

ITEM # 33a
DATE 10/09/07

COUNCIL ACTION FORM

SUBJECT: URBAN REVITALIZATION CRITERIA FOR UNIVERSITY IMPACTED AREA (UIA) WEST

BACKGROUND:

On August 28, 2007, City Council directed staff to prepare criteria for Urban Revitalization for properties within the West University Impacted Overlay Zoning District. These criteria are attached. The program would allow owners of property in this area to ask City Council to approve partial property tax abatement for investment in historic restoration or adaptive reuse of historic properties.

This area (see map attached) includes properties within two residential and two commercial zoning districts. The development here began over 100 years ago and is now mostly apartments and detached homes.

Under this program, the City Council would take action on each request for a new Urban Revitalization Area as it has for Multiple Family Urban Revitalization Areas and Commercial Urban Revitalization Areas. Although State law requires Urban Revitalization Areas to contain two or more properties, only one of the properties has to meet these criteria. After receiving a request for a new Urban Revitalization Area under this program, staff would review the evidence submitted and the proposed property improvement. Staff would forward to the Historic Preservation Commission for recommendations proposed major changes to the exterior of the building or site. If the City Council establishes the new Urban Revitalization Area through the public hearing and ordinance process, the proposed work becomes the approved Urban Revitalization Plan. Staff does not propose an expiration date for each Urban Revitalization Area and Plan created under these criteria.

After the project is completed, staff would review the completed project and report to the City Council on compliance with the approved Urban Revitalization Plan. The City Council takes action annually in February to approve projects in any of the City's Urban Revitalization Areas as qualifying for tax abatement. The property owner could request a three-, five- or ten-year abatement schedule.

Improvements made to the structure or site of the property that the National Park Service has determined meets the National Register Evaluation Criteria are eligible for tax abatement, if the property value increases by 5% or more. The owner can carry out the improvement shown on the approved plan all at once or in phases. However, if additional work is carried out that is not on the approved Plan, in order to receive tax abatement the owner would first need City Council approval of a revised Urban Revitalization Plan.

ALTERNATIVES:

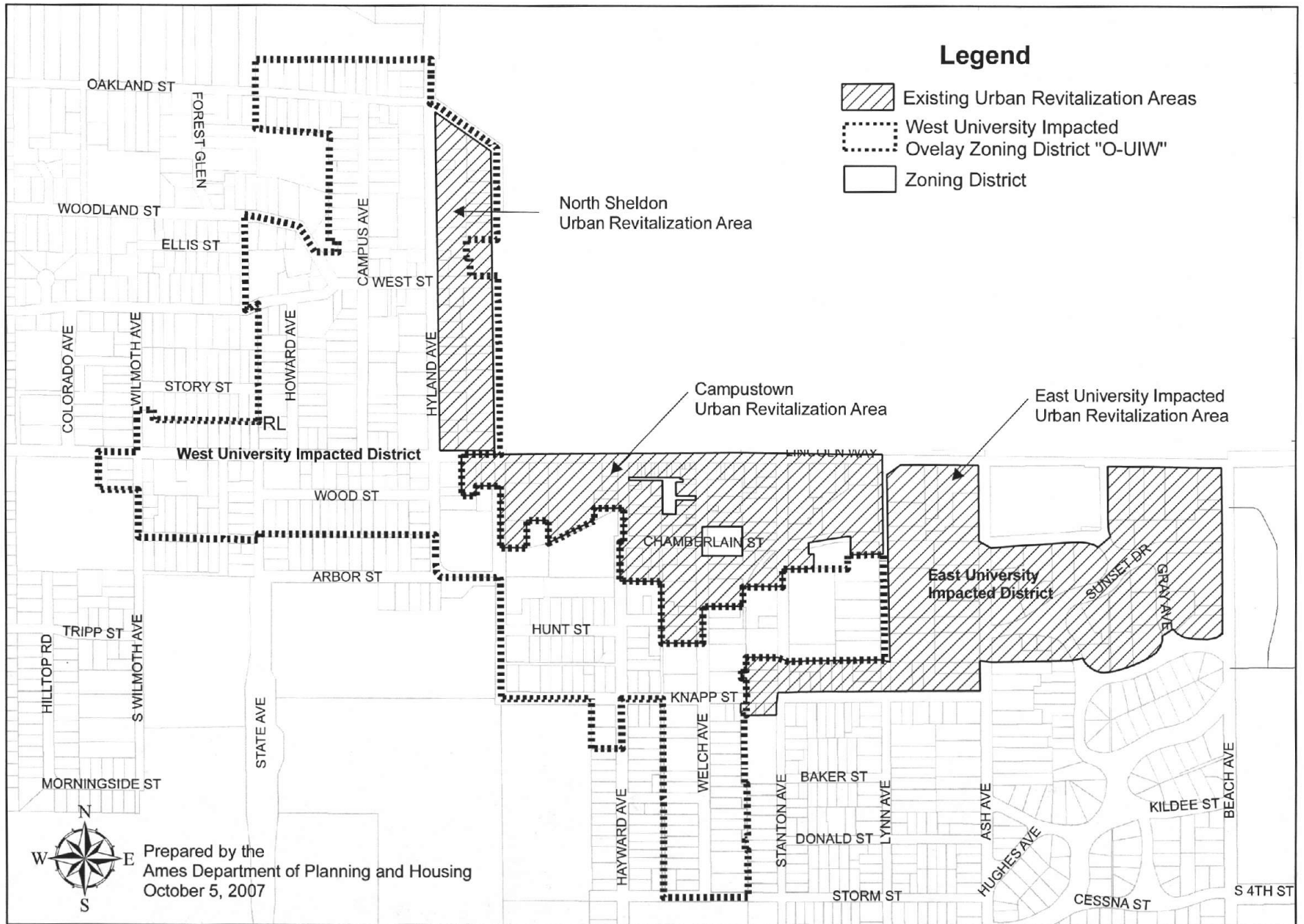
1. The City Council can approve the attached Urban Revitalization criteria for properties within the West University Impacted Overlay Zoning District.
2. The City Council can approve the attached Urban Revitalization criteria for properties within the West University Impacted Overlay Zoning District with modifications.
3. The City Council can deny the Urban Revitalization criteria for properties within the West University Impacted Overlay Zoning District.
4. The City Council can refer the request to staff for further information.

MANAGER'S RECOMMENDED ACTION:

In the Land Use Policy Plan and the Sub-Area Plan for the University Impacted Area, the City has already adopted specific policies that support tax abatement as a tool for historic preservation in the University Impacted Areas. In the rest of the University Impacted Area, tax abatement is already available for improving properties under various criteria. Where the State and Federal agencies have reviewed the evidence and determined that a property in the West University Impacted Area qualifies for the National Register of Historic Places, the City Council should consider tax abatement.

Therefore, it is the recommendation of the City Manager that the City Council adopt Alternative No. 1, thereby approving the attached Urban Revitalization criteria for properties within the West University Impacted Overlay Zoning District.

University Area Urban Revitalization Areas



URBAN REVITALIZATION CRITERIA FOR UNIVERSITY IMPACTED AREA – WEST

An area will be considered for establishing an Urban Revitalization Area and Plan if one or more properties meet all of the following criteria:

1. Properties are located within the West University Impacted Overlay Zoning District

and

2. The National Park Service has determined that one or more of the properties has a structure(s) that meets the National Register Evaluation Criteria,

and

3. Improvements are being made to one of the National Register eligible structures which preserve 70% or more of the area of existing exterior walls of the structure or restore original or historic materials and designs.

NOTE: Improvements made to the structure or site on the property that the National Park Service has determined meets the National Register Evaluation Criteria are eligible for tax abatement, if the property value increases by 5% or more.