



Cover Memorandum/Staff Report

File #: 24-1468

Agenda Date: 11/19/2024

Item #: 6.E.

TO: Mayor and Commissioners
FROM: Anthea Gianniotis, Development Services Director
THROUGH: Terrence R. Moore, ICMA-CM
DATE: November 19, 2024

RESOLUTION NO. 221-24: A RESOLUTION OF THE CITY COMMISSION OF THE CITY OF DELRAY BEACH, FLORIDA, GRANTING AN AD VALOREM TAX EXEMPTION TO NIGEL DEVELOPMENT, INC., FOR THE HISTORIC REHABILITATION OF THE PROPERTY LOCATED AT 143 S. SWINTON AVENUE, AS FURTHER DESCRIBED HEREIN; DETERMINING THAT THE COMPLETED IMPROVEMENTS ARE CONSISTENT WITH LAND DEVELOPMENT REGULATION (LDR) SECTION 4.5.1(J), TAX EXEMPTION FOR HISTORIC PROPERTIES; AND PROVIDING AN EFFECTIVE DATE.

Recommended Action:

Review and consider Resolution No. 221-24; approving a Historic Property Ad Valorem Tax Exemption request for improvements to the contributing structure and property located at 143 S. Swinton Avenue.

Background:

The subject 0.30-acre property is located on the northeast corner of South Swinton Avenue and SE 2nd Street. The property consists of Lots 9 and 10, Block 70, of the Amended Plat of Sundy and Cromers Subdivision, is located within the Locally and Nationally Registered Old School Square Historic District (OSSHD) and is zoned Old School Square Historic Arts District (OSSHAD). The property contains a 1-story Bungalow style residential structure, built in 1917, and is classified as contributing to the OSSHD. The 1,571 sq. ft. structure was built as single-family residence and was originally owned by John S. and Elizabeth C. Sundy.

On December 4, 2018, the City Commission approved an In-Lieu of Parking Fee Request in the amount of \$10,140 for 1 parking space for the HNM Office, proposed to be located at the subject property. Conditions of approval included that the full payment for the In-Lieu of Parking Fee be paid upon issuance of a building permit and that the applicant construct 3 additional on-street parking spaces adjacent to the subject property within the Swinton Avenue and SE 2nd Street rights-of-way.

Then, at its meeting of February 6, 2019, the HPB board denied a request for a Class V Site Plan, Landscape Plan, Certificate of Appropriateness, Waiver, and Variance requests for:

- Conversion of the existing single-family residence to office;
- Construction of a 1-story 2,789 square foot addition;
- Construction of an 8-space parking lot and landscape improvements;
- Waiver request to increase the width of the building that is facing the street; and,
- Variance requests to reduce the interior side setback and to reduce the width of the landscape islands at the end of a parking row.

Subsequently, the applicant appealed HPB's denial of the request to the City Commission. The requests were heard by the City Commission at its April 2, 2019, meeting and was ultimately denied.

The applicant revised the proposal and submitted a new COA (2019-227) on June 20, 2019. At its meeting of August 7, 2019, the board approved a Class V Site Plan, COA, Landscape Plan, Architectural Elevations, and Variance as follows:

- Conversion of the existing 1,571 sq. ft., 1- story single-family residence to office;
- Construction of a 1-story, 2,826 sq. ft. addition;
- Construction of an 8-space parking lot and landscape improvements;
- Variances to reduce the terminal landscape island widths at NE & SE corners of property from the required 9' to 5'5" and 6'5".

The applicant received an interior demolition permit (19-181201) in November of 2019 in preparation for construction of the approved plan. Upon removal of the interior wall surfaces, the applicant found that the existing roof and interior walls were in poor condition as vertical supports were missing from the roof trusses, there were sections of the roof being supported by pieces of trim wood, and there were no vertical supports surrounding the enclosed porch and some exterior walls creating an extremely unsafe situation, jeopardizing the structural integrity of the building. On March 2, 2020, the applicant coordinated a site visit with the Development Services Director, Chief Building Inspector, and Historic Preservation Planners to review the existing condition of the structure. The applicant was advised that reconstruction of the roof and associated structural improvements would require review by the Historic Preservation Board. Subsequently, at its meeting of October 6, 2021, the board approved COA (2019-179) for reconstruction of the roof and structural wall members.

Based on State of Florida regulations, a Historic Property Ad Valorem Tax Exemption can be approved for a project before, during, or after it has been undertaken. The applicant therefore requests consideration of the Historic Property Ad Valorem Tax Exemption as the project is complete.

Pursuant to LDR Section 4.5.1(J)(7)(d)(b), upon approval recommendation of the Historic Property Ad Valorem Tax Exemption Application by the HPB, the application shall be placed by resolution on the agenda of the City Commission for approval.

At its meeting of November 16, 2024, the HPB recommended approval (by a vote of 4-0;) of the Historic Property Ad Valorem Tax Exemption request associated with the approved additions and alterations to the contributing structure. A Certificate of Occupancy (CO) was issued on August 8, 2024.

The item is now before the City Commission for final approval of the exemption request. If approved, the request will be forwarded to the Palm Beach County Property Appraiser's Office and the Palm Beach County Planning and Zoning Department for recordation and final appraisal of the improvements. The owner shall record a restrictive covenant requiring the qualifying improvements be maintained during the period of exemption. Additional background and an analysis of the request are provided in the attached HPB Memorandum Staff Report.

City Attorney Review:

Approved as to form and legal sufficiency.

Funding Source:

N/A

Timing of Request:

Approved Resolution must be forwarded to the Palm Beach County Property Appraiser's Office and the Palm Beach County Planning and Zoning Department for appraisal of the improvements.