

A circular logo for Austin Landmark Properties is centered on a dark, textured background. The logo features the word "AUSTIN" at the top and "LANDMARK" at the bottom, both in a serif font. In the center is a shield with a building facade and a tree. The shield is surrounded by a decorative, scrollwork border.

**UNDERSTANDING  
AUSTIN'S PROPERTY TAX  
EXEMPTION PROGRAM  
FOR HISTORIC PROPERTIES**

Opportunities for Reform  
through an Equity Lens

**MAY 2023**

**Danielle Bodunrin, Law Student; Madison DeLuca, Law Student; Molly Mahowald,  
Law Student; Heather Way, Clinical Professor and Clinic Co-Director**

*The University of Texas School of Law*

---



The University of Texas at Austin

Entrepreneurship and Community  
Development Clinic

School of Law

This report reflects the research and views of the individual authors only. It does not represent the views of The University of Texas School of Law or The University of Texas at Austin.

**Understanding Austin's Property Tax Exemption Program for Historic Properties:  
Opportunities for Reform through an Equity Lens**

© 2023, Heather K. Way

This work is licensed under a Creative Commons Attribution-NonCommercial-ShareAlike 4.0 International License; <https://creativecommons.org/licenses/by-nc-sa/4.0/>. For permission beyond the scope of this license, please contact the organization below.

**The Entrepreneurship and Community Development Clinic**

The University of Texas School of Law  
727 East Dean Keeton Street  
Austin, Texas 78705  
[Ecdc@law.utexas.edu](mailto:Ecdc@law.utexas.edu)  
<https://law.utexas.edu/clinics/ecdc/>

---

# Table of Contents

- Executive Summary .....1
- Introduction.....4
- Section 1: Background: History of the Historic Property Tax Exemption in Austin and a New Call for Reforms.....6
  - 2003-2004 reforms .....6
  - 2010-2011 reforms.....7
  - New Call for Reforms .....7
- Section 2: State Law & Local Ordinances.....9
  - Property Tax Exemptions & Abatements for Historic Properties .....9
    - Texas law: historic property tax exemption.....9
    - City of Austin ordinances: historic landmark property tax exemption.....9
    - Current exemption levels and caps ..... 11
    - City of Austin: Property tax abatements in historic districts ..... 11
  - Historic Designations: Districts & Landmarks ..... 12
    - Austin’s historic landmark ordinance..... 12
    - Austin’s historic district ordinance..... 12
- Section 3: Issues with the Implementation of Austin’s Historic Landmark Property Tax Exemption..... 14
  - Issues with Austin and TCAD Implementation..... 14
  - Prior challenges to the City’s historic tax exemption ..... 15
- Section 4: Exemption Data..... 16
- Section 5: Other Texas Cities’ Historic Property Tax Exemption Programs..... 19
  - Dallas ..... 19
  - Houston..... 19
  - Fort Worth..... 20
  - San Antonio..... 20
- Section 6: Potential Areas for Reform..... 22
  - 1. Decouple the historic property tax exemption from a property’s historic landmark status ..... 22
  - 2. Limit the portion of land that receives a historic property tax exemption ..... 22
  - 3. Impose an exemption cap on all properties ..... 23
  - 4. Impose standards for assessing when a property is “in need of tax relief to encourage its preservation”..... 23
  - 5. Other policy reform areas to explore..... 24

---

## Appendices

Appendix 1. Texas Constitution and Texas Statutes: Provisions Governing Property Tax Exemptions for Historic Properties .....	25
Appendix 2. City of Austin Historic Designation Criteria for Historic Landmark Combining Districts (Individual Historic Landmark Properties) .....	26
Appendix 3. City of Austin Historic Designation Criteria for Historic Area (HD) Combining Districts (Historic Districts) .....	28
Appendix 4. Summary of City of Austin Ordinance Provisions Governing Obtaining a Historic Zoning Designation for Districts and Individual Landmarks ....	29
Appendix 5. Historic Property Tax Exemption Tiers & Caps in Austin by Taxing Entity* ...	30
Appendix 6. City of Austin Ordinance: Definitions of a “Contributing Structure” and “Potentially Contributing Structure” in a Historic District.....	31
Appendix 7. City of Austin Criteria for Eligibility for Tax Abatement .....	32

# UNDERSTANDING AUSTIN'S PROPERTY TAX EXEMPTION PROGRAM FOR HISTORIC PROPERTIES

## Opportunities for Reform through an Equity Lens

### Executive Summary

The City of Austin's property tax exemption program for historic properties has been criticized for being unfair and inequitable, by primarily benefitting affluent property owners and neighborhoods in Austin. In response to these concerns, the City of Austin has revisited the exemption program on several occasions and is in the process of doing so again, with the launching of an equity-based preservation planning process in 2021 and a 2023 City Council resolution directing the City Manager to conduct an equity assessment of the program.

To help community leaders participate in these efforts, this report examines the laws underlying the City's historic landmark property tax exemption program and how the program is being implemented, as well as how the program compares to Austin's other peer cities. The report also provides a "suite" of policy reforms to consider for injecting more equity into the program, with further exploration needed to weigh the scope of these reforms' impacts on advancing equity, historic preservation, and other community goals.

### Key Findings

- 1. Austin's historic landmark exemption program is the most generous in the state.** The unique nature of Austin's exemption program compared to peer cities in the state is due to a combination of features:
  - Once a property is designated as a historic landmark by the City, a property owner is automatically eligible for the exemption upon application. Linking the tax exemption to a property's historic landmark status in this way ties the hands of policymakers when they see the merits of extending historic landmark status to a property, but not the generous tax breaks that come with the landmark designation.
  - The exemption is perpetual in nature and not contingent on a renovation of the historic structure. In contrast, most of Austin's peer cities offer a time-limited exemption or abatement that is tied to a renovation of the structure.
  - The exemption is applied to the entire land parcel, not just the historic structure—despite the limitations under state law that the exemption on a historic property may only apply to the parts of the land "necessary for access to and use of the structure."
  - The exemption applies to historic landmarks outside historic districts.
- 2. In awarding the historic landmark property exemption to a historic property, the City has no process in place for determining whether the property is in need of tax relief to encourage its preservation, even though state law imposes this limitation on the exemption.** All properties designated as historic landmarks are automatically determined to be in need of tax relief to encourage preservation.

- 3. When properties fail the City's annual inspection for compliance with the City's historic landmark standards, the properties continue to receive the exemption.** In 2023, 17 properties failed the City's inspection, but are continuing to receive the exemption. Seven of these properties have failed their inspection for at least three years in a row.
- 4. Many property owners have been receiving larger property tax breaks for historic properties than they are entitled to receive under city ordinance.** The Travis Central Appraisal District (TCAD) has identified a series of errors in how it has been administering the exemption, which it reports are being remedied for the 2023 tax year. Unlike other exemption programs, which operate on a flat dollar or percentage amount, the structure of the caps in the City's historic exemption program are highly unusual for an exemption program and difficult to implement at the appraisal district level.

## Information on Properties Receiving Austin's Historic Landmark Property Tax Exemption

The report provides a high-level analysis of properties receiving the historic property tax exemption. Here are some key takeaways from this analysis:

- The property tax savings from the exemption program are significant, totaling \$9.9 million per year across all four taxing entities that participate in the program. The median tax break is \$9,612 and the average tax break of \$16,358 per historic property for 2023. Five property owners receive an annual tax break of more than \$100,000 from the exemption, with the largest tax break at \$424,509.
- By far the largest number of properties with a historic property tax exemption are single-family residences (301), followed by condominium units (92), and commercial properties (45).<sup>1</sup>
- The 78701 zip code contains the largest concentration of exempt properties, with 210 properties. The second highest concentration of properties is located in the 78703 zip code (116 properties), followed by the 78705 zip code (55 properties).
- Residences with a historic exemption have a far higher median market value compared to other residential properties in the county. The 2023 median market value of single-family residences and condominium units with a historic exemption is \$1.9 million, compared to \$612,568 for all residential properties in Travis County, based on TCAD data. Of the 256 exempt single-family properties that are owner-occupied, 129 (50%) of the properties have a market value of greater than \$2 million.
- Of the 548 properties with a historic exemption, 56% do not have a cap on the exemption amount, including 59 owner-occupied properties and 255 commercial and other non-owner-occupied properties.

## Potential Reforms

The report closes with a suite of potential reforms, with a primary focus on reforms to make the City's historic landmark exemption program more equitable. Further exploration is needed to weigh the scope of these reforms' impacts on advancing equity, historic preservation, and other community goals. Under state law, any ordinance repealing or reducing the amount of the exemption for a property that otherwise qualifies for the exemption must be preceded by a five-year notice to the impacted property owners.

Potential solutions identified in the report include:

- 1. Decouple the historic property tax exemption from a property's historic landmark status, such as:**
  - requiring an additional, heightened layer of historical significance to qualify for the exemption;
  - adding time limits to the exemption.
- 2. Limit the amount of land that is eligible for the historic property tax exemption.**
- 3. Extend the exemption cap to all properties, including commercial properties and owner-occupied properties that are currently exempted.**

4. Adopt criteria for assessing whether a property is in need of tax relief to encourage its preservation, such as:
  - requiring proof that the historic features of the structure are more expensive to maintain compared to non-historic properties;
  - tying the exemption to a neighborhood's vulnerability for redevelopment or creating exemption tiers based on the redevelopment pressures in the neighborhood;
  - requiring a certain level of rehabilitation to the structure; and
  - considering the property owner's financial status.
5. Establish a revolving low-interest loan program to help low-income property owners more fully participate in the preservation and rehabilitation of their historic homes.
6. Provide a more robust technical assistance program to assist lower-income property owners with the application process for historic landmark status, including by hiring additional staff for the Historic Preservation Office, such as a Community Engagement Officer.
7. Eliminate Austin ISD's participation in the historic property tax exemption program or lower the District's cap from the current \$3,500 cap.
8. Develop a policy to revoke a historic property's exempt status when the property fails its city inspection for more than one consecutive year.
9. Enhance public educational opportunities for properties currently designated as historic properties.
  - Provide an informational plaque for properties with a historic landmark designation, including information about the property's historic or cultural significance.
  - Create a website portal and interactive map with accessible information about the City's designated historic landmarks and districts.



# Introduction

This report explores the implementation of the laws underlying the City's property exemption program for historic landmark properties and offers potential reforms to make the exemption program fairer and more equitable for lower-income residents and persons of color.

Adopted in 1974, Austin's historic landmark program provides a historic zoning designation for eligible individual properties and districts. Since 1978, historic landmarks have also been eligible to receive a partial, by-right property tax exemption. This year, 548 properties are receiving the exemption, resulting in a cumulative annual tax break of \$9.9 million across all four taxing entities that participate in the program.<sup>2</sup>

The historic landmark designation and the property exemption for historic landmarks are two of the City's primary tools for combatting the loss of historic properties in the face of rampant redevelopment pressures in the City. Between 2000 and 2018 alone the City lost approximately 800 structures that city staff had flagged as historically significant.

The City's historic landmark program has received criticism over the years for benefiting primarily affluent property owners and neighborhoods in Austin, while overlooking lower-income property owners and properties located in communities of color. For example:

- The median income of block groups with historic landmarks is 53% higher than the city as a whole.<sup>4</sup>
- The exempt properties are concentrated in areas that were historically subject to racial restrictions on property ownership and residence.<sup>5</sup>
- An analysis from Preservation Austin found that only 2.5% of Austin's locally designated historic landmarks honor Latinx heritage and 7.7% honor African American heritage.<sup>6</sup>

Austin's property tax exemption for historic landmark properties has also been criticized for eliminating tax revenue that could be used to meet other community needs, and for granting the exemption in perpetuity. Even the City's current preservation plan, adopted in 1981, calls upon the City Council to "give serious consideration" to placing a ten-year cap on the exemption.<sup>7</sup>

Most recently, the Austin City Council adopted a resolution in March 2023 directing the City Manager to conduct an assessment of the overall tax implications and an equity assessment of the City's historic preservation tax incentive programs.<sup>8</sup> The resolution also directed the City Manager to provide specific recommendations for aligning the City's historic preservation programs with the City's draft Equity-Based Preservation Plan. As the City and community stakeholders continue to explore options for reforming these programs to make them more equitable, we hope this report can help inform their analyses.



Pierre Bremond House in Austin, Texas  
©Renelibrary, Licensed under CC BY-SA 4.0



Here is a summary of the sections in the report:

<b>Section 1</b>	Provides background on Austin’s property tax exemption for historic landmarks and prior reform efforts.
<b>Section 2</b>	Provides an overview of state and city laws governing property tax exemptions for historic properties, as well as Austin’s procedures for obtaining a tax exemption. Also provides a high-level overview of the city’s property tax abatement program and historic landmark and historic district zoning programs.
<b>Section 3</b>	Discusses issues with the implementation of Austin’s property tax exemption for historic landmarks, particularly in light of the city and state legal requirements.
<b>Section 4</b>	Presents an overview of properties currently receiving a historic property tax exemption in Austin, drawing on data from the Travis Central Appraisal District.
<b>Section 5</b>	Provides an overview of the property tax exemption programs for historic properties in Austin’s peer cities in Texas: Dallas, San Antonio, Houston, and Fort Worth.
<b>Section 6</b>	Presents a “suite” of policy reforms to consider for injecting more equity into Austin’s historic property tax exemption program, with further exploration needed to weigh the scope of these reforms’ impacts on advancing equity, historic preservation, and other community goals.

# Section 1: Background: History of the Historic Property Tax Exemption in Austin and a New Call for Reforms

The City of Austin adopted its first historic preservation program in 1974.<sup>9</sup> In 1978, the program was expanded to include a partial property tax exemption for existing landmarks to encourage the preservation of historic properties and incentivize property owners to participate in the historic landmark zoning program. Afterwards, Travis County, the Austin Independent School District, and the Austin Community College District began offering similar tax exemptions. The historic landmark tax exemption program in Austin has always been tightly tied to zoning: A property that receives a historic landmark zoning designation is essentially automatically eligible for a property tax exemption upon submission of an application with the City and appraisal district.

Since it was adopted, the property tax exemption for historic properties has gone through periodic scrutiny. Concerns about the exemption have included its size and the fact that its benefits flow largely to property owners in whiter and more affluent neighborhoods that historically excluded Black property owners.



## 2003-2004 reforms

In 2003, the City Council created a Historic Preservation Task Force and initiated a review of the City's historic preservation policies.<sup>10</sup> At the time, commercial properties designated as historic landmarks were eligible for an exemption from ad valorem taxes on 50 percent of the assessed value of the historic structure and 25 percent of the assessed value of the portion of land reasonably necessary for access to and use of the historic structure (this continues to be the standard today). The percentage exemption for owner-occupied properties was 100 percent of assessed value for the historic structure and 50 percent for the portion of the land necessary for access to and use of the historic structure. The City's tax exemptions for historic properties were considered the most generous in the country.<sup>11</sup>

The Task Force's initial recommendation was to limit property tax exemptions to historic homes that were a minimum of 75 years old, but the Task Force's final recommendations struck this limitation. After more than a year of "public wrangling,"<sup>12</sup> the City Council in 2004 adopted a cap on the exemption for owner-occupied properties: the greater of \$2,000 or 50 percent of the taxes that the City would otherwise levy on the property.<sup>13</sup> The cap also applied to properties owned by a nonprofit corporation. The Council excluded from the cap properties that were designated historic before December 1, 2004, except for properties that changed ownership on or after December 1, 2004. The reforms did not include adding a cap for commercial properties.



## 2010-2011 reforms

An additional set of reforms were made to the historic property tax exemption in 2011, in response to a surge of properties in West Austin that received historic landmark zoning and the historic property tax exemption. In December 2009 alone, the city designated close to 50 properties as historic landmarks, with properties heavily concentrated in West Austin neighborhoods.<sup>14</sup> A City Council resolution in 2010 called upon the City Manager to review best practices in historic preservation from peer cities.<sup>15</sup> The resolution also directed the City Manager and Historic Landmark Commission to prepare recommendations to limit the total amount of property tax exemption a historic property could receive to a fixed dollar amount, among other recommendations concerning the City's historic preservation programs.<sup>16</sup> The Commission released its recommendations in a 2011 report.<sup>17</sup>

In its first set of reforms, the City Council in 2010 limited the number of historic landmark property applications that the Historic Landmark Commission could consider to three per month, with some exceptions.<sup>18</sup> The Council also banned agents who represent property owners on historic landmark zoning cases from receiving contingency fees in their cases.<sup>19</sup>

The following year, the City Council adopted a \$2,500 cap on the total amount of city property tax savings an owner-occupied and nonprofit-owned property could receive through the historic property tax exemption.<sup>20</sup> This replaced the City's previous cap, which, as discussed above, was the greater of 50 percent of the City's property tax levy on the property or \$2,000. The City Council applied the new cap only to newly designated landmark properties and properties that change ownership. Other properties were excluded from the cap. Staff had argued for a five-year phase-in of the new exemption policy for previously designated landmark properties, but Council rejected this approach.<sup>21</sup> As with Council's 2004 reforms, the cap did not extend to commercial properties, including single-family rental properties. The exemption policy adopted by Council in 2011 is the one that remains on the books today.

In 2012 Travis County adopted the same policy as the City, rejecting a county workgroup's suggestion calling for sweeping alterations to the County's historic exemption policy, including capping the exemption for owner-occupied properties at \$2,500 minus the County's 20 percent homestead exemption.<sup>22</sup> The Austin Independent School District eliminated its historic tax exemption entirely in 2010, responding to budgetary and community pressures, before re-adopting a historic tax exemption in 2011.<sup>23</sup>

## New call for reforms

In 2021, the City of Austin, seeking a more equitable and comprehensive approach to historic preservation, launched an equity-based preservation planning process to replace the City's 1981 preservation plan. A draft of the plan, prepared by a working group consisting of the Historic Landmark Commission members, city staff, and 26 community members, was presented to the Historic Landmark Commission in 2022.<sup>24</sup>

Briefings provided by city staff to the working group have highlighted some of the inequities imbedded in the City's tax incentive programs, including a finding that landmarks are heavily concentrated west of IH-35, in areas historically subject to racial restrictions on property ownership and residence.<sup>25</sup>

Most recently, in 2023, the Austin City Council adopted a resolution directing the City Manager to review the City's incentive programs for historic preservation, including the City's property tax exemption and abatement programs, to conduct an equity assessment of these programs.<sup>26</sup> The resolution was passed in part in response to the equity concerns raised by a controversial historic landmark zoning case involving the Westgate Towers condominium complex and the generous tax breaks the condominium owners would have received as a result of the historic landmark rezoning, which was eventually denied by the City Council.

The Westgate zoning case in particular raised concerns about the inequitable impacts of the City's awarding a property tax exemption to multifamily properties with historic landmark status and to properties in downtown and other affluent areas with higher proportions of white non-Hispanic residents. The case also raised concerns among policymakers about the "by right nature" of the City's historic property tax exemption, tying their hands when a property qualifies for historic landmark status but does not merit a large tax break.



Source: City of Austin, Brief #7 for Preservation Plan Working Group, February 2022

## Section 2: State Law & Local Ordinances

### Property Tax Exemptions & Abatements for Historic Properties

#### Texas law: historic property tax exemption

Texas law gives cities broad authority to award either a partial or full property tax exemption for historic properties. The exemption applies to the assessed value of the historic structure and the land “necessary for access to and use of the structure.”<sup>27</sup> The only limitations in state law are that the property must have either a state historic landmark designation or a city designation as a “historically significant” site.<sup>28</sup> In addition, for properties with a local historic designation, the property must “be in need of tax relief to encourage its preservation.”<sup>29</sup> The law provides similar treatment for archeologically significant sites.

There are three key things to point out about the state statute: First, a locally designated historic property must be **“in need of tax relief to encourage its preservation”** in order to receive an exemption. Second, the statute provides **no parameters for when a city can designate a property as having historic or archeological significance**. Third, the exemption on parcels of land for historic structures can only apply to the parts of the land **“necessary for access to and use of the structure.”**

#### City of Austin ordinances: historic landmark property tax exemption

The City of Austin’s ordinances provide that properties designated as historic landmarks are eligible for a partial exemption from ad valorem taxes. Under City Code, and in accordance with state law, the exemption can extend only to the assessed value of the portion of the land “reasonably necessary for access to and use of the historic structure.”

To qualify for the exemption, a property owner must submit an application to the City of Austin by January 15th each year using the Texas Comptroller’s Form 50-122,<sup>30</sup> followed by a submission of the form to the Travis Central Appraisal District (TCAD) by April 30th. In the application, the owner must certify that the property has “been designated as a historically or archeologically significant site in need of tax relief to encourage its preservation.”



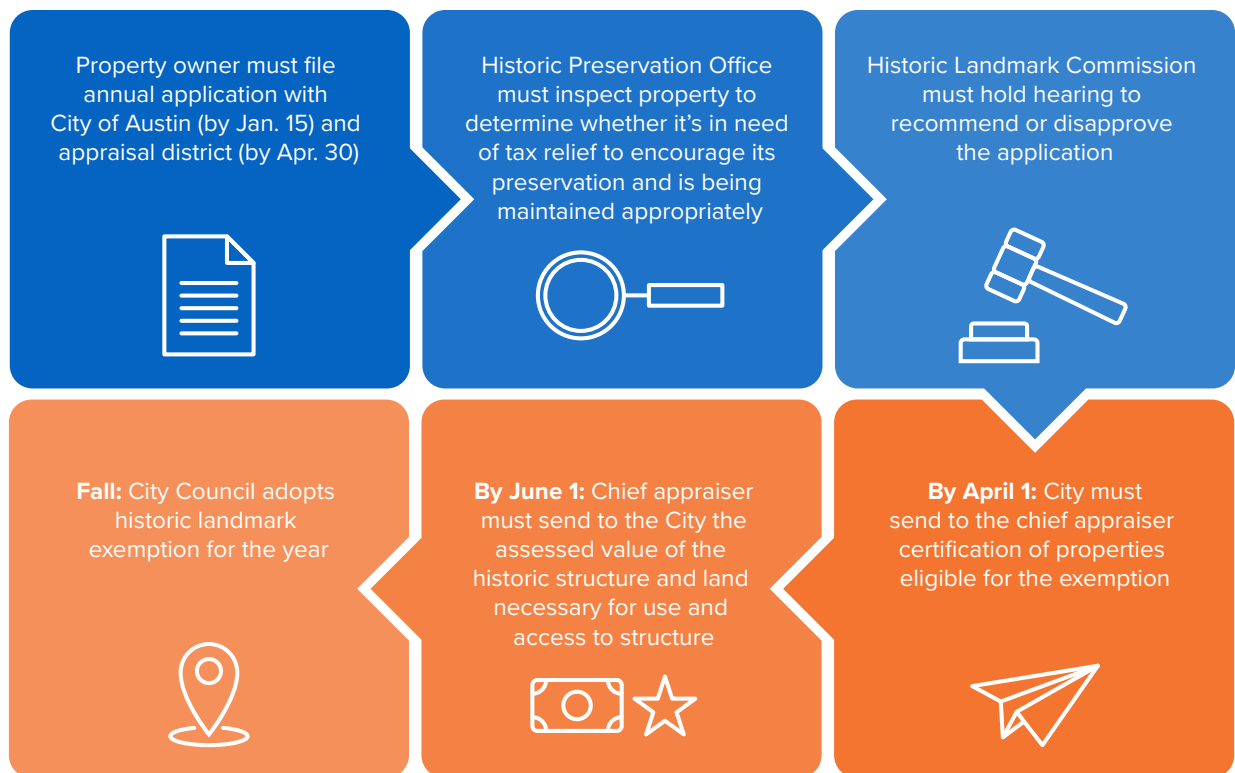
The City’s Code of Ordinances requires the Historic Preservation Office to inspect and review each application to **determine whether the property (1) “is in need of tax relief to encourage its preservation” and (2) “is being preserved and maintained as required by historic landmark regulation.”**<sup>31</sup> After the Historic Preservation Office makes this determination, City Code requires a hearing before the Historic Landmark Commission, during which the Commission must provide a recommendation on the approval or disapproval of each historic property tax exemption application.<sup>32</sup>

By April 1st, the City must deliver to the chief appraiser (1) a certification of each properties’ compliance with the City’s historic landmark regulations, (2) the Historic Landmark Commission’s recommendation regarding approval or disapproval of the exemption application, and (3) a note on any new construction or modifications to the property made in compliance with the restrictions on modifications imposed by the City’s historic landmark regulations.<sup>33</sup> Austin’s Code of Ordinances provides that the City must recommend to the chief appraiser that the entire tax parcel on which the historic property is located is “reasonably necessary for access to and use of the historic structure, unless otherwise determined by the City Council in a specific case.”



After the chief appraiser receives the City’s certification, the Austin Code requires the chief appraiser to determine which portion of the land for each exempt property is “reasonably necessary for access to and use of a historic structure.” This determination by the chief appraiser is final. By June 1st, the City Code requires that the chief appraiser then forward to the Austin City Council their determination of the assessed value of (1) the historic structure and land necessary for its access and use; and (2) the land in excess of that necessary for access and use of the historic structure. Finally, when the City adopts its annual tax levy later in the year, the Council makes a final determination to adopt the historic property tax exemption for properties “designated as a historically or archeologically significant site in need of tax relief to encourage the property’s preservation.”<sup>34</sup>

## Annual Process in Austin’s Code of Ordinances for Obtaining a Historic Landmark Property Tax Exemption



### Current exemption levels and caps

The level of historic property tax exemption that a property is eligible for depends on when a property was first designated as a historic landmark and whether the property is an owner-occupied residential property or owned by a nonprofit corporation versus a commercial or other type of property.

Owner-occupied residences and nonprofit-owned properties designated historic on or after December 1, 2004, are subject to a cap on the exemption amount. For properties designated on or after January 1, 2012, the cap is \$2,500. An Austin ordinance requires that the \$2,500 cap be adjusted for inflation every three years,<sup>35</sup> but the cap has never been adjusted since it was initially adopted. Properties designated as historic landmarks between November 30, 2004, and January 1, 2012, are subject to a cap of the greater of \$2,000 or 50% of the property tax that would be imposed on the property without a historic exemption. Properties designated historic landmarks on or before November 30, 2004, are not subject to a cap unless the property has changed ownership. See Appendix 5 for a chart of the relevant caps.



The Austin Community College does not participate in the property tax exemption program. Both Travis County and the Travis County Hospital District have adopted the same historic property tax exemption levels and caps as the City of Austin. The Austin Independent School District's utilizes different exemption levels, and its cap kicks in at a later date than the cap used by Austin, Travis County, and the Hospital District. See Appendix 5 for details.

### City of Austin Historic Landmark Property Tax Exemption Amounts<sup>36</sup>

	Owner-Occupied/ Nonprofit Owned	Income-Producing or Other Property
Assessed value of structure	100%	50%
Assessed value of land reasonably necessary for access and use	50%	25%
Cap on total amount of the exemption	Depends on historic designation date. The cap is \$2,500 for properties designated historic after 12-31-2011.	None

### City of Austin: Property tax abatements in historic districts

In addition to the property tax exemption program for historic landmarks, the City of Austin provides a tax abatement program for properties within a city-designated historic district that undergo restoration.<sup>37</sup> The abatement exempts 100 percent of the city taxes assessed on the additional value of the property from the restoration. To qualify, a property must be a contributing structure in the district or determined by the Landmark Commission to be a potentially contributing structure in the district. A “contributing structure” is “one which retains a high degree of architectural integrity and was built during the period of significance for the district.”<sup>38</sup>

The City has three different abatement programs for properties in historic districts: the residential program (for owner-occupied homes/homesteads), the commercial program (for income-producing properties), and the revitalization area program (for properties in Central East Austin). The revitalization program is limited in scope because only two historic districts exist in East Austin. Overall, the three abatement programs have had very limited use, with only 13 applications submitted as of February 2023.<sup>39</sup>

Each abatement program requires that the property undergo restoration work that complies with the district's preservation plan. The minimum expenditure requirements for the restoration and the duration of the abatement for each program is detailed in Appendix 7. In the residential and commercial program, a property cannot qualify for an abatement if it is a historic landmark (presumably because the property already receives the historic property tax exemption).

The Historic Landmark Commission reviews applications for tax abatements. A property owner can appeal the Historic Landmark Commission's denial to the Planning Commission. If the abatement level exceeds \$50,000, the City Council must review the application and may approve or deny any portion of the application over \$50,000. After the restoration is completed, the owner must submit a set of designated materials to the Historic Preservation Office, which then inspects the property to verify its compliance with the abatement program requirements.<sup>40</sup>

See Appendix 7 for more details on the process for obtaining the tax abatement.



# Historic Designations: Districts & Landmarks

## Austin's historic landmark ordinance

As discussed earlier, the City of Austin's historic landmark program operates in tandem with its historic property tax exemption program. Once a property is designated as a historic landmark, it is automatically eligible to apply for the City's historic property tax exemption.

The City of Austin's Code uses the term "historic landmark (H) combining district" to refer to individual properties that have been assigned a historic zoning designation, commonly referred to as a "local historic landmark." To be designated as a local historic landmark, the property must satisfy certain criteria, which are laid out in Section 25-2-352 of the City Code, and go through a public hearing process before the Historic Landmark Commission and the City Council. Austin's criteria for historic designation draws heavily on the federal criteria for designation as a National Historic Landmark.



## Austin's historic district ordinance

Austin operates a local historic district program, which provides certain protections from demolition, as well as access to the City's historic tax abatement programs. The city refers to historic districts in the City Code as "historic area (HD) combining districts." As discussed earlier, to qualify for any of the City's three abatement programs to advance historic preservation, a property must be a contributing structure or a potentially contributing structure within a historic district.

To qualify as a historic district, an area must consist of at least one block of contiguous properties and cannot exclude any properties in the middle of the district. At least 51 percent of the principal structures within the proposed district must contribute to the historic character of the district.<sup>41</sup>

Sections 25-2-353—25-2-356 of the City of Austin Code lay out the process for creating a locally-designated historic district. The City has created an [application guide](#) to help applicants with this process, and city staff in the Historic Preservation Office also help support applicants with the application process. Designation as a local historic district is challenging to obtain, requiring significant time and effort. The time, effort, and expense required to pursue landmark historic designation disproportionately impacts residents of lower-income neighborhoods, who generally have fewer resources to expend on preservation.<sup>42</sup>

### Austin's Locally-Designated Historic Districts

[Aldridge Place](#)  
[Castle Hill](#)  
[Harthan Street](#)  
[Hyde Park](#)  
[Mary Street](#)  
[Robertson/Stuart & Mair](#)  
[Rogers Washington Holy Cross](#)  
[Smoot/Terrance Park](#)

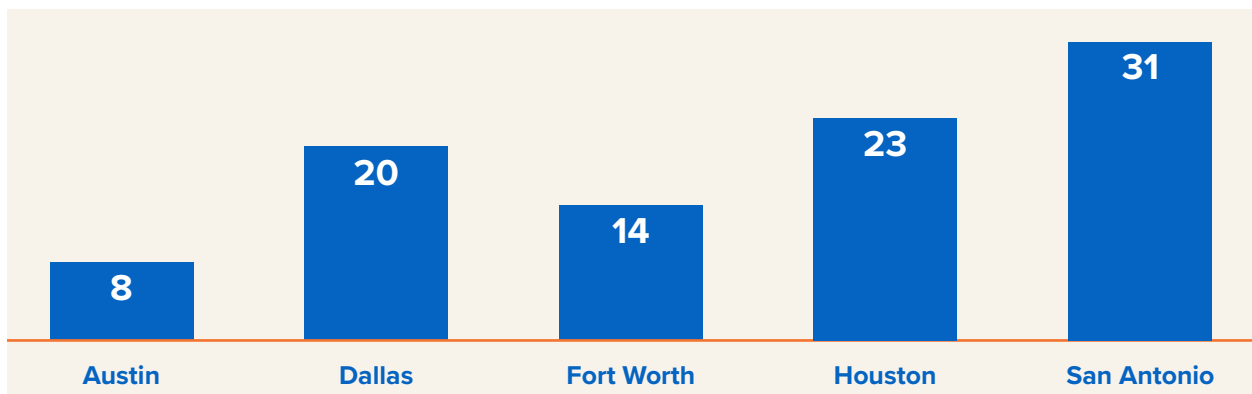
To apply for a local historic district, the applicants must collect detailed information to document how the area qualifies for a historic district, including information on the high architectural integrity of structures in the district. A preservation plan must be prepared that documents strategies to preserve the character-defining features of the district and includes a list of the designated contributing structures. The application must ultimately have the support of at least a majority of the ownership interests in the district, which is calculated based either on the number of property owners or by land area.<sup>43</sup>

Austin currently has eight historic districts—a very small number of historic districts compared to Austin’s peer cities in Texas. Prior to 2019, the districts were all located west of IH-35 until 2019 and 2020, when two districts were created in East Austin. Overall, Austin’s historic districts remain concentrated in more affluent neighborhoods.



© Dr. Mark Rogers (used with permission)

### Locally-Designated Historic Districts: Austin and Peer Cities in Texas



# Section 3: Issues with the Implementation of Austin’s Historic Landmark Property Tax Exemption

## Issues with Austin and TCAD Implementation

The implementation of Austin’s historic landmark property tax exemption raises several issues in light of state and city legal requirements governing the exemption.

1. As discussed in Section 2, in order to receive a historic property tax exemption, state and local laws require that a property be in need of tax relief to encourage its preservation. Despite this requirement, all properties with a historic landmark designation are automatically determined by the City and TCAD to be in need of tax relief to encourage their preservation. **The City has no process for determining that a property is in need of tax relief outside of designating the property as a historic landmark.** And TCAD relies exclusively on the City’s determination regarding which properties are eligible for the exemption.
2. Despite the limitations under state law that the exemption on a historic property may only apply to the parts of the land “**necessary for access to and use of the structure,**” Austin’s exemption is routinely extended to the entire parcel of land associated with the historic structure. Neither the City nor TCAD make any assessment regarding which portion of the land is reasonably necessary for access to and use of a historic structure. TCAD staff reported to us that **they are not aware of any parcels where only a portion of the land has been designated necessary for access to and use of the historic structure.**
3. **When properties fail the City’s annual inspection for compliance with the City’s historic landmark standards, the properties continue to receive the exemption.** The City notifies TCAD which properties have failed the inspection in the City’s annual certification, but TCAD continues to apply the exemption to these properties. In 2023, 17 properties failed the City’s inspection, but the exemption has not been revoked for any of them. Seven of these properties still receiving the exemption have failed inspection for at least three years in a row.

City and TCAD staff reported to us that state law prohibits the revocation of a historic landmark property tax exemption without a five-year notice to the property owner. But, under our interpretation of the statute, the five-year notice requirement applies only to the repeal or reduction of an exemption for an owner who “otherwise qualifies for the exemption.”<sup>44</sup> If the owner is out of compliance with the exemption, the exemption can and should be revoked since the owner no longer meets the standards for the exemption.

### Properties with a historic landmark property tax exemption that failed their city inspection in the past three or more years

Berner-Clark-Mercado House	1807 E Cesar Chavez Street	2019, 2020, 2021, 2022, 2023
Blondie Pharr House	801 Highland Avenue	2019, 2022, 2023
Depot Hotel	504 E 5th Street	2021, 2022, 2023
Driskill, Day & Ford Building	403 E 6th Street	2021, 2022, 2023
Horton - Duval House	6706 Bluff Springs Road	2019, 2020, 2021, 2022, 2023
Majors-Butler-Thomas House	1119 E 11th Street	2019, 2020, 2021, 2022, 2023
Mansbendel - Williams House	3824 Avenue F	2021, 2022, 2023
Mccallum, Arthur N. And Jane Y., House	613 W 32nd Street	2019, 2020, 2022, 2023
Mitchell-Robertson Building	909 Congress Avenue	2020, 2021, 2022, 2023
Risher - Roach Building	511 E 6th Street	2020, 2021, 2022, 2023
Sauter - Alley House	4012 Avenue F	2022, 2023
Sneed (Sebron) Home	1801 Nelms Drive	2019, 2020, 2021, 2022, 2023

4. Unlike other exemption programs, which operate on a flat dollar or percentage amount, the structure of the City’s historic exemption program’s caps is highly unusual for an exemption program and difficult to implement at the appraisal district level. For example, the \$2,500 cap in the City’s exemption program requires knowing what the tax rate is going to be for the year, but the tax rate is not set until later in the year, after the appraisal district is required to send a property owner information about their exemption amount. As a result, TCAD ends up utilizing the tax rates from the prior year when applying the caps.

In responding to our request for data from TCAD regarding properties with a historic landmark property tax exemption, TCAD identified a couple of issues with its implementation of the exemption caps: (1) TCAD has not been applying the caps to properties that transferred ownership after the City Council’s adoption of the cap, in contradiction of the city’s exemption ordinance; and (2) when property owners were successful in contesting their appraisal from TCAD, TCAD has not been lowering the exemption amount accordingly to reflect the lowered appraised value. **As a result of these implementation issues, many property owners have been receiving far greater exemptions than they were entitled to receive.** TCAD reported to us that these issues are being remedied for the 2023 tax year.

### Prior challenges to the City’s historic tax exemption

In 2011, Dominic Chavez, Alfred Stanley, and Mike Levy sued the City of Austin, challenging the City’s practice of providing a property tax exemption for properties designated as historic landmarks without any demonstration that the exemptions were needed to encourage the property’s preservation, as required by state law.<sup>45</sup> They also challenged the City’s failure to routinely inspect structures designated as historic to ensure they were actually being preserved. In contrast to Austin, where “virtually every” property designated as historic receives the historic tax exemption, the plaintiffs pointed out that in Fort Worth only 5 percent of historic properties received property tax incentives, in Dallas only 7 percent of historic properties received property tax incentives, and in San Antonio 54 percent of historic properties received property tax incentives.

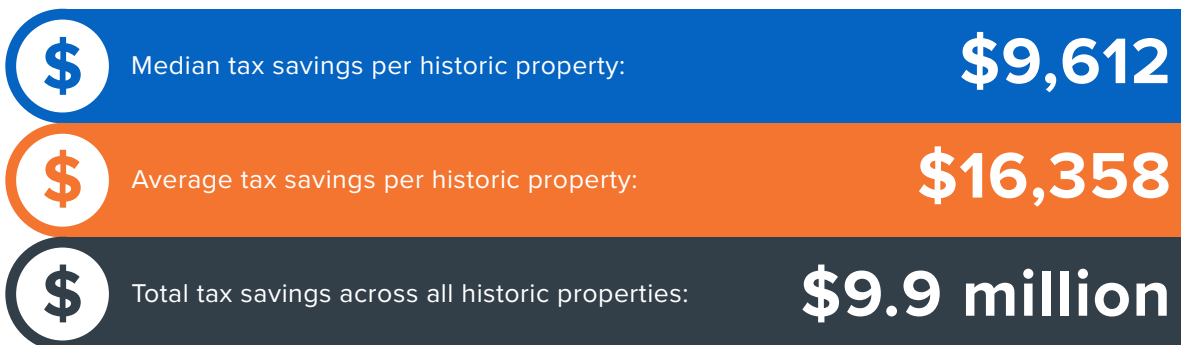
The plaintiffs ultimately settled their lawsuit with the City.<sup>46</sup> On the heels of the settlement, the City passed an ordinance adding the requirement, which remains in the ordinance today, that the City inspect properties and review records to certify that a property is “in need of tax relief to encourage its preservation.”<sup>47</sup> The ordinance also added the requirement, which remains in the City Code today, for the Historic Landmark Commission to provide recommendations on the approval or disapproval of the applications for the historic tax exemption.

The plaintiffs filed a second suit in 2012 on the grounds that the City was not living up to its promise to make individual assessments of each property applying for a historic tax exemption to determine the property was in need of tax relief to encourage its preservation.<sup>48</sup> In their petition, the plaintiffs cite the following from a 2012 Statesman article: “City officials told us the city has never denied tax breaks to property owners, including wealthy ones, who maintain their properties according to city preservation rules. Property owners need only sign affidavits stipulating they need tax breaks to maintain their residences to get historic tax breaks.”<sup>49</sup> The court ended up dismissing the lawsuit for lack of standing; the judge noted that the plaintiffs had failed to show that a tax exemption is a “public expenditure” that taxpayers can challenge in court.<sup>50</sup>

## Section 4: Exemption Data

This Section provides a high-level overview of data we received from TCAD regarding the 548 properties in Austin with a historic landmark property tax exemption. Further analysis of the data is needed to better understand the distribution of the exemption through an equity lens.

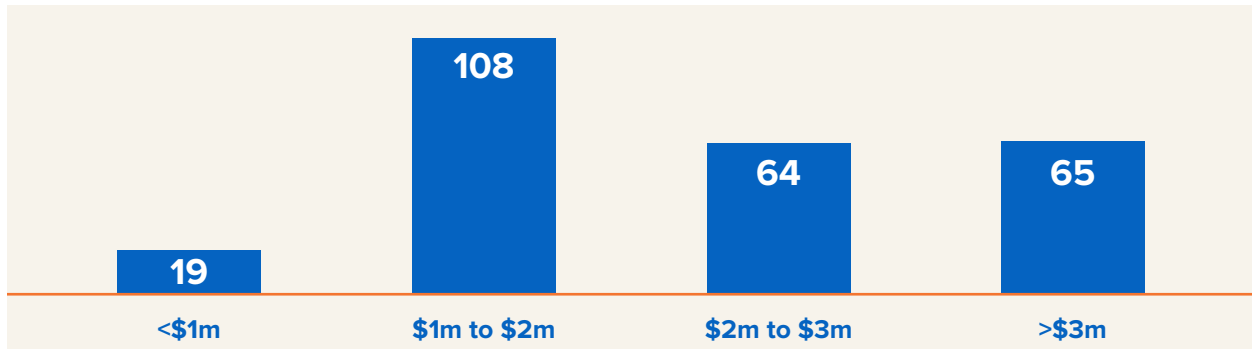
### 2023 property tax savings from Austin's historic landmark property tax exemption (for all four participating taxing entities)



- ▶ The property tax savings from the exemption are significant, with an average savings of \$16,359 per property owner with the exemption and total tax savings of \$9.9 million across all four taxing entities.
- ▶ Five property owners receive a tax break through the exemption program of more than \$100,000 a year across all four taxing entities participating in the program, with the largest tax break at \$424,509.
- ▶ By far the largest number of properties with a historic property tax exemption are single-family residences (301), followed by condominium units (92), and commercial properties (45).<sup>51</sup>
- ▶ Out of the 393 exempt single-family residences and condominium units:
  - 289 are owner-occupied (i.e., with a homestead exemption).
  - 104 are classified as non-owner-occupied properties, which means they are not subject to any caps on the exemption amount. These properties may include long-term and short-term rental properties as well as owner-occupied properties where an owner has found it more beneficial to forego a homestead exemption and thus not be subject to a cap on the historic exemption.
- ▶ The 78701 zip code, which includes downtown Austin, contains the largest concentration of exempt properties, with 210 properties. The second highest concentration of properties is located in the 78703 zip code (116 properties), followed by the 78705 zip code (55 properties).
- ▶ Residences with a historic exemption have a far higher median market value compared to other residential properties in the county.
  - The median market value of single-family residences and condominium units with a historic exemption is \$1.9 million for 2023, compared to \$612,568 for the median market value of all residential properties in Travis County based on TCAD data.
  - Of the 256 exempt single-family residences that are owner-occupied, only 19 (7%) have a market value of less than \$1 million, while 108 (42%) have a market value of \$1 million to \$2 million, 64 (25%) of the properties have a market value of \$2 million to \$3 million, and 65 (25%) have a market value of more than \$3 million.
- ▶ Fifty-six percent of properties with a historic exemption do not have a cap on the exemption amount, including 59 owner-occupied properties and 255 commercial and other non-owner-occupied properties.



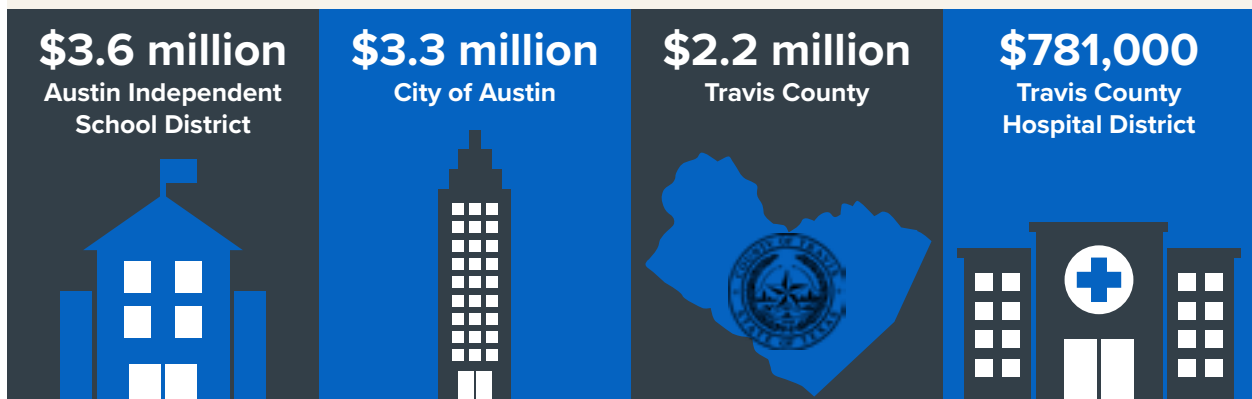
## TCAD market value of owner-occupied single-family properties with a historic exemption



## Historic landmark properties by type of historic exemption cap, if any

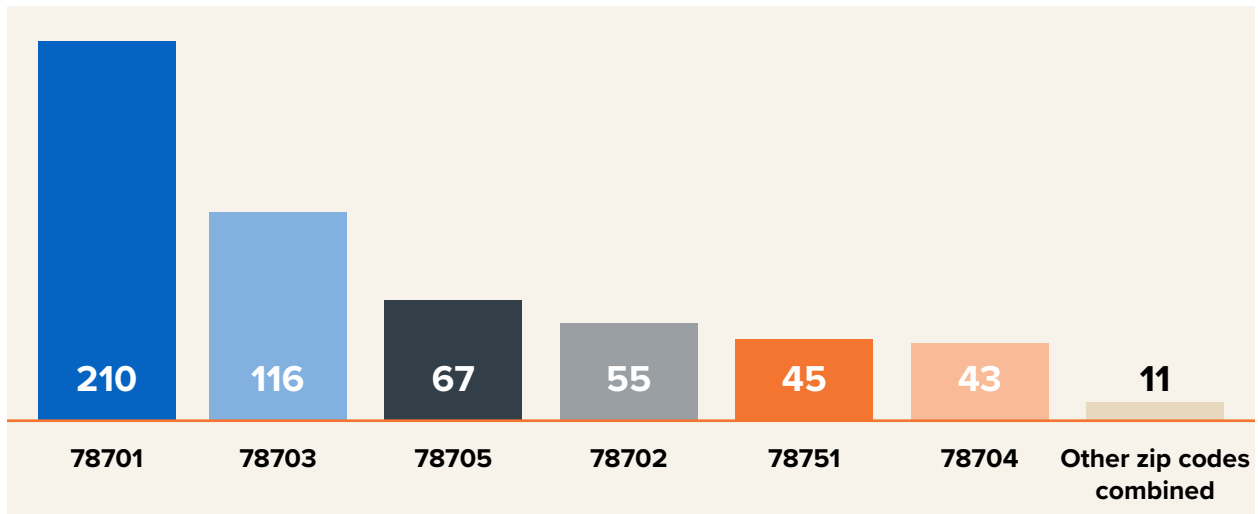
<b>No cap: Non-owner-occupied properties</b>	<b>255</b>
<b>No cap: Tier 1 owner-occupied properties</b> (designated historic on or before 12/1/04 and no ownership transfer)	<b>59</b>
<b>Cap of \$2,000 or 50% assessed valued without exemption, whichever is largest:</b> <b>Tier 2 owner-occupied properties</b> (designated historic b/w 12/1/04 and 1/1/12 and no ownership transfer)	<b>97</b>
<b>\$2,500 Cap: Tier 3 owner-occupied properties</b> (designated historic on or after 1/1/12 or loss of cap due to transfer)	<b>146</b>

## Total amount of historic property tax breaks by taxing jurisdiction for 2023 (using 2022 tax rates)



**TOTAL = \$9.9 million**

### City of Austin Historic Landmark Properties with Exemption by Zip Code



### Properties with a Historic Property Tax Exemption in Austin, by Property Type (based on the Texas Property Tax Assistance Property Classification Guide)

Property Type (for Real Property)	Number of Properties
A1: Single-family residential	301
A4: Condominium unit	92
B1: Apartment Complexes	8
B2: Duplex	5
B4: Four-plex	1
C1: Vacant lots and tracts	2
E1: Farm and Ranch land	1
F1-F5: Commercial <sup>52</sup>	45
Data Missing or Other	92

## Section 5: Other Texas Cities' Historic Property Tax Exemption Programs

The City of Austin's historic property tax exemption is far more generous than the exemptions offered by its peer cities. This status is due to a combination of features:

- ▶ the level of the exemption,
- ▶ the perpetual nature of the exemption,
- ▶ the application of the exemption to both the land and historic structure,
- ▶ the application of the exemption to historic landmarks outside historic districts, and
- ▶ the application of the exemption to properties that do not undergo any rehabilitation.



Most of Austin's peer cities offer a rehabilitation-type incentive where the exemption has a time limit and is tied to a renovation of the structure. As noted in a 2011 report by Austin's Historic Landmark Commission, the "rehabilitation-type incentive has worked well in other cities to encourage preservation work on historic structures."<sup>53</sup> A more comprehensive summary of historic property tax exemption programs in Texas cities is available on the Texas Historic Commission's [website](#).

### Dallas

The City of Dallas limits its historic property tax exemption program to contributing properties in a historic district that undergo some level of maintenance or rehabilitation. The type of tax break available depends on how much a property owner invests in the rehabilitation and which type of district the property is located in. The exemptions have a term limit of three to ten years. Here is a summary of the City's exemption programs:

- 1. Citywide exemption for maintenance of a contributing structure:** This exemption applies to a contributing property in any of the City's historic districts with maintenance expenditures of at least three percent of the pre-rehabilitation value of the structure.<sup>54</sup> The exemption is 100 percent on the added value of the property over the pre-rehabilitation value and lasts for 3 years.
- 2. Exemption in certain historic districts for properties undergoing rehabilitation:** This exemption is available only for contributing properties located in an endangered historic district, urban historic district, or revitalizing historic district.<sup>55</sup> The level of rehabilitation required depends on the district.<sup>56</sup> The exemption is for 100 percent of the total assessed value for 10 years, with one exception for urban historic districts with a lower level of rehabilitation, where the exemption is based on the added value generated by the renovations.
- 3. Exemption in other historic districts for properties undergoing rehabilitation:** Contributing properties in a historic district other than an endangered historic district, urban historic district, or revitalizing historic district qualify for a tax exemption if they undergo a major rehabilitation. The exemption is 100 percent on the increase in value of the property over the pre-rehabilitation value and lasts for 10 years. Endangered properties qualify for a 100 percent exemption on the total assessed value for 10 years.

### Houston

The City of Houston offers two types of property tax exemptions for historic properties. The more common exemption lasts for a term of up to 15 years, applies only to the historic structure, and requires significant rehabilitation of the property. The more generous exemption, which is perpetual in nature, applies only to a small subset of historic commercial and multifamily residential properties.

Here is a more detailed summary of the two exemptions.

- 1. Rehabilitation of historic property:** The City offers a 15-year exemption for historic properties that undergo a significant rehabilitation.<sup>57</sup> The property must be a city-designated historic landmark, a national or state designated historic landmark, or a contributing property in a historic district.<sup>58</sup>
  - If the rehabilitation expenditure is 25 to 99 percent of the base value of the historic structure, the exemption on the assessed value of the structure equals the amount of the qualifying rehabilitation expenditures.
  - If the rehabilitation expenditures are 100 percent or more of the base value of the historic structure, the exemption amount depends on whether it is located in a high poverty census tract. Single-family residential properties outside a high poverty census tract qualify for an exemption equal to the rehabilitation expenditures. Other properties, including single-family properties in high poverty census tracts, qualify for a 100 percent exemption on the assessed value of the structure.
- 2. Significant historic buildings.** Houston offers a more generous exemption for properties designated as “significant historic [buildings].”<sup>59</sup> This exemption applies to both land and improvements and has a cap of \$30,000 in exempt taxes, with no time limit. To qualify as a significant historic building, a property must meet a number of requirements including receiving designation as a City Protected Landmark and obtaining at least 75 percent approval of the members of the Houston Archeological and Historical Commission present at a meeting. Residential properties can qualify only if they contain more than four residential units.<sup>60</sup>

Houston offers several tiers of historic landmark status, and only those with protected landmark status are eligible to be designated as a significant historic building. The first tier is a “local landmark.” These properties must follow the City’s historic preservation ordinance when undergoing alterations and maintenance. This designation does not provide significant protection from demolition. The second tier is a “protected landmark,” which provides strong demolition protections. Houston has 35 landmarks and 192 protected landmarks.<sup>61</sup> Only a subset of protected landmarks have been designated as significant historic buildings.

## Fort Worth

The City of Fort Worth offers a property tax exemption for properties that undergo a significant rehabilitation.<sup>62</sup> The exemption is available to historic landmarks or contributing historic structures in a historic district, including the land necessary for access to and use of the structure. The exemption lasts for ten years, with certain properties eligible for a five-year extension. The exemption is available once every 20 years. The exemption freezes the assessed valuations of the land and improvements at the pre-renovation values.

## San Antonio

The City of San Antonio has three different historic property tax exemption programs:

- 1. Newly designated historic districts:** All residential, owner-occupied properties within a newly designated historic district receive a 20 percent exemption on city property taxes for 10 years after the district is designated.<sup>63</sup> Owners who move into the district after the designation are ineligible for the exemption. The property does not have to be a historic landmark to qualify. Owners of these properties who can show proof of continuous permanent residence for ten years since the district’s designation can receive an extra five years of tax exemption.<sup>64</sup> One of the policy reasons behind this exemption program was to help protect against displacement in gentrifying areas as the City worked to extend its historic districts into more socio-economically vulnerable areas.<sup>65</sup> The policy also helps motivate property owners to participate in the creation of a district.
- 2. Substantial rehabilitation or restoration:** Historically significant buildings with an individual historic landmark designation or that are located within a local historic district qualify for a property tax exemption if they undergo a substantial rehabilitation.<sup>66</sup> The exemption for commercial properties is 100 percent for the first 5 years after the rehabilitation and 50 percent for an additional 5 years. Owners of owner-occupied properties can choose from either the same exemption applied to

commercial property or a ten-year freeze on the assessed value used for calculating city taxes. To qualify for the exemption, owners of eligible properties must complete and document their rehabilitation work and submit a sworn statement that the property is a historically significant site in need of tax relief to encourage its preservation. The historic and design review commission has 30 days to investigate the property and recommend to Council the denial or approval of the application for exemption.<sup>67</sup>

- 3. Substantially rehabilitated affordable rental properties:** Substantially rehabilitated historic properties that lease at least 40 percent of rental units to low-income tenants can qualify for an additional 100 percent tax exemption for 10 years.<sup>68</sup> The property must be a historic landmark or located within a local historic district.

## Section 6: Potential Areas for Reform

A broad range of potential reforms could make Austin's historic property tax exemption and abatement programs more equitable. We have not evaluated how effective these reforms would be in practice, or how they would affect other community goals. Instead, we offer these policies as areas for further study by policymakers. Note: Under state law, any ordinance that repeals or reduces in the amount of the exemption must be preceded by a five-year notice to the impacted property owners.<sup>69</sup>

### 1. Decouple the historic property tax exemption from a property's historic landmark status

As discussed earlier in the report, Austin's historic property tax exemption, unlike Austin's peer cities, is tied to a property's local historic landmark status. Once a property is designated as a historic landmark by the City, it is essentially automatically eligible for the partial tax exemption once the property owner submits the annual application required. The only requirement attached to the exemption in City Code is that the owner preserves and maintains the structure's historic character as required under the property's historic landmark regulations, but even this requirement does not appear to be enforced, since properties that repeatedly fail the City's inspection continue to receive an exemption.

There are a number of different measures that could be taken to "decouple" the exemption from a property's historic landmark status, such as by adding additional requirements a property owner must meet to qualify for the exemption.

#### Policy Reform Ideas:

- ▶ Require an additional, heightened layer of historical significance to qualify for the exemption.
  - For example, see Houston's historic property tax exemption for "significant buildings," discussed in Section 5.
- ▶ Tie eligibility for the exemption to historic properties within certain areas of the City that are more vulnerable to redevelopment or displacement pressures, such as areas at risk of gentrification, or to areas with high cultural significance.
  - For example, see San Antonio's policy providing a property tax exemption for owner-occupied properties when a new historic district is designated, discussed in Section 5.
- ▶ Provide time limitations, such as five to ten years, on how long a historic property can receive the exemption. This policy reform was also included as a recommendation in the City's 1981 preservation plan, which noted that a fixed term for the exemption "would lead to designation of a larger number of landmark properties, and therefore would extend incentive to preserve and maintain historic properties, and incentives to larger numbers of property owners without permanently committing the exemption provision to a relatively small number of owners."<sup>70</sup>
  - For examples, see San Antonio, Houston, Dallas, Fort Worth.

### 2. Limit the portion of land that receives a historic property tax exemption

As discussed in Section 2, state law allows a city to provide a historic tax exemption only on the portion of land where a historic structure is located "to the extent reasonably necessary for access to and use of the historic structure." In practice, however, Austin applies the exemption to the entire parcel of land without analyzing whether the entire parcel is reasonably necessary for access to and use of the historic structure.



The equity issues regarding extending a historic property tax exemption to the entire parcel came to light in the media when historic landmark status was extended to the parking lot of the Baker School property in Hyde Park, which was acquired by the owners of Alamo Drafthouse. The extension of the exemption to the parking lot resulted in an estimated additional \$11,911 annual property tax break for the owners.<sup>71</sup>

#### **Policy Reform Ideas:**

- ▶ Delineate strict standards for when a parcel of land that extends beyond the footprint of the historic structure can qualify for an exemption.
- ▶ Restrict the exemption to the assessed value of the historic structure.
- ▶ Impose a square footage limit on the amount of land that can qualify for the exemption.

### **3. Impose an exemption cap on all properties**

As discussed in Section 2, Austin’s caps on the amount of property tax savings a property can receive from a historic property tax exemption apply only to owner-occupied properties designated after a certain date or owner-occupied properties that have transferred ownership. In addition, the Austin Independent School District’s cap applies only to owner-occupied properties designated historic on or after January 1, 2012.

#### **Policy Reform Ideas**

- ▶ Create a property tax cap for commercial properties.
- ▶ Apply the current \$2,500 property tax cap to all owner-occupied historic properties including:
  - properties designated historic before December 1, 2004, that do not have a cap; and
  - properties designated historic between December 1, 2004 and January 1, 2012, with the “greater of 50% or \$2,000” cap.
- ▶ Provide a periodic reassessment of the exemption caps in a public forum.

### **4. Impose standards for assessing when a property is “in need of tax relief to encourage its preservation”**

Both state and city laws require that a property be “in need of tax relief to encourage its preservation” as a condition to awarding a historic property tax exemption. But neither law provides any criteria as to what fulfills this requirement. In Austin, the only criterion for meeting this standard is that a property has historic landmark status. There is no consideration given to the owner’s financial status, the costs of any rehabilitation needed, the heightened costs of maintenance, the risk of the property being demolished, or any other extrinsic factors.

Almost all the other historic property tax exemption programs in the state’s major cities tie the exemption to repairs being made on the property. By tying the tax relief to renovation efforts, these cities’ exemptions are more justifiably used to “encourage the preservation” of historic properties.

#### **Policy Reform Ideas**

- ▶ Adopt criteria for assessing whether a property is “in need of tax relief to encourage its preservation.”
  - Require proof that the historic features of the structure are more expensive to maintain compared to non-historic properties. This requirement could include a presumption that certain structures meet this standard, such as structures that are at least 100 years old.

- Tie the exemption to a neighborhood’s vulnerability for redevelopment or create exemption tiers based on the redevelopment pressures in the neighborhood.
  - ◆ For example, see Dallas’ incentive program for contributing properties located in an endangered historic district, urban historic district, or revitalizing historic district. Require a certain level of rehabilitation to the structure.
- ▶ Require a certain level of rehabilitation to the structure.
  - Almost all of the historic property tax exemption programs offered by Austin’s peer cities in Texas include this requirement.
- ▶ Consider the property owner’s financial status.
  - Offer tiers of more generous tax breaks for lower-income households.

## 5. Other policy reform areas to explore

- ▶ Establish a revolving low-interest loan program to help low-income property owners more fully participate in the preservation and rehabilitation of their historic homes.
- ▶ Provide a more robust technical assistance program to assist lower-income property owners with the application process for historic landmark status, including by hiring additional staff for the Historic Preservation Office, such as a Community Engagement Officer.
- ▶ Place a stronger emphasis on the creation of new local historic districts, particularly in historically disadvantaged neighborhoods.
- ▶ Eliminate Austin ISD’s participation in the historic property tax exemption program or lower the District’s cap from the current \$3,500 cap (will require five-year notice to the impacted property owners).
- ▶ Develop a policy to revoke a historic property’s exempt status when the property fails its city inspection for more than one year.
- ▶ Enhance public educational opportunities for properties currently designated as historic properties.
  - Provide an informational plaque for properties with a historic landmark designation, including information about the property’s historic or cultural significance.
  - Create a website portal with an interactive map and accessible information about the City’s designated historic landmarks and districts. For example, see the City of San Antonio’s interactive website: <https://gis.sanantonio.gov/OHP/explorer/index.html>.

# Appendix 1. Texas Constitution and Texas Statutes: Provisions Governing Property Tax Exemptions for Historic Properties

## Texas Constitution

### Article 8, Section 1-f (Ad Valorem Tax Relief)

The legislature by law may provide for the preservation of cultural, historical, or natural history resources by:

- (1) granting exemptions or other relief from state ad valorem taxes on appropriate property so designated in the manner prescribed by law; and
- (2) authorizing political subdivisions to grant exemptions or other relief from ad valorem taxes on appropriate property so designated by the political subdivision in the manner prescribed by general law.

## Texas Tax Code

### Section 11.24 (Historic Sites)

(a) The governing body of a taxing unit [...] may exempt from taxation part or all of the assessed value of a structure or archeological site and the land necessary for access to and use of the structure or archeological site, if the structure or archeological site is:

- (1) designated as a:
  - i. Recorded Texas Historic Landmark under Chapter 442, Government Code, or
  - ii. a state archeological landmark under Chapter 191, Natural Resources Code, by the Texas Historical Commission; or
- (2) designated as a historically or archeologically significant site in need of tax relief to encourage its preservation pursuant to an ordinance or other law adopted by the governing body of the taxing unit.

## Appendix 2. City of Austin Historic Designation Criteria for Historic Landmark Combining Districts (Individual Historic Landmark Properties)

### Historic Designation Criteria: § 25-2-352(A)

(A) The council may designate a structure or site as a historic landmark (H) combining district if:

(1) the property is at least 50 years old and represents a period of significance of at least 50 years ago, unless the property is of exceptional importance as defined by National Register Bulletin 22, National Park Service (1996);

(2) the property retains a high degree of integrity, as defined by the National Register of Historic Places, that clearly conveys its historical significance and does not include an addition or alteration which has significantly compromised its integrity; and

(3) the property:

(a) is individually listed in the National Register of Historic Places; or is designated as a Recorded Texas Historic Landmark, State Archeological Landmark, or National Historic Landmark; or

(b) demonstrates significance in at least two of the following categories:

(i) Architecture. The property embodies the distinguishing characteristics of a recognized architectural style, type, or method of construction; exemplifies technological innovation in design or construction; displays high artistic value in representing ethnic or folk art, architecture, or construction; represents a rare example of an architectural style in the city; serves as an outstanding example of the work of an architect, builder, or artisan who significantly contributed to the development of the city, state, or nation; possesses cultural, historical, or architectural value as a particularly fine or unique example of a utilitarian or vernacular structure; or represents an architectural curiosity or one-of-a-kind building. A property located within a local historic district is ineligible to be nominated for landmark designation under the criterion for architecture, unless it possesses exceptional significance or is representative of a separate period of significance.

(ii) Historical Associations. The property has long-standing significant associations with persons, groups, institutions, businesses, or events of historic importance which contributed significantly to the history of the city, state, or nation; or represents a significant portrayal of the cultural practices or the way of life of a definable group of people in a historic time.

(iii) Archeology. The property has, or is expected to yield, significant data concerning the human history or prehistory of the region.

(iv) Community Value. The property has a unique location, physical characteristic, or significant feature that contributes to the character, image, or cultural identity of the city, a neighborhood, or a particular group.

(v) Landscape Feature. The property is a significant natural or designed landscape or landscape feature with artistic, aesthetic, cultural, or historical value to the city.

(B) The council may designate an area as a historic area (HD) combining district if at least 51 percent of the principal structures within the proposed district are contributing to the historic character of the district when the historic preservation officer certifies that the zoning or rezoning application is complete.

(C) The council may enlarge the boundary of an existing historic area (HD) combining district if the additional structure, group of structures, or area adds historic, archeological, or cultural value to the district.

(D) Except as limited by Subsection (E), the council may reduce the boundary of an existing historic area (HD) combining district if:

(1) the structure to be excluded does not contribute to the historic character of the district;

(2) excluding the structure or area will not cause physical, historical, architectural, archeological, or cultural degradation of the district; or

(3) a reasonable use of the structure that allows the exterior to remain in its original style does not exist.

(E) The minimum size for a historic area (HD) combining district is one block face.

## Appendix 3. City of Austin Historic Designation Criteria for Historic Area (HD) Combining Districts (Historic Districts)

### Historic Designation Criteria: § 25-2-352(B)-(E)

(B) The council may designate an area as a historic area (HD) combining district if at least 51 percent of the principal structures within the proposed district are contributing to the historic character of the district when the historic preservation officer certifies that the zoning or rezoning application is complete.

(C) The council may enlarge the boundary of an existing historic area (HD) combining district if the additional structure, group of structures, or area adds historic, archeological, or cultural value to the district.

(D) Except as limited by Subsection (E), the council may reduce the boundary of an existing historic area (HD) combining district if:

(1) the structure to be excluded does not contribute to the historic character of the district;

(2) excluding the structure or area will not cause physical, historical, architectural, archeological, or cultural degradation of the district; or

(3) a reasonable use of the structure that allows the exterior to remain in its original style does not exist.

(E) The minimum size for a historic area (HD) combining district is one block face.



# Appendix 4. Summary of City of Austin Ordinance Provisions Governing Obtaining a Historic Zoning Designation for Districts and Individual Landmarks

The City Code refers to historic landmarks and historic districts in a particular way, referencing the zoning designation in the text of the Code:

Historic Landmarks: “historic **landmark (H)** combining district”

Historic Districts: “historic **area (HD)** combining district”

The (H) parenthetical refers to landmarks, and (HD) to districts. This appendix summarizes the process for applicants obtaining historic zoning designation for both districts and landmarks. The primary difference between the two processes is that applicants for historic districts must create a preservation plan as part of their application, which is then forwarded by the Historic Preservation Officer to the Austin Green Energy Builder for review and, later, included in a recommendation to the Planning Commissions. Applicants for historic landmark designation do not need to submit a preservation plan.

## §§ 25-2-353—25-2-355

1. An Application to designate structure or site as a historic landmark (H) combining district or an area as historic area (HD) combining district must demonstrate that the structure, site, or area satisfies the criteria for designation and include the information required by the administrative rule.
2. Record owner or record owner’s agent filing an application for an owner-initiated historic landmark (H) designation must affirm that no person involved in the matter was or will be compensated on a contingent fee basis or arrangement.
3. Prior to action by the Historic Landmark Commission, a preservation plan must be forwarded by the Historic Preservation Officer to the Austin Energy Green Builder (or successor) program for review and written recommendations.
4. The Historic Landmark Commission holds a public hearing on a zoning or rezoning application that requests designation or amendment or removal of a zoning designation.
  - i. The City must give notice of the public hearing under Section 25-1-132(a) (*Notice of Public Hearing*) and provide notice of the hearing by posting signs on the property.
  - ii. The Historic Landmark Commission must, within 14 days of the public hearing, make a recommendation to the Planning Commission on the application. Considers criteria laid out in Appendix 2 (*Historic Designation Criteria*).
  - iii. The Department Director must forward the recommendation to the Planning Commission and City Council and include:
    - 1) A statement for the reasons for recommending the designation;
    - 2) A legal description of the boundary of the property or district;
    - 3) Maps, photographs, and histories of the structures, sites, or areas located in the district as required by administrative rule;
    - 4) Findings that support the criteria for designating the district and that establish the importance of the district;
    - 5) For (HD) combining districts, a historic area district preservation plan and a list of designated contributing structures.

## Appendix 5. Historic Property Tax Exemption Tiers & Caps in Austin by Taxing Entity\*

### Exemption Tiers

	Owner-Occupied or Nonprofit Owned		All Other Properties	
	Assessed value of structure	Assessed value of land reasonably necessary for access and use	Assessed value of structure	Assessed value of land reasonably necessary for access and use
<b>City of Austin</b>	100%	50%	50%	25%
<b>Travis County</b>	100%	50%	50%	25%
<b>Austin ISD</b>	50%	25%	25%	12.5%
<b>Travis County Healthcare District</b>	100%	50%	50%	25%

**Exemption Caps:** Exemption caps are applied only to owner-occupied residences and properties owned by nonprofit corporations.

Taxing Entity	Criteria	Exemption Cap
<b>City of Austin</b>	Designated as historic before 12/1/04 and did not change ownership after 12/1/04	No Cap
	Designated as historic landmark before 12/1/04, but changed ownership between 11/30/04 and 1/1/12 <b>OR</b> Designated as historic landmark between 11/30/04 and 1/1/12	Greater of \$2,000 or 50% of the amount that the taxing entity would otherwise levy on the property without an exemption
	Designated as historic landmark before 1/1/12, but changed ownership after 12/31/11 <b>OR</b> Designated as historic landmark after 12/31/11.	\$2,500
<b>Austin ISD</b>	Designated as historic landmark before 1/1/12, but changed ownership after 12/31/11 <b>OR</b> Designated as historic landmark after 12/31/11.	\$3,500

\*The Austin Community College (ACC) eliminated its broadscale historic property tax exemption program in 2012, which had been aligned with the City's exemption program.

## Appendix 6. City of Austin Ordinance: Definitions of a “Contributing Structure” and “Potentially Contributing Structure” in a Historic District

### **Contributing Structure: § 11-1-52(4)**

“CONTRIBUTING STRUCTURE means a structure that contributes to the historic character of a historic area (HD) combining district, was built during the period of significance for the district, and which retains its appearance from that time. An altered structure may be considered a contributing structure if the alterations are minor and the structure retains its historic appearance and contributes to the overall visual and historic integrity of the district. A structure is designated as a contributing structure by the ordinance establishing the historic area (HD) combining district.”

### **Potentially Contributing Structure: § 11-1-52(9)**

“POTENTIALLY CONTRIBUTING STRUCTURE means a structure that could qualify as a contributing structure if its historic appearance were restored, as determined by the Landmark Commission.”

# Appendix 7. City of Austin Criteria for Eligibility for Tax Abatement

## I. Criteria for Eligibility: § 11-1-63

The Landmark Commission shall issue a certificate of eligibility designating the property as in need of tax relief to encourage its preservation only if the application satisfies the following requirements:

- (1) The restoration must comply with the historic area (HD) combining district preservation plan.
- (2) The property is a contributing structure, or the Landmark Commission determines that it is a potentially contributing structure.
- (3) If the application is for a potentially contributing structure, the work for which the certificate is requested must restore the historic appearance of the structure.
- (4) The cost of restoration must exceed the percentage of pre-restoration value specified in the applicable section of Division 3 (Abatement Programs).
- (5) Only restoration done after issuance of the certificate of eligibility is included in determining whether the proposed restoration exceeds the specified percentage of pre-restoration value.
- (6) Only restoration involving work for which a certificate of appropriateness of City permit is required is included in determining whether the proposed work exceeds the specified percentage of pre-restoration value.
- (7) The applicant obtains a certificate of appropriateness, if required.

## II. Minimum Expenditure Requirements for Abatement Program Eligibility

Property Type	Minimum expenditure <sup>^</sup>	Duration of abatement	How often abatement may be granted
Homestead	25% of pre-rehabilitation value of structure	7 years	Every 10 years
Income-producing	40% of pre-rehabilitation value of structure	10 years	Every 15 years
Homestead in Revitalization Area*	10% of pre-rehabilitation value of structure	10 years	Every 15 years
Income-producing in Revitalization Area*	30% of pre-rehabilitation value of structure	10 years	Every 15 years

<sup>^</sup>At least 5% of the pre-rehabilitation value of the structure ("the improvement") must be spent on exterior work. The pre-rehabilitation value is determined by the most recent appraisal value of the property by the Travis County Appraisal District before an abatement application is submitted.

\*The Revitalization Area is bounded by Interstate 35 from Manor Road to Riverside Drive, Riverside Drive from Interstate 35 to Highway 71, Highway 71 from Riverside Drive to Highway 183, Highway 183 from Highway 71 to Manor Road, and Manor Road from Highway 183 to Interstate 35.

## III. Process for Qualifying for a Tax Abatement: See [City of Austin Code §§ 11-1-61 – 11-1-70](#)

## Endnotes

- <sup>1</sup> Many of the exempt properties listed in the data we received from TCAD did not include a property type classification. The numbers here reflect only those properties that includes a property type classification.
- <sup>2</sup> Data provided by the Travis Central Appraisal District, 2023 Historic Exemptions.
- <sup>3</sup> Christopher Neely, *Austin tries to strike balance between historic preservation, adding housing supply*, Community Impact (July 24, 2018, 12:00 PM), <https://communityimpact.com/austin/central-austin/development-construction/2018/07/24/historic-preservation-under-scrutiny-as-austin-grows/>.
- <sup>4</sup> City of Austin, *Brief #7 for Preservation Plan Working Group*, Feb. 2022, <https://publicinput.com/Customer/File/Full/6c67e09e-cb93-4e2c-910b-d1fa1e243154>.
- <sup>5</sup> City of Austin, Resolution No. 20230323-059 (2023), <https://services.austintexas.gov/edims/document.cfm?id=405296>, citing to a 2022 brief prepared for the City's Equity-Based Preservation Plan Working Group.
- <sup>6</sup> Clara Ence Morse, *With Equity in Mind, Austin Embarks on Bringing Its History Up to Date*, Austin Chronicle (July 2, 2021).
- <sup>7</sup> City of Austin Preservation Plan of 1981, at p 53.
- <sup>8</sup> City of Austin, Resolution No. 20230323-059 (2023).
- <sup>9</sup> *What We Have Learned*, Austin History Center, [https://www.austinlibrary.com/ahc/lost/lost\\_learned.htm](https://www.austinlibrary.com/ahc/lost/lost_learned.htm); Kimberly Reeves, *Historic Preservation program works to preserve city's heritage*, Austin Monitor (Sept. 29, 2008), <https://www.austinmonitor.com/stories/2008/09/historic-preservation-program-works-to-preserve-citys-heritage/>.
- <sup>10</sup> *Id.*
- <sup>11</sup> Mike Clark-Madison, *New Rules for Old Buildings: The Historic Task Force*, The Austin Chronicle (April 2, 2004), <https://www.austinchronicle.com/news/2004-04-02/205069/>.
- <sup>12</sup> Kimberly Reeves, *Rewriting Austin History*, The Austin Chronicle (Nov. 19, 2004), <https://www.austinchronicle.com/news/2004-11-19/238569/>; Wells Dunbar, *What's Historic?*, The Austin Chronicle (Feb. 2, 2010), <https://www.austinchronicle.com/news/2010-02-26/971635/>.
- <sup>13</sup> Law Department, City of Austin, Draft of an Ordinance Amending Chapters 2-1,11-1,25-2,25-3,25-6,25-10, and 25-11 of the City Code Relating to the Historic Landmark Commission, Ad Valorem Tax Exemptions and Abatements, Historic Landmarks and Historic Area Combining Districts, Historic Sign Districts, and Building, Demolition, and Relocation Permits; and Repealing Sections; 2-1-292 AND 2-1-295 of the City Code 3–4 (2014), <https://www.austintexas.gov/edims/document.cfm?id=66816>.
- <sup>14</sup> Josh Rosenblatt, *Council approves changes to Historic Landmark Ordinance*, Austin Monitor (Aug. 9, 2011), <https://www.austinmonitor.com/stories/2011/08/council-approves-changes-to-historic-landmark-ordinance/>.
- <sup>15</sup> Austin, Tex., Ordinance No. 20100610-029 (June 10, 2010), <https://www.austintexas.gov/edims/document.cfm?id=138711>.
- <sup>16</sup> *Id.*
- <sup>17</sup> Operations Committee, Historic Landmark Commission, Report and Recommendations for Changes to the City of Austin Historic Preservation Program 3, (Historic Preservation Office 2011), <https://www.austintexas.gov/edims/document.cfm?id=242861>.
- <sup>18</sup> Austin, Tex., Ordinance No. 20100819-065 (Aug. 19, 2010), <https://www.austintexas.gov/edims/document.cfm?id=141757>.
- <sup>19</sup> *Id.*
- <sup>20</sup> Austin, Tex., Ordinance No. 20111215-091 (Dec. 15, 2011), <https://www.austintexas.gov/edims/document.cfm?id=162457>.
- <sup>21</sup> Josh Rosenblatt, *Council approves changes to Historic Landmark Ordinance*, Austin Monitor (Aug. 9, 2011), <https://www.austinmonitor.com/stories/2011/08/council-approves-changes-to-historic-landmark-ordinance/>.
- <sup>22</sup> Joe Olivieri, *Travis County copies Austin's tax exemption policy for historic properties*, Community Impact (July 10, 2012, 6:00 AM), <https://communityimpact.com/austin/news/2012/07/10/travis-county-copies-austins-tax-exemption-policy-for-historic-properties/>.
- <sup>23</sup> See Resolution Amending the Austin Independent School District Ordinance Providing for Tax Exemption for Historical Landmarks 1–2 (Austin Indep. Sch. Dist.), [https://www.boarddocs.com/tx/austinisd/Board.nsf/files/8UZ8541C-91DC/\\$file/Attachment%20%231-Resolution%20Amending%20AISD%20Ordinance%20Providing%20for%20Tax%20Exemption%20for%20Historical%20Landmarks%20rev3%20\\_042712\\_.pdf](https://www.boarddocs.com/tx/austinisd/Board.nsf/files/8UZ8541C-91DC/$file/Attachment%20%231-Resolution%20Amending%20AISD%20Ordinance%20Providing%20for%20Tax%20Exemption%20for%20Historical%20Landmarks%20rev3%20_042712_.pdf).
- <sup>24</sup> Preservation Plan Working Grp., City of Austin, Equity-Based Preservation Plan: Learning from our Past to Shape a Future for Everyone 3, 5 (2022), <https://www.austintexas.gov/edims/document.cfm?id=392684>.
- <sup>25</sup> City of Austin, *Brief #7 for Preservation Plan Working Group*, Feb. 2022, <https://publicinput.com/Customer/File/Full/6c67e09e-cb93-4e2c-910b-d1fa1e243154>.

- <sup>26</sup> City of Austin, Resolution No. 20230323-059 (2023), <https://services.austintexas.gov/edims/document.cfm?id=405296>.
- <sup>27</sup> Tex. Tax Code § 11.24(a).
- <sup>28</sup> Tex. Tax Code § 11.24(a)(2).
- <sup>29</sup> Tex. Tax Code § 11.24(a)(2).
- <sup>30</sup> Property Tax Assistance Division, Tex. Comptroller of Pub. Accts., Application for Historic or Archeological Site Property Tax Exemption, <https://comptroller.texas.gov/forms/50-122.pdf>.
- <sup>31</sup> Austin, Tex., Code of Ordinances § 11-1-24 (2022).
- <sup>32</sup> *Id.* City of Austin, *Brief #7 for Preservation Plan Working Group*, Feb. 2022, <https://publicinput.com/Customer/File/Full/6c67e09e-cb93-4e2c-910b-d1fa1e243154>.
- <sup>33</sup> Austin, Tex., Code of Ordinances § 11-1-22 (2022).
- <sup>34</sup> *Id.* at § 11-1-26.
- <sup>35</sup> *Id.* at § 11-1-22(E) (2022).
- <sup>36</sup> *Id.* at § 11-1-22 (2022).
- <sup>37</sup> *Id.* at §§ 11-1-81–83 (2022).
- <sup>38</sup> City of Austin, Local Historic Districts: Frequently Asked Questions, <https://www.austintexas.gov/edims/document.cfm?id=236833>.
- <sup>39</sup> City of Austin, *Brief #7 for Preservation Plan Working Group*, Feb. 2022, <https://publicinput.com/Customer/File/Full/6c67e09e-cb93-4e2c-910b-d1fa1e243154>.
- <sup>40</sup> Austin, Tex., Code of Ordinances §§ 11-1-67–68.
- <sup>41</sup> *Id.* at § 25-2-35.
- <sup>42</sup> Mary Kahle, Why Austin Needs Local Historic Districts, Preservation Austin (Dec. 20, 2021), <https://www.preservation-austin.org/news/2021/12/20/why-austin-needs-local-historic-districts>.
- <sup>43</sup> Austin, Tex., Code of Ordinances § 25-2-356 (2022).
- <sup>44</sup> Tex. Tax Code § 11.24(b).
- <sup>45</sup> Plaintiff’s Original Petition at 1, Chavez v. City of Austin, No. D-1-GN-11-001063 (Travis Cty. Dist. Ct. filed April 11, 2011), [https://theaustinbulldog.org/wpfd\\_file/dominic-chavez-et-al-v-city-of-austin-et-al/](https://theaustinbulldog.org/wpfd_file/dominic-chavez-et-al-v-city-of-austin-et-al/) (click “preview”).
- <sup>46</sup> See Austin City Council, Council Meeting Minutes, Thursday, August 4, 2011 8, <https://www.austintexas.gov/edims/document.cfm?id=157056>.
- <sup>47</sup> Austin, Tex., Ordinance No. 20110804-009 (Aug. 4, 2011), <https://www.austintexas.gov/edims/document.cfm?id=156608>.
- <sup>48</sup> Elizabeth Pagano, ‘Landmark’ Lawsuit Rises Again: ‘Broken Promise’, The Austin Chronicle (NOV. 16, 2012), <https://www.austinchronicle.com/news/2012-11-16/landmark-lawsuit-rises-again-broken-promise/>.
- <sup>49</sup> Plaintiff’s Original Petition at 2–3, Chavez v. City of Austin, No. D-1-GN-12-003312, 2012 WL 5230045 (Travis Cty. Dist. Ct. filed Oct. 23, 2012), [https://www.westlaw.com/Document/lef6f44861dbc11e2b343c837631e1747/View/FullText.html?transitionType=Default&contextData=\(sc.Default\)&VR=3.0&RS=cblt1.0](https://www.westlaw.com/Document/lef6f44861dbc11e2b343c837631e1747/View/FullText.html?transitionType=Default&contextData=(sc.Default)&VR=3.0&RS=cblt1.0).
- <sup>50</sup> Sarah Coppola, *Judge dismisses historic preservation lawsuit*, Austin American-Statesman (May 15, 2013), <https://www.statesman.com/story/news/2013/05/15/judge-dismisses-historic-preservation-lawsuit/10051811007/>.
- <sup>51</sup> Many of the exempt properties listed in the data we received from TCAD did not include a property type classification. The numbers here reflect only those properties that includes a property type classification.
- <sup>52</sup> The commercial categories include office buildings, residential properties converted to commercial properties, retail stores, restaurants, hotels and motels, and processing plants. Glenn Hegar, Texas Property Tax Assistance Property Classification Guide 8–9 (2022), and email from Leana Mann, Deputy Chief Appraiser, Travis Central Appraisal District.
- <sup>53</sup> Operations Committee, Historic Landmark Commission, Report and Recommendations for Changes to the City of Austin Historic Preservation Program 17–18 (Historic Preservation Office 2011), <https://www.austintexas.gov/edims/document.cfm?id=242861>.
- <sup>54</sup> Dallas, Tex., Code of Ordinances § 51A-11.208 (2022).
- <sup>55</sup> *Id.* at §§ 51A-11.204–16.
- <sup>56</sup> Historic Preservation Tax Incentive Program 2 (Dallas City Hall 2016), [https://dallascityhall.com/departments/sustainabledevelopment/historicpreservation/HP%20Documents/Tax/0\\_Tax%20Incentives%20-%20Information%20Pack-et%20for%20applicants%20-%20rev%209-7-2016.pdf](https://dallascityhall.com/departments/sustainabledevelopment/historicpreservation/HP%20Documents/Tax/0_Tax%20Incentives%20-%20Information%20Pack-et%20for%20applicants%20-%20rev%209-7-2016.pdf).
- <sup>57</sup> Houston, Tex., Code of Ordinances § 44-5(h) (2022); *Economic Development*, City of Houston, [https://www.houstontx.gov/ecodev/historic\\_site\\_tax\\_exemption.html](https://www.houstontx.gov/ecodev/historic_site_tax_exemption.html).
- <sup>58</sup> *Economic Development*, City of Houston, [https://www.houstontx.gov/ecodev/historic\\_site\\_tax\\_exemption.html](https://www.houstontx.gov/ecodev/historic_site_tax_exemption.html).

- <sup>59</sup> Houston, Tex.. Code of Ordinances § 44-29 (2022).
- <sup>60</sup> *Economic Development*, City of Houston, [https://www.houstontx.gov/ecodev/historic\\_site\\_tax\\_exemption.html](https://www.houstontx.gov/ecodev/historic_site_tax_exemption.html).
- <sup>61</sup> Landmarks and Protected Landmarks, City of Houston, [https://www.houstontx.gov/planning/HistoricPres/historic\\_landmarks.html](https://www.houstontx.gov/planning/HistoricPres/historic_landmarks.html).
- <sup>62</sup> Fort Worth, Tex., Code of Ordinances § 4.401(f) (2022).
- <sup>63</sup> San Antonio, Tex. Unified Development Code, § 35-618(f)(2) (2021).
- <sup>64</sup> *Id.*
- <sup>65</sup> Office of Historic Preservation, What Do I Need to Do to Receive a Tax Exemption or Credit? 5 (City of San Antonio), [https://www.sanantonio.gov/portals/0/Files/HistoricPreservation/Tax\\_incentive\\_brochure-8-2010.pdf](https://www.sanantonio.gov/portals/0/Files/HistoricPreservation/Tax_incentive_brochure-8-2010.pdf).
- <sup>66</sup> San Antonio, Tex. Unified Development Code, § 35-618(a), (f) (2021).
- <sup>67</sup> *Id.* at § 35-618(c)–(e).
- <sup>68</sup> *Id.* at § 35-618(f)(3).
- <sup>69</sup> Tex. Tax Code § 11.24(b).
- <sup>70</sup> City of Austin Preservation Plan of 1981, at p. 67.
- <sup>71</sup> Jonathan Lee, *Council grants historic zoning to Baker School and parking lots*, Austin Monitor (Dec. 17, 2020), <https://www.austinmonitor.com/stories/2020/12/council-grants-historic-zoning-to-baker-school-and-parking-lots/>.