38, Florida Administrative Code, as may be amended from time to time.

Sec. 66-335. Application.

The owner of record or authorized agent of a historic property that desires an ad valorem tax exemption for improvements to that historic property must submit a written application to city council, through the city clerk, which, at a minimum, contains the information required by F.S. § 196.1997.

Sec. 66-336. Review of application.

- (a) Any application submitted to the city council shall be provided to the Division of Historical Resources of the Florida Department of State, or the Venice historic preservation board upon the city being designated a Certified Local Government, who shall review the application. The review shall result in a determination of whether or not the property and improvements qualify for an exemption pursuant to this article.
- (b) When applicable and to the extent possible, the review of the application should be conducted simultaneously with the process for issuance of a certificate of appropriateness for the subject improvements, pursuant to section 86-28 of this code.

Sec. 66-337. Approval of exemption.

- (a) All work associated with an ad valorem tax exemption must be completed within two years of the date the Division of Historical Resources of the Florida Department of State, or the Venice historic preservation board, as applicable, determines the property and improvements qualify for an exemption.

- (b) Upon receipt of a request for a review of completed work and all required supporting materials, the city manager or his designee, shall determine whether the improvements are completed in compliance with the approved application, any approved amendments, and the Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings. The city manager reserves the right to conduct interim inspections of the work, at any time, to verify such compliance with requirements. Upon completion of the review of completed work, the city manager shall report to the Division of Historical Resources of the Florida Department of State, or the Venice historic preservation board, as applicable, who shall recommend that city council grant or deny the exemption. The recommendation and reasons therefor shall be provided in writing to the applicant. The applicant shall be given reasonable notice of the date and time when the recommendation will be heard by city council and shall be provided an opportunity to be heard by city council at that meeting.
- (c) The exemption shall take effect on January 1 following approval of the exemption by city council.

Sec. 66-338. Notification of property appraiser.

- (a) Upon approval of an ad valorem tax exemption by city council, the city clerk shall notify the property appraiser.
- (b) Upon certification of the assessment roll, or recertification, if applicable, for each fiscal year during which this article is in effect, the property appraiser shall report the information specified in F.S. § 196.1997(9) to the city council.

Sec. 66-339. Interpretation.

Where any provision of this article refers to or incorporates another provision, ordinance, statute, rule, regulation, policy, official publication, or other authority, it refers to the most current version, incorporating any amendments thereto or redesignation thereof.

Sec. 66-340-66-350. Reserved.

SECTION 3. All ordinances or parts of ordinances in conflict herewith shall be and the same are hereby repealed.

SECTION 4. If any part, section, subsection, or other portion of this ordinance or any application thereof to any person or circumstance is declared void, unconstitutional, or invalid for any reason, such part, section, subsection, or other portion, or the prescribed application thereof, shall be severable, and the remaining provisions of this ordinance, and all applications thereof not having been declared void, unconstitutional, or invalid, shall remain in full force and effect. The city council specifically declares that no invalid or prescribed provision or application was an inducement to the enactment of this ordinance, and that it would have enacted this ordinance regardless of the invalid or prescribed provision or application. It is the council's intent that the application of this exemption is consistent with the Historic Preservation Tax Exemption Program administered by the Florida Division of Historic Resources, pursuant to section 196.1997, Florida Statutes.

SECTION 5. This ordinance shall take effect immediately upon approval and adoption as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF VENICE, FLORIDA THIS 25TH DAY OF SEPTEMBER 2018.

First Reading: September 11, 2018

Final Reading: September 25, 2018

Adoption: September 25, 2018

John W. Holic, Mayor

ATTEST:

Lori Stelzer, MMC, City Clerk

I, LORI STELZER, MMC, City Clerk of the City of Venice, Florida, a municipal corporation in Sarasota County, Florida, do hereby certify that the foregoing is a full and complete, true and correct copy of an Ordinance duly adopted by the Venice City Council at a meeting thereof duly convened and held on the 25th day of September 2018 a quorum being present.

WITNESS my hand and the official seal of said City this 25th day of September 2018.

Lori Stelzer, MMC, City Clerk

(SEAL)

Approved as to form:

City Attorney