



## Cover Memorandum/Staff Report

**File #:** 19-417

**Agenda Date:** 4/16/2019

**Item #:** 6.J.

**TO:** Mayor and Commissioners  
**FROM:** Timothy Stillings, Development Services Director  
**THROUGH:** Neal de Jesus, Interim City Manager  
**DATE:** April 16, 2019

RESOLUTION NO. 92-19: HISTORIC PROPERTY TAX EXEMPTION REQUEST FOR 231 NE 1<sup>st</sup> AVENUE

### **Recommended Action:**

Motion to Adopt Resolution No. 92-19; approving a historic property tax exemption request for improvements to the contributing structure and property located at 231 NE 1<sup>st</sup> Avenue, based upon positive findings with respect to LDR Section 4.5.1(J).

### **Background:**

The subject property is located on the east side of NE 1st Avenue between NE 2nd Street and NE 3rd Street within Banker's Row of the Old School Square Historic District. A circa 1938, 1,503 square foot, single-family residence exists on the 0.17 acre property and is zoned OSSHAD (Old School Square Historic Arts District).

Banker's Row began from a replat of the original Block 66 as the individual lots were sold by J.C. Keen, who purchased the block from J.S. Sundy in 1924. Mr. Keen sold the lots to wealthy businessmen in Delray. The structures within the Banker's Row were built in two periods of economic growth and change, before and after the Great Depression. The block (originally established as residential) was characterized by the presence of 2-story Mediterranean Revival residences on the west side of the street and built pre-depression along with 1-story Minimal Traditional Cottages (known as the Mackle Cottages) on the east side of the block, built post-depression during World War II. The Mackle cottages are named for the Mackle Brothers who built the 11 Sears Kit homes in the late 1930's.

The row of Minimal Traditional cottages along the east side of the street significantly contrast from the Mediterranean Revival structures on the west side and represent an excellent example of American History and Architecture in the built environment. The subject property was first owned by Harry J. Morgan, a local accountant, who purchased the home in 1939.

The "Banker's Row Plan", developed in the early 1990s, accurately described these structures as relatively small, simple one-story structures, with a dominant gable and simplified façade absent of traditional detailing with an off-center front door. With the increasing dependence on the automobile, garages were either integrated into the structure or free-standing. The houses were originally very much alike, however, changes were incorporated over the years "as owners adapted their houses to new housing needs."

At its meeting of October 19, 2016, the Historic Preservation Board approved a COA (2016-202) for a 1-story addition to the rear of the historic structure to provide approximately 910 square feet of additional living space, and modifications to the existing front elevation.

At its meeting of December 7, 2016, the Historic Preservation Board approved a COA (2017-029) for construction of a flat roof between the historic structure and hip roof of the addition; a gabled roof was previously proposed and approved in this location. The proposed flat roof will be higher than the existing flat roof, but at the same height at the approved ridge line and will provide additional interior headroom in that portion of the residence. In addition, the roof height of the bay window on the front elevation is proposed to be raised to also provide additional interior head room. On March 14, 2018, COA (2018-030) was administratively approved allowing for the installation of hardie board siding on the north, east, and south elevations of the new addition while the existing structure was to retain the wood siding.

At its meeting of February 6, 2019, the Historic Preservation Board (HPB) approved an Ad Valorem Tax Exemption request associated with the approved additions and alterations to the contributing structure. The improvements, included a 910 square foot 1-story addition to the east side of the 1-story residence, as well as exterior elevation changes all of which have been completed. A Certificate of Occupancy (CO) was issued on September 11, 2018. The applicant is now applying for tax exemption status for those improvements.

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

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. Additional background and an analysis of the request are provided in the attached HPB Memorandum Staff Report.

#### **Review by Others**

The HPB considered the tax exemption request at their February 6, 2019 meeting and recommended approval of the Ad Valorem Tax Exemption Application. The tax exemption will apply only to the difference in assessed value after the eligible property improvements.

#### **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.