

APPENDIX C

Incentives for Designated Historic Resource



Existing Incentives for Historic Resources

Tax Exemptions

Ad Valorem Tax Exemption (10-year Tax Exemption)

The City of Fort Lauderdale's Unified Land Development Regulations (ULDR) provides for an Ad Valorem Tax Exemption under Section 47-24.11.E. for exemption for improvements to historic property (per F.S. § 196.1997). The city commission may authorize an ad valorem tax exemption of one hundred percent (100%) of the assessed value of all improvements to historic properties which result from the restoration, renovation, or rehabilitation of such properties.

The Ad Valorem Tax Exemption does not give property owners total exemption from all taxes. It is an exemption only on the amount that taxes would have increased due to the assessed value of the improvements made to a designated historic landmark. The exemption will only apply to those taxing authorities that agree to participate in the program (for example, the city portion or the county portion) and would not affect taxing authorities such as school districts or fire.

The applicant must apply before construction begins for the work performed to be counted towards the tax exemption. All applicants must complete a Pre-construction Application which consists of two (2) sections: Determination of Property Eligibility, and a Certificate of Appropriateness that includes a detailed description of all proposed improvements and photos of the existing conditions. Staff will review the application and present it before the Historic Preservation Board for approval. Applicants are also responsible for applying simultaneously with the Broward County Historic Preservation Program to take full advantage of this incentive. **The rehabilitation work must be done according to the Secretary of the Interior's Standards for Rehabilitation.**

City of Fort Lauderdale Tax Exemption for Historic Commercial Properties

The City of Fort Lauderdale's Unified Land Development Regulations (ULDR) provides a Tax Exemption under Section 47-24.11.F. for a fifty percent (50%) reduction in City property tax for designated historic resources that are used for commercial or non-profit purposes.

Broward County Tax Exemption for Historic Commercial Properties

The Broward County Code of Ordinances provides a Tax Exemption under Article VI, Section 31 1/2 -110 for a tax exemption of fifty percent of the assessed value of historic property used for commercial or certain nonprofit purposes.

To take advantage of either tax exemption for commercial properties, the property must comply with each and every provision of 196.1961 to be entitled to the ad valorem exemption and the tax exemption shall apply only to Broward County. Property must be used for commercial purposes or used by a not-for-profit organization under s. 501(c)(3). Property must be regularly open to the public (minimum of 40 hours per week, for 45 weeks per year, or an equivalent of 1,800 hours per year).



This reduction is applied by the Broward County Property Appraiser's (BCPA) Office on the annual tax bill for the property. An eligible property owner would need to complete an application with BCPA which would automatically renew each year.

Transfer of Development Rights (TDR) Program

A Transfer of Development Rights (TDR) Program has been implemented in the City of Fort Lauderdale as a new incentive for historic preservation. The TDR program allows for transfer of unused development rights from designated historic properties called "sending sites" to eligible new developments called "receiving sites." Property owners of designated historic landmarks, landmark sites, archaeological sites, or contributing buildings within the City of Fort Lauderdale are eligible to participate in this voluntary program.

Parking Reductions and Exemptions

The City of Fort Lauderdale's ULDR Section 47-20.3 – Parking Reductions and Exemptions, allows locally designated historic landmarks or contributing properties within a locally designated historic district to be eligible for the following parking reductions and exemptions:

- Properties utilized for adaptive reuse to provide one (1) off-street parking space per dwelling unit; and
- Exempt commercial structures utilized for adaptive reuse that are up to 2,500 gross square feet in area from off-street parking requirements. Requiring all commercial development greater than 2,500 gross square feet and utilized for adaptive reuse to provide sixty percent (60%) of the off-street parking space requirements in Section 47-20.2 of the ULDR; and
- Exemption of off-street parking requirements for commercial properties utilized for adaptive reuse and located within a Regional Activity Center ("RAC") Zoning Designation.

Waivers for Historic Preservation

The City of Fort Lauderdale's ULDR Section 47-24.11.G. allows for a historic preservation waiver that may be granted by the Historic Preservation Board (HPB) to promote and encourage the preservation and adaptive reuse of historic resources for the purpose of a reduction in setback requirements or distance separation requirements. As part of issuance of the waiver, the request must ensure that it will result in the preservation of a designated historic resource. The HPB does not have the authority to grant any waivers of density, Floor Area Ratio (FAR), or building height requirements.

Florida Building Code Historic Structures Exemptions

Under the Florida Building Code, Existing Building under Chapter 12 entitled Historic Buildings, it allows for certain exemptions or means to be taken into consideration to protect features and elements of historic buildings.

FEMA Historic Structure Exemptions



FEMA's National Flood Insurance Program (NFIP) gives relief to historic structures from the NFIP floodplain management requirements by providing an exemption from the NFIP elevation and flood proofing requirements. Further information is included within the [Floodplain Management Bulletin: Historic Structures](#) along with mitigation measures that can be implemented into historic structures and to provide protection to potential future flooding.

Florida State Historic Preservation Office

Small Matching Grants offered through the State Historic Preservation Office are available to public entities such as counties or municipalities, school districts, state colleges or universities, agencies of state government and non-profit organizations to apply for survey or planning projects, National Register nominations, heritage education projects, or historical markers. More information can be found here: <https://dos.myflorida.com/historical/grants/small-matching-grants/>

Special Category Grants are available to public entities such as counties or municipalities, school districts, state colleges or universities, agencies of state government and non-profit organizations to apply for development projects, archaeological research, development of a museum exhibit, or acquisition of a historic property. More information can be found here: <https://dos.myflorida.com/historical/grants/special-category-grants/>

Federal Rehabilitation Tax Credit

The Rehabilitation Tax Credit (RTC) is jointly administered by the Internal Revenue Service (IRS) and the National Park Service (NPS) in partnership with State Historic Preservation Offices (SHPOs). In Florida the SHPO is the Division of Historical Resources.

The RTC is a federal income tax credit equal to 20% of the allowable expenses incurred in a *certified rehabilitation* of a *certified historic structure*.

A *certified rehabilitation* is one that is determined to meet *The Secretary of the Interior's Standards for Rehabilitation and Guidelines for Rehabilitating Historic Buildings*. A *certified historic structure* is a building that is listed in the *National Register of Historic Places* or deemed eligible for listing and subsequently listed. The NPS is the agency that certifies both the historic building and the rehabilitation through a three-part application.

The Florida SHPO is the first point of contact for Florida projects seeking the 20% RTC. After its review, the SHPO forwards applications to the NPS with recommendations. The NPS determinations are then forwarded to the IRS. More information can be found here: <https://dos.myflorida.com/historical/preservation/architectural-preservation-services/rehabilitation-tax-credit/>

Benefits of Historic Preservation



- Restoration and rehabilitation of historic houses and commercial buildings, preserving the City's past
- Stabilization and improvement of property values in historic neighborhoods and older commercial areas
- Welcomes adaptive use and new construction in historic districts
- Creation of jobs for architects and skilled craftsmen in restoring historic buildings
- Stimulates economic revitalization and business opportunities in older commercial areas
- Protects resources through design guidelines and review
- Improves the local economy by promoting heritage tourism
- Provides financial assistance for eligible projects
- Stimulates additional tax revenues in revitalized neighborhoods and commercial areas
- Attracts other funding sources to popular community-based projects
- Provides a sense of place and focus for cultural activities
- Encourages investment in the historic core of communities
- Development community and civic pride
- Increases the choice of housing types available

For additional information contact:

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