

3J-2

Agenda Item #:

PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS

AGENDA ITEM SUMMARY

Meeting Date: 01/26/2016 ☒ Consent ☐ Regular
 ☐ Workshop ☐ Public Hearing

Department: Planning, Zoning, and Building Department

Submitted By: Planning Division

Submitted For: Planning Division

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I. EXECUTIVE BRIEF

Motion and Title: Staff recommends motion to:

- A) **Adopt** a resolution of the Board of County Commissioners (BCC) of Palm Beach County, Florida, granting a County tax exemption for 728 North Lakeside Drive, Lake Worth (Residential).
- B) **Approve** a restrictive covenant for 728 North Lakeside Drive, Lake Worth (Residential), requiring the qualifying improvements be maintained during the period that the tax exemption is granted.

Summary: The resolution will authorize a County tax exemption for the following historic property located within the City of Lake Worth:

Address: 728 North Lakeside Drive (Residential). The property is privately owned for residential use.

If granted, the tax exemption shall take effect January 1, 2016, and shall remain in effect for 10 years, or until December 31, 2025. The exemption shall apply to 100 percent of the assessed value of all improvements to the historic property, which resulted from restoration, renovation, or rehabilitation of the property. Actual exemption amounts will be based upon the Countywide Millage rate on a yearly basis. It is estimated that approximately \$478 tax dollars will be exempted annually based on the 2016 Countywide Millage Rate. Accompanying the resolution is a restrictive covenant, which requires the qualifying improvements be maintained during the period that each tax exemption is granted. District 3 (RPB)

Background and Justification: On October 17, 1995, the BCC adopted a historic property tax exemption ordinance, Ordinance No. 95-41, applicable countywide. The ordinance allows a qualifying local government to enter into an Interlocal agreement with the County to perform review functions necessary to implement the ordinance within its municipal boundary. An Interlocal Agreement was approved by the BCC on February 3, 1998, R 98 170 D, authorizing the City of Lake Worth Historic Preservation Board to perform the required review to implement the tax exemption ordinance on improvements to historic landmark properties within the City.

Copies of the City of Lake Worth Landmarks Preservation Commission and other backup information for the property are available for review at the County's Planning Division.

Attachments:

1. Property Owner List
2. Resolution (2 copies)
3. Historic Preservation Property Tax Exemption Covenant (1 copy)
4. City of Lake Worth Historic Tax Exemption Resolution (1 copy)
5. Tax Break Down by Property, Annual and 10 Year Total

Recommended by: 1047-Debra D. Caldwell
Executive Director

12/29/15
Date

Approved By: V. Baker
County Administrator

1/15/16
Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact:

Fiscal Years	2016	2017	2018	2019	2020
Capital Expenditures	_____	_____	_____	_____	_____
Operating Costs	_____	_____	_____	_____	_____
External Revenues	<u>\$478</u>	<u>\$478</u>	<u>\$478</u>	<u>\$478</u>	<u>\$478</u>
Program Income (County)	_____	_____	_____	_____	_____
In-Kind Match (County)	_____	_____	_____	_____	_____
NET FISCAL IMPACT	<u>\$478</u>	<u>\$478</u>	<u>\$478</u>	<u>\$478</u>	<u>\$478</u>
No. ADDITIONAL FTE POSITIONS (Cumulative)	_____	_____	_____	_____	_____

Is Item Included In Current Budget? Yes _____ No _____

Budget Account No.: Fund _____ Department _____ Unit _____
Object _____ Reporting Category _____

B. Recommended Sources of Funds/Summary of Fiscal Impact:

There is no direct fiscal impact on the Planning, Zoning and Building Department from granting a tax exemption for each property. The overall County impact is a reduction of collectable taxes. Tax revenue is to be reduced at most by the tax on the improvements made to the structure. The estimated improvement costs attributed solely to work on these historic building totals \$100,000. Estimated exemption will be based upon the Countywide Millage Rate (4.7815), it is estimated that approximately \$478 tax dollars will be exempted annually.

The estimated total tax exempted for the 10 years ending December 31, 2025, is \$4,781.
(\$478 x 10).

C. Departmental Fiscal Review: Pat Fitzgerald b9c

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Dev. and Control Comments:

Shenx
OFMB 1/4 11/5
2/30

Dr. J. Jacoby
Contract Dev. and Control 11/7/15
B. Wheeler 11-7-16

B. Legal Sufficiency:

ASAS
Assistant County Attorney

C. Other Department Review:

Department Director

PROPERTY OWNER LIST

**2016 City of Lake Worth
Historic Property Tax Exemption**

Property Owner - Address - Use of Building

Owners: Robert A. Lepa

Property: 728 North Lakeside Drive
 Lake Worth, FL 33460

Use: Residential

RESOLUTION NO. R-2016-

A RESOLUTION OF THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, GRANTING AN AD VALOREM TAX EXEMPTION FOR THE HISTORIC REHABILITATION OF THE PROPERTY LOCATED AT 728 NORTH LAKESIDE DRIVE, LAKE WORTH, AS FURTHER LEGALLY DESCRIBED HEREIN; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the citizens of Florida amended the Florida Constitution, Article VII, Section 3, to authorize counties and municipalities to grant a partial ad valorem tax exemption to owners of historic properties for improvements to such properties which are the result of the restoration, renovation, or rehabilitation of the historic properties; and,

WHEREAS, the Board of County Commissioners have approved an ordinance providing for an ad valorem tax exemption for the restoration, renovation, and/or improvement of historic properties within the County (Ordinance No. 95-41); and

WHEREAS, the ad valorem tax exemption is one means of offering a financial incentive to increase interest in restoring, renovating, and improving the County's historic structures; and,

WHEREAS, the Board of County Commissioners have approved an interlocal agreement with the City of Lake Worth (R-98 170 D) for implementation of tax exemptions on improvements to historic landmark properties; and,

WHEREAS, this interlocal agreement delegates review of properties within the City of Lake Worth to the municipal historic preservation agency; and,

WHEREAS, this property has been certified as a qualified property by the City of Lake Worth based on the fact that the property is a locally designated historic property or landmark, in accordance with local historic preservation ordinance (LW Ordinance No. 97-26); and,

WHEREAS, the property owner, Robert A. Lepa, filed a Preconstruction Application and received preliminary approval from the City of Lake Worth Historic Preservation Board on September 11, 2013, for an ad valorem tax exemption for the

historic renovation and restoration of the property located at 728 North Lakeside Drive, Lake Worth; and,

WHEREAS, the City of Lake Worth Historic Preservation Board reviewed the Final Application on August 12, 2015, for a determination that the completed improvements were consistent with the United States Secretary of Interior's Standards for Rehabilitation, and recommended approval to grant an ad valorem City tax exemption to Robert A. Lepa, for the restoration, renovation, and improvement to the property located at 728 North Lakeside Drive, Lake Worth; and,

WHEREAS, the City of Lake Worth City Commission on August 12, 2015, determined that the completed improvements were consistent with the United States Secretary of Interior's Standards for Rehabilitation, and granted an ad valorem City tax exemption to Robert A. Lepa, for the restoration, renovation, and improvement to the property located at, 728 North Lakeside Drive, Lake Worth.

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF PALM BEACH COUNTY, FLORIDA, that:

1. The Board of County Commissioners hereby approve an ad valorem County tax exemption to the property owner, Robert A. Lepa, for a 10-year period, commencing on the January 1, 2016, from that portion of ad valorem County taxes levied on the increase in assessed value resulting from the renovation, restoration, and rehabilitation of the property located at 728 North Lakeside Drive, Lake Worth, which property is as legally described as follows and which improvements are described in HPB Case No. 13-00100170:

TOWN OF LAKE WORTH LT 7 BLK 422, according to
the Public Records of Palm Beach County, Florida.

2. Prior to the ad valorem tax exemption described herein being effective, Robert A. Lepa shall execute and record a restrictive covenant in a form established by the State of Florida, Department of State, Division of Historical

Resources, requiring the qualifying improvements be maintained during the period that the tax exemption is granted.

3. The Board finds that the property meets the requirements for tax exemption under Section 196.1997, Florida Statutes.

4. The provisions of this resolution shall become effective upon the execution of this agreement.

5. One copy of this agreement shall be filed with the Clerk of the Circuit Court in and for Palm Beach County.

The foregoing Resolution was offered by Commissioner _____, who moved its adoption. The motion was seconded by Commissioner _____, and upon being put to a vote, the vote was as follows:

Commissioner Mary Lou Berger, Mayor
Commissioner Hal R. Valeche, Vice Mayor
Commissioner Shelley Vana
Commissioner Paulette Burdick
Commissioner Steven L. Abrams
Commissioner Melissa McKinlay
Commissioner Priscilla A. Taylor

The Mayor thereupon declared the Resolution duly passed and adopted this _____ day of _____, 2016.

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

PALM BEACH COUNTY, FLORIDA, BY ITS
BOARD OF COUNTY COMMISSIONER

SHARON R. BOCK,
CLERK & COMPTROLLER

BY: 
Asst. County Attorney

BY: _____
Deputy Clerk

HISTORIC PRESERVATION PROPERTY TAX EXEMPTION COVENANT

This Covenant is made this _____ day of _____, 20__, by Robert A. Lepa, (hereinafter referred to as the Owner(s) and in favor of Palm Beach County (hereinafter referred to as the Local Government) for the purpose of the restoration, renovation or rehabilitation, of a certain Property located at 728 North Lakeside Drive, Lake Worth, FL 33460, which is owned in fee simple by the Owner and is listed in the National Register of Historic Places or locally designated under the terms of a local preservation ordinance or is a contributing property to a National Register listed district or a contributing property to a historic district under the terms of a local preservation ordinance. The areas of significance of this property, as defined in the National Register nomination or local designation report for the property or the district in which it is located are ___x___ architecture, ___x___ history, ___ archaeology.

The Property is comprised essentially of grounds, collateral, appurtenances, and improvements. The property is more particularly described as follows (include city reference, consisting of repository, book, and page numbers:

TOWN OF LAKE WORTH LT 7 BLK 422, according to the plat thereof, as recorded in the Public Records of Palm Beach County, Florida.

In consideration of the tax exemption granted by the Local Government, the Owner hereby agrees to the following for the period of the tax exemption which is from January 1, 2016 to December 31, 2025.

1. The Owner agrees to assume the cost of the continued maintenance and repair of said Property so as to preserve the architectural, historical, or archaeological integrity of the same in order to protect and enhance those qualities that made the Property eligible for listing in the National Register of Historic Places or designation under the provisions of the preservation ordinance.
2. The Owner agrees that no structural alterations will be made to the Property without prior written permission of the Local Historic Preservation Office. The address of the certified Local Historic Preservation Office is, if one exists in the jurisdiction:

City of Lake Worth:
Division of Planning, Zoning and Historic Preservation
1900 2nd Avenue North
Lake Worth, FL 33461
Telephone Number: (561) 586-1687

The address of the Division of Historic Resources is:
Bureau of Historic Preservation
Division of Historical Resources
R.A. Gray Building, 500 South Bronough Street
Tallahassee, Florida 32399-0250
Telephone Number: (850) 487-2333

3. [Only for properties of archaeological significance] The Owner agrees to ensure the protection of the site against willful damage or vandalism. Nothing in this Covenant shall prohibit the Owner from developing the site in such a manner that will not threaten or damage the archaeological resource, provided that permission for alteration of the site is obtained pursuant to 2. Above.
4. The Owner agrees that the Local Historic Preservation Office and appropriate representatives of the Local Government, their agents and designees shall have the right to inspect the Property at all reasonable times in order to ascertain whether or not the conditions of this covenant are being observed.

5. In the event of the non-performance or violation of the maintenance provision of the Covenant by the Owner or any successor-in-interest during the term of the Covenant, the Local Historic Preservation Office will report such violation to the Property Appraiser and Tax Collector who shall take action pursuant to s. 196.1997 (7), F.S. The Owner shall be required to pay the difference between the total amount of taxes which would have been due in March in each of the previous years in which the Covenant was in effect had the property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in s. 212.12 (3) F.S.

6. If the Property is damaged by accidental or natural causes during the Covenant period, the Owner will inform the Local Historic Preservation Office in writing of the damage to the Property, including (1) an assessment of the nature and extent of the damage; and (2) an estimate of the cost of restoration or reconstruction work necessary to return the Property to the condition existing at the time of project completion. In order to maintain the tax exemption, the Owner shall complete the restoration or reconstruction work necessary to return the Property to the condition existing at the time of project completion on a schedule agreed upon by the Owner and the Local Historic Preservation Office.

7. If the Property has been destroyed or severely damaged by accidental or natural causes, that is, if the historical integrity of the features, materials, appearance, workmanship, and environment, or archaeological integrity which made property eligible for listing in the National Register of Historic Places or designation under the terms of the local preservation ordinance have lost or so damaged that restoration is not feasible, the Owner will notify the Local Historic Preservation Office in writing of the loss. The Local Historic Preservation Office will evaluate the information provided and notify the Owner in writing of its determination regarding removal of the Property from eligibility for tax exemption. If the Local Historic Preservation Office determines that the property should be removed from eligibility for tax exemption, it will notify the Property Appraiser of the county in which the Property is located in writing so that the tax exemption can be canceled for the remainder of the Covenant period. In such cases, no penalty or interest shall be assessed against the Owner.

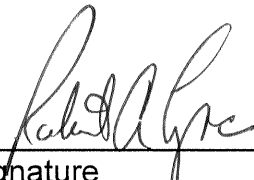
8. If it appears that the historical integrity of the features, materials, appearance, workmanship, and environment, or archaeological integrity which made the Property eligible for listing in the National Register of Historic Places or designation under the terms of the local preservation ordinance have been lost or damaged deliberately or through gross negligence of the Owner, the Local Historic Preservation Office shall notify the Owner in writing. For the purpose of this Covenant, "gross negligence" means omission of care that even inattentive and thoughtless persons never fail to take of their own property. The Owner shall have 30 days to respond indicating any circumstances which show that the damage was not deliberate or due to gross negligence. If the Owner cannot show such circumstances, he shall develop a plan for restoration of the Property and a schedule for completion of the restoration. In order to maintain the tax exemption, the Owner shall complete the restoration work necessary to return the Property to the condition existing at the time of project completion on a time schedule agreed upon by the Owner and the Local Historic Preservation Office. If the Owner does not complete the restoration work on the agreed upon time schedule, the Local Historic Preservation Office will report such violation to the Property Appraiser and Tax Collector who shall take action pursuant to s. 196.1997 (7), F.S. The Owner shall be required to pay the differences between the total amount of taxes which would have been due in March in each of the previous years in which the Covenant was in effect had the property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in s. 212.12 (3), F.S.

9. The terms of this Covenant shall be binding on the current Property owner, transferees, and their heirs, successors, or assigns.

This Covenant shall be enforceable in specific performance by a court of competent jurisdiction.

OWNER(S):

ROBERT A. LEPA
Name


Signature

10-23-15
Date

IN WITNESS WHEREOF, the Owner and Local Government have executed or have caused this Agreement.

ATTEST:

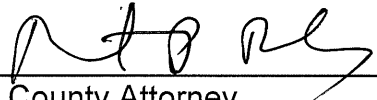
PALM BEACH COUNTY, FLORIDA
BY ITS BOARD OF COUNTY COMMISSIONERS

Sharon R. Bock, Clerk & Comptroller

BY: _____
Deputy Clerk

BY: _____
Mayor

APPROVED AS TO FORM AND
LEGAL SUFFICIENCY

BY: 
County Attorney

STATE OF FLORIDA

COUNTY OF PALM BEACH

The foregoing instrument was acknowledged before me this 23 day of October, 2015 by Robert A. Lepa, who are personally known to me or who have produced _____, and _____, respectively, (indicate form of identification) (if left blank personal knowledge existed) as identification.

Ron Bekins

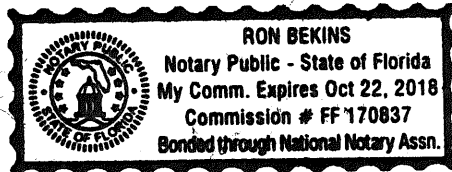
Notary Public State of Florida

Notary Print Name:

Ron Bekins

My Commission Expires:

10/22/2018



(NOTARY SEAL)

49-2015

RESOLUTION NO. 49-2015 OF THE CITY COMMISSION OF THE CITY OF LAKE WORTH, FLORIDA, GRANTING AN AD VALOREM TAX EXEMPTION FOR THE PROPERTY LOCATED AT 728 NORTH LAKESIDE DRIVE, LAKE WORTH, FLORIDA AS A RESULT OF THE HISTORIC PRESERVATION/ REHABILITATION OF THE PROPERTY; PROVIDING AN EFFECTIVE DATE; AND FOR OTHER PURPOSES.

WHEREAS, the Historic Preservation Program of the City of Lake Worth, Florida, is designed to preserve, protect, enhance, and perpetuate resources which represent distinctive and significant elements of the City's historical, cultural, social, economic, political, archaeological, and architectural identity; and/or serve as visible reminders of the City's culture and heritage; and

WHEREAS, the ad valorem tax exemption is one means of offering a financial incentive to increase interest in restoring, renovating, and improving the City's historic structures; and

WHEREAS, the citizens of Florida amended the Florida Constitution, Article VII, Section 3, to authorize counties and municipalities to grant a partial ad valorem tax exemption to owners of historic properties for improvements to such properties which are the result of the restoration, renovation, or rehabilitation of the historic properties; and

WHEREAS, Section 196.1997, Florida Statutes, establishes the process by which such exemption may be granted; and

WHEREAS, the City of Lake Worth is an approved Certified Local Government to perform the review functions necessary for Historic Tax Exemption applications; and

WHEREAS, by Ordinance No. 97-26, the City of Lake Worth City Commission has approved an ad valorem tax exemption for the restoration, renovation, and/or improvement of historic properties, which Ordinance provides that on completion of the review of a Final Application/Request for Review of Completed Work, the Historic Preservation Planner shall present such Final Application in a regularly scheduled meeting of the Historic Resources Preservation Board and shall recommend that the Historic Resources Preservation Board recommend approval or deny the exemption to the City Commission; and

WHEREAS, the property owner filed a preconstruction application and received preliminary approval from the Historic Resources Preservation Board on September 11, 2013, for an ad valorem tax exemption upon completion of the historic renovation and restoration of the property located at 728 North Lakeside Drive, Lake Worth (the "Property"); and

WHEREAS, on August 12, 2015, the Historic Resource Preservation Board reviewed the Completed Work Application and made a determination that the completed improvements were consistent with the United States Secretary of Interior's Standards for Rehabilitation, that the requirements of Sec. 196.1997 Florida Statutes have been met, and recommended granting an ad valorem City tax exemption for the Property.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COMMISSION OF THE CITY OF LAKE WORTH, FLORIDA, that:

SECTION 1. The City Commission of the City of Lake Worth, Florida, hereby finds that the completed improvements to the Property, as described in the application for ad valorem tax exemption filed with the City and in HRPB Case No. 13-00100170 is consistent with the United States Secretary of Interior's Standards for Rehabilitation, the City of Lake Worth Land Development Regulations 23.5-4 and 23.5-5, and the property meets the requirements of Florida Statutes Sec. 196.1997.

SECTION 2. The Property is designated as a contributing property to a historic district under the terms of the Lake Worth preservation ordinance.

SECTION 3. In accordance with this finding, the City Commission hereby approves an ad valorem tax exemption for a ten year period, commencing on January 1, 2016, and expiring December 31, 2025, from that portion of ad valorem taxes levied on the increase in assessed value resulting from the restoration, renovation, and rehabilitation improvements, for the real property described as:

Property Owner: Robert A Lepa

Address: 728 North Lakeside Drive
Lake Worth, Florida 33460

Legal Description: PCN: 38-43-44-21-15-422-0070
TOWN OF LAKE WORTH LT 7 BLK 422

SECTION 4. Prior to the ad valorem tax exemption described herein being effective, the Property Owner shall execute and record in the Public Records of Palm Beach County, a restrictive covenant in a form established by the State of Florida, Department of State, Division of Historical Resources, requiring that the qualifying improvements must be maintained during the period for which the tax exemption is granted. A copy of the recorded covenant shall be provided to the City's Historic Preservation Planner.

SECTION 5. A certified copy of this Resolution shall be provided to the Palm Beach County Property Appraiser.

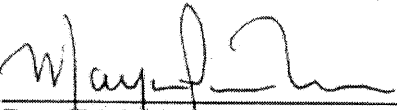
SECTION 6. This Resolution shall take effect in accordance with law.

The passage of this Resolution was moved by Vice Mayor Maxwell, seconded by Commissioner Maier, and upon being put to a vote, the vote was as follows:

Mayor Pam Triolo	AYE
Vice Mayor Scott Maxwell	AYE
Commissioner Christopher McVoy	AYE
Commissioner Andy Amoroso	AYE
Commissioner Ryan Maier	AYE

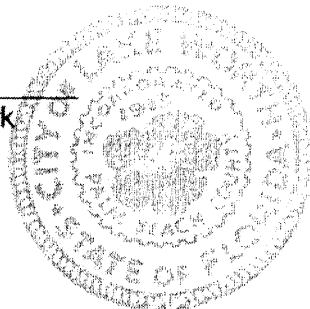
Mayor Pam Triolo thereupon declared this Resolution duly passed and adopted on the 1st day of September, 2015.

LAKE WORTH CITY COMMISSION

By: 
Pam Triolo, Mayor

ATTEST:


Pamela J. Lopez, City Clerk



Attachment 5
Tax Break Down By Property, Annual and 10 Year Total
2016 City of Lake Worth County Tax Exemption

Property	Total Cost of Improvements	Estimated Improvement Costs to Historic Buildings	Annual	10 YearTotal
728 North Lakeside Drive	\$120,000.00	100,000.00	\$478.15	\$4,781.50
Total	\$120,000.00	\$100,000.00	\$478.15	\$4,781.50
		\$478.15		

Local government millage rate = 4.7815
 (estimated improvement cost) x (.0047815) = (annual estimated tax dollars exempted)