

LOCAL HISTORIC DISTRICTS IN AUSTIN

By Steve Sadowsky, City of Austin Preservation Officer (updated by HSA 2/13/09)

Austin's historic buildings and neighborhoods create the unique character and heritage of our city. In December 2004, the Austin City Council adopted an ordinance authorizing the establishment of local historic districts to recognize and protect those areas with particular historical significance to maintaining Austin's rich heritage.

Local historic districts provide several tools for preservation, starting with a greater appreciation and understanding of the development and history of a neighborhood and its buildings. Historic district nominations contain a detailed history of the district, an inventory, photograph, and history of every building in the district, and an evaluation of which buildings are contributing to the historic character of the district.

Local historic districts provide a higher "bar" for evaluating the demolition or relocation of important buildings in a neighborhood. Currently, the City Historic Preservation Office and the Historic Landmark Commission review applications for demolition or relocation permits to determine whether a building meets the criteria for designation as a historic landmark. The determination is made according to objective criteria, but designed to protect those buildings with exceptional significance to the city because of their architecture and historical associations. Buildings which are contributing to a local historic district may not qualify as individual historic landmarks. The establishment of local historic districts will help protect those properties which are significant to the neighborhood for their architecture ("contributing" to the historic character of the district) but which do not meet the high standards necessary for designation as a historic landmark.

Local historic districts also provide design standards for new construction within the district. The Historic Landmark Commission currently reviews applications for building permits within National Register Historic Districts, and provides recommendations to the property owner to make the new construction more compatible with the historic character of the district. While the Commission encourages the property owner to revise his or her plans to help preserve the historic character of the neighborhood, there is no requirement that the property owner do so. Local historic districts will have mandatory design standards, which provide property owners and builders parameters for the design of new construction, as well as providing neighbors within the district a higher level of comfort knowing that new construction will be required to follow accepted design standards based upon the existing architecture within the district. The district design standards will be individually tailored to meet the needs of the particular district, and may address building materials, height limits, and setbacks for new construction within the district. Additions to contributing buildings and new construction will require a Certificate of Appropriateness from the Historic Landmark Commission prior to receiving a building permit.

For those who fear that local historic districts will result in onerous burdens and long delays in approval of projects, rest assured that the Historic Landmark Commission meets every month (usually the fourth Monday of the month). As long as an application for a Certificate of Appropriateness is filed in time to provide legal notice (generally 21 days in advance of the Landmark Commission meeting), the Commission will hear and review a case the same month that the application is filed. The City Historic Preservation Office may approve minor projects which comport with the district design standards, such as one-story rear additions, rear decks and porches, and pools without a hearing before the Historic Landmark Commission, streamlining the process further.

Finally, local historic districts will enable a new provision to provide a City property tax incentive for rehabilitating buildings within the district. The building must be contributing to the district to qualify for the incentive, or if it is non-contributing, the rehabilitation project must restore the building to contributing status by removing those unsympathetic architectural modifications which made the building non-contributing. An owner-occupant of a contributing or potentially contributing residential property must reinvest at least 25% of the value of the structure in “qualified rehabilitation expenditures”, with at least 5% of the value of the structure spent on exterior rehabilitation.

The Historic Landmark Commission will review rehabilitation proposals and certify the project upon completion, at which time the owner is eligible to receive a City property tax abatement on the added value of the project for 7 years. For example, if the owner of a \$100,000 house invests \$30,000 in rehabilitation work approved by the Landmark Commission and the value of the property jumped to \$150,000 after the completion of the project, the city property tax assessment would be “frozen” at the \$100,000 value of the house for 7 years. The owner of an income-producing contributing (or potentially contributing) property must re-invest at least 40% of the value of the structure, with at least 5% of the value of the structure in exterior rehabilitation to be eligible for a City property tax abatement on the added value of the project for 10 years.