

# MEMORANDUM

Agenda Item No. 8(L)(2)

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**TO:** Honorable Chairman Esteban L. Bovo, Jr.  
and Members, Board of County Commissioners


**DATE:** March 7, 2017

**FROM:** Abigail Price-Williams  
County Attorney

**SUBJECT:** Resolution authorizing historic preservation ad valorem tax exemption for the rehabilitation of 814 Coral Way, Coral Gables, Florida, pursuant to Florida Statutes section 196.1997 and section 16A-18 of the Code; directing the Mayor to execute and record covenant; and authorizing Mayor to exercise provisions contained therein

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The accompanying resolution was prepared by the Regulatory and Economic Resources Department and placed on the agenda at the request of Prime Sponsor Commissioner Rebeca Sosa.

  
\_\_\_\_\_  
Abigail Price-Williams for  
County Attorney

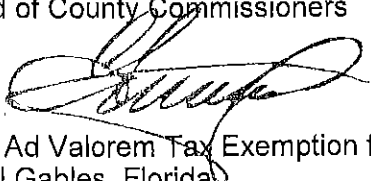
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# Memorandum



**Date:** March 7, 2017

**To:** Honorable Chairman Esteban L. Bovo, Jr.  
and Members, Board of County Commissioners

**From:** Carlos A. Gimenez  
Mayor 

**Subject:** Historic Preservation Ad Valorem Tax Exemption for  
814 Coral Way, Coral Gables, Florida

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## Recommendation

It is recommended that the Board of County Commissioners (Board) authorize the ad valorem tax exemption for the property located at 814 Coral Way, Coral Gables, Florida, pursuant to the provisions of Florida Statutes Section 196.1997 and Section 16A-18 of the Code of Miami-Dade County.

## Scope

This property is located within Commission District 6, which is represented by Commissioner Rebeca Sosa. However, the impact of this item is countywide.

## Fiscal Impact/Funding Source

The annual amount of ad valorem taxes to be exempted for the ten-year period is determined by applying the countywide operating millage against the taxable value of the qualifying improvements to the property. The ad valorem tax exemption is not applicable to other taxing authorities.

Based on this methodology, the estimated tax exemption for one (1) year is \$2,961. This estimate was provided by the Property Appraiser and is attached to this transmittal memorandum (see the Revenue Implications Report). However, the annual value of the tax exemption during the ten-year period may fluctuate based on adjustments to either the countywide operating millage or the Property Appraiser's taxable value of the qualifying improvements to the property. Countywide operating ad valorem property taxes will still be assessed and collected on the remaining taxable value that did not qualify for the exemption. Following the ten-year incentive period, the County will begin to assess and collect the countywide operating millage on the full value of the property, inclusive of the previous exempt improvements.

## Track Record/Monitor

The Assistant Director of Planning in the Department of Regulatory and Economic Resources, Mark R. Woerner, will be responsible for implementation. County Historic Preservation staff and/or the Preservation Officer of the municipality in which the property is located will conduct periodic reviews of the property to insure that the improvements are maintained for the duration of the tax abatement.

The tax exemption takes effect on January 1 following substantial completion of the improvement and extends for a ten-year period, which for this property shall begin on January 1, 2015 and end on December 31, 2024. Failure by the owners to adhere to these standards would result in revocation of the exemption.

## Background

In 1993, the State of Florida legislature approved tax exemptions for historic properties that enable local governments the option to provide this property tax exemption for eligible historic properties.

The purpose of this legislation is to encourage the preservation of historic buildings by offering an economic incentive to those property owners that take on the responsibility of restoring and maintaining a designated historic structure. The exemption is not for the entire assessed value of the property. The tax exemptions are calculated from what the value of the renovations to the

historic property were, and only apply to the Countywide portion of the property's tax bill. An exemption may also be granted on the municipal portion of the property tax bill if approved by the respective municipality. Furthermore, all applicants must meet certain criteria as set forth by the Florida Department of State, Division of Historical Resources, in order for a tax exemption to be allowed, including:

- Certification that the property has been designated historic by the applicable preservation board;
- Certification that the property has received approval for the improvements by the applicable preservation board; and
- A determination that the planned improvements are consistent with the Secretary of the Interior's Standards for Rehabilitation.

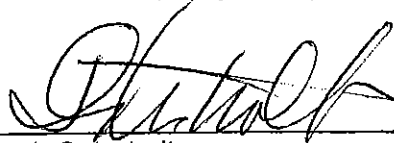
To obtain the County's ad-valorem tax exemption, Part I of the application (construction plans) must be submitted prior to construction to ensure adherence to the rehabilitation standards. When the project is complete, the owner/applicant must submit Part II of the application (post-construction documentation) to the County along with a signed covenant. The local preservation officer must also review and authorize the work for Part I and Part II of the application.

Upon review and approval of Part II, the item can then be placed on the County's Historic Preservation Board agenda. The Property Appraiser prepares the Revenue Implications Report when they consider the project substantially complete, and provides this report to the County's Office of Historic Preservation. The tax exemption is calculated using the millage rate for the year in which the project was completed.

The coral rock home located at 814 Coral Way was originally the home of E. G. Bishop. Although the construction of the residence was recorded in 1924 as Permit No. 3 in the City of Coral Gables, it is believed to have been constructed closer to 1922.

Renovation work included the repair and replacement of deteriorated tongue and groove wood planks at the roof eaves, outriggers and roof rafters, the installation of new impact-resistant doors and windows that matched the original configurations, the installation of a true two-piece barrel tile roof, the restoration of the original plaster ceilings, interior coral rock walls, wood baseboards and door moldings, the refinishing of all the original wood floors, upgrading of the electrical system, and new heating, ventilation and air conditioning and plumbing systems.

Part II of the application indicates that the amount spent by the property owner on the total renovation was \$2,610,000, of which the Property Appraiser's office determined that the taxable value of the qualifying improvements was \$634,531.



Jack Osterholt  
Deputy Mayor

**HISTORIC PRESERVATION EXEMPTION  
PROPERTY TAX ASSESSMENTS / REVENUE IMPLICATIONS**

Property Address: 814 CORAL WAY  
Folio # 03-4118-001-0050

2015  
Estimate

1. Total Value of the Property	\$2,063,749
2. Value of the Improvements to the Property (The change in value due to the renovation as determined by the Property Appraiser):	\$634,531
3. Summary of annual taxes levied on these improvements ( Taxes = value change x 2015 millage):	\$12,347
a) Countywide Operating	\$2,961
b) Unincorporated Municipal Service Area	\$0
c) Debt Service	\$286
d) City Operating (Coral Gables)	\$3,527
e) All other property taxes	<u>\$5,573</u>
	\$12,347 Total taxes

**County Revenue Implications**

Annual taxes to be foregone if this Historic Preservation  
Exemption application is granted (estimate).

a) Countywide Operating	\$2,961
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Signed:   
Property Appraiser or designee

Date: 11/12/15



# MEMORANDUM

(Revised)

**TO:** Honorable Chairman Esteban L. Bovo, Jr.  
and Members, Board of County Commissioners

**DATE:** March 7, 2017

**FROM:** Abigail Price-Williams  
County Attorney

**SUBJECT:** Agenda Item No. 8(L)(2)

Please note any items checked.

- "3-Day Rule" for committees applicable if raised
- 6 weeks required between first reading and public hearing
- 4 weeks notification to municipal officials required prior to public hearing
- Decreases revenues or increases expenditures without balancing budget
- Budget required
- Statement of fiscal impact required
- Statement of social equity required
- Ordinance creating a new board requires detailed County Mayor's report for public hearing
- No committee review
- Applicable legislation requires more than a majority vote (i.e., 2/3's \_\_\_\_\_, 3/5's \_\_\_\_\_, unanimous \_\_\_\_\_) to approve
- Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required

Approved \_\_\_\_\_ Mayor  
Veto \_\_\_\_\_  
Override \_\_\_\_\_

Agenda Item No. 8(L)(2)  
3-7-17

RESOLUTION NO. \_\_\_\_\_

RESOLUTION AUTHORIZING HISTORIC PRESERVATION AD VALOREM TAX EXEMPTION FOR THE REHABILITATION OF 814 CORAL WAY, CORAL GABLES, FLORIDA, PURSUANT TO FLORIDA STATUTES SECTION 196.1997 AND SECTION 16A-18 OF THE CODE OF MIAMI-DADE COUNTY, FLORIDA; DIRECTING THE MAYOR OR DESIGNEE TO EXECUTE AND RECORD COVENANT; AND AUTHORIZING MAYOR OR DESIGNEE TO EXERCISE PROVISIONS CONTAINED THEREIN

**WHEREAS**, the Florida Legislature has authorized counties and local governments to grant tax exemptions to historic properties for the incremental value added by approved restoration work, provided that the owner covenants to maintain the historic nature of the property during the term of the tax exemption; and

**WHEREAS**, Miami-Dade County has enacted enabling legislation to provide such exemption, codified at Section 16A-18 of the Code of Miami-Dade County, Florida (the "Code"); and

**WHEREAS**, the property located at 814 Coral Way, Coral Gables, Florida was designated as a contributing structure within a historic district by the City of Coral Gables; and

**WHEREAS**, the Miami-Dade County Historic Preservation Board, pursuant to Resolution No. 2016-11, a copy of which is attached hereto and incorporated by reference, recommended that the exemption be allowed and certified to the Board of County Commissioners that 814 Coral Way, Coral Gables, Florida is a contributing structure within a locally designated historic district, and that the proposed improvements are consistent with the United States Secretary of the Interior's Standards for Rehabilitation, and meets the criteria established in the rules adopted by the Department of State; and

**WHEREAS**, the property owner has executed the necessary covenant, which is attached and made part of this resolution,

**NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA**, that:

Section 1. The foregoing recitals are approved and incorporated in this resolution.

Section 2. This Board finds that the property, located at 814 Coral Way, Coral Gables, Florida, meets the requirements of Section 16A-18 of the Code and, therefore, that the application for a historic preservation tax exemption is hereby granted to Owen Morrel and Laurie Jewell, as the owners of the property located at 814 Coral Way, Coral Gables, Florida. The tax exemption hereby authorized shall run for 10 years beginning on January 1<sup>st</sup> following the date that the Property Appraiser prepares and signs the revenue implication form, which for this property shall begin on January 1, 2015 and end on December 31, 2024.

Section 3. Pursuant to Resolution No. R-974-09, the Board directs the Mayor or designee to sign the attached covenant and record it with the deed for the property in the Public Records of Miami-Dade County, Florida, and to provide a recorded copy of the covenant to the Clerk of the Board within 30 days of execution of said covenant, and directs the Clerk of the Board to attach and permanently store a recorded copy of the covenant together with this resolution.

Section 4. The Mayor or designee is authorized to exercise the provisions contained in the covenant.

The foregoing resolution was offered by Commissioner \_\_\_\_\_, who moved its adoption. The motion was seconded by Commissioner \_\_\_\_\_ and upon being put to a vote, the vote was as follows:

- |                                     |                      |
|-------------------------------------|----------------------|
| Esteban L. Bovo, Jr., Chairman      |                      |
| Audrey M. Edmonson, Vice Chairwoman |                      |
| Bruno A. Barreiro                   | Daniella Levine Cava |
| Jose "Pepe" Diaz                    | Sally A. Heyman      |
| Barbara J. Jordan                   | Joe A. Martinez      |
| Jean Monestime                      | Dennis C. Moss       |
| Rebeca Sosa                         | Sen. Javier D. Souto |
| Xavier L. Suarez                    |                      |

The Chairperson thereupon declared the resolution duly passed and adopted this 7<sup>th</sup> day of March, 2017. This resolution shall become effective upon the earlier of (1) 10 days after the date of its adoption unless vetoed by the County Mayor, and if vetoed, shall become effective only upon an override by this Board, or (2) approval by the County Mayor of this Resolution and the filing of this approval with the Clerk of the Board.

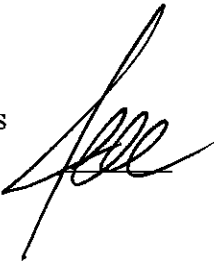
MIAMI-DADE COUNTY, FLORIDA  
 BY ITS BOARD OF  
 COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: \_\_\_\_\_  
 Deputy Clerk

Approved by County Attorney as  
 to form and legal sufficiency.

James Eddie Kirtley







MIAMI-DADE COUNTY  
 HISTORIC PRESERVATION BOARD  
 STEPHEN P. CLARK CENTER  
 111 N. W. FIRST STREET  
 MAILBOX 114, (12<sup>TH</sup> FLOOR)  
 MIAMI, FLORIDA 33128  
 305-375-4958



CFN 2016RD713371  
 OR BK 30342 Pgs 2673-2675 (3Pgs)  
 RECORDED 12/13/2016 10:10:48  
 HARVEY RUVIN, CLERK OF COURT  
 MIAMI-DADE COUNTY, FLORIDA

**MIAMI-DADE COUNTY  
 HISTORIC PRESERVATION BOARD**

**RESOLUTION NO. 2016-11**

**RESOLUTION RECOMMENDING  
 814 CORAL WAY, CORAL GABLES, FLORIDA  
 TO RECEIVE THE  
 HISTORIC PRESERVATION AD VALOREM TAX EXEMPTION**

**WHEREAS**, the Miami-Dade Historic Preservation Board has determined that the property located at 814 Coral Way, Coral Gables, Florida is of architectural and historic significance and is a contributing structure within a locally designated historic district; and

**WHEREAS**, the improvements to the property have met the Secretary of the Interior's Standards for Rehabilitation to the satisfaction of this Board; and

**WHEREAS**, the property is located at 814 Coral Way, Coral Gables, Florida, with a legal description as such:

**LEGAL DESCRIPTION:** LOTS 7 AND 8, CORAL GABLES SECTION A, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN "PLAT BOOK 5 AT PAGE 102, OF THE PUBLIC RECORDS OF DADE COUNTY, FLORIDA

**FOLIO NUMBER:** 03-4118-001-0050

**NOW, THEREFORE, BE IT RESOLVED**, that the Historic Preservation Board, on September 21, 2016, voted to approve the Ad Valorem Tax Exemption for 814 Coral Way, Coral Gables, Florida, and therefore, recommends to the Board of County Commissioners of Miami-Dade County, Florida that the property received the tax exemption for historic properties for the County's portion of the millage pursuant to 16A-18 Miami-Dade County Code. This recommendation has been conditioned upon the following which were presented to the Board:



MIAMI-DADE COUNTY  
**HISTORIC PRESERVATION BOARD**  
 STEPHEN P. CLARK CENTER  
 111 N. W. FIRST STREET  
 MAILBOX 114, (12<sup>TH</sup> FLOOR)  
 MIAMI, FLORIDA 33128  
 305-375-4958

**Resolution #2016-11**  
**Page 2**

1. The completed rehabilitation project was reviewed and approved by the municipal Historic Preservation Officer and is in accordance with the documents and plans presented to and approved by this Board.
2. The filing of an appropriate covenant approved by the County Attorney.
3. The rehabilitation project is reviewed and evaluated by the County Property Appraiser with the completion of a "Historic Preservation Revenue Implications Report."

Prepared by:

Kathleen Kauffman, Historic Preservation Chief  
 Office of Historic Preservation

<u>Board Members</u>	<u>Vote</u>
Gary Appel	YES
Wendy Auerbach	YES
Ruth Campbell	ABSENT
Adriana Cantillo	ABSENT
Rick Cohen	YES
Dr. Paul George	YES
Lourdes Solera	ABSENT
Mitch S. Novick	YES
JoEllen Phillips, Chair	YES
Enid C. Pinkney	YES
Ronda Vangates	ABSENT



MIAMI-DADE COUNTY  
HISTORIC PRESERVATION BOARD  
STEPHEN P. CLARK CENTER  
111 N. W. FIRST STREET  
MAILBOX 114, (12<sup>TH</sup> FLOOR)  
MIAMI, FLORIDA 33128  
305-375-4968

Resolution #2016-11  
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STATE OF FLORIDA  
COUNTY OF MIAMI-DADE

The foregoing instrument was acknowledged before me by Kathleen Kauffman who is personally known to me or has produced \_\_\_\_\_, as identification.

Witness my signature and official seal this 8<sup>th</sup> day of November, 2016 in the County and State aforesaid.

(Notary Seal)



ELIZABETH FERNANDEZ  
MY COMMISSION # FF 195483  
EXPIRES: February 3, 2019  
Bonded Thru Budget Notary Services

[Signature]  
Signature of Notary

Notary, Public State of Florida

Elizabeth Fernandez  
Printed Name

My Commission Expires: Feb. 3, 2019

MIAMI-DADE COUNTY

**HISTORIC PRESERVATION PROPERTY TAX EXEMPTION COVENANT**

This Covenant is made on the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by \_\_\_Owen Morrel and Laurie Jewell\_\_\_\_\_ (hereinafter referred to as the Owner) and in favor of MIAMI-DADE COUNTY, (hereinafter referred to as the Local Government) for the purpose of the restoration, renovation or rehabilitation, of a certain Property located at 814 Coral Way, Coral Gables, FL 33134, which is owned in fee simple by the Owner and is a contributing property to a historic district under the terms of a local preservation ordinance.

The areas of significance of this property, as identified in the National Register nomination or local designation report for the property or the district in which it is located are XX architecture, \_\_\_ history, \_\_\_ archaeology.

The Property is comprised essentially of grounds, collateral, appurtenances, and improvements. The property is more particularly described as follows: (include folio number and legal description, consisting of repository, book, and page numbers) LOTS 7 AND 8, CORAL GABLES SECTION A, ACCORDING TO THE PLAT THEREOF, AS RECORDED IN "PLAT BOOK 5 AT PAGE 102, OF THE PUBLIC RECORDS OF DADE COUNTY, FLORIDA  
Folio # 03-4118-001-0050

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In consideration of the exemption granted by the Local Government, the Owner hereby agrees to the following for the ten-year period beginning on January 1st after the improvements are substantially completed, which for this property shall begin on January 1, 2015 and will end on December 31, 2024:

1. The Owner agrees to assume the cost of the continued maintenance and repair of said Property so as to preserve the architectural, historical, or archaeological integrity of the same in order to protect and enhance those qualities that made the Property eligible for listing in the National Register of Historic Places or designation under the provisions of the local preservation ordinance.
2. The Owner agrees that no visual or structural alterations will be made to the Property without prior written permission of the Local Historic Preservation Office.

The address of the certified Local Historic Preservation Office with review Jurisdiction is:

Name of Office/Agency: City of Coral Gables Historic Preservation Department

Address: 2327 Salzedo Street, 2<sup>nd</sup> Floor

City: Coral Gables, FL Zip: 33134 Phone: 305-460-5090

Contact Person: Dona Spain Title: Historic Preservation Officer

Email: dspaln@coralgables.com

3. (Only for properties of archaeological significance) The Owner agrees to ensure the protection of the site against willful damage or vandalism. Nothing in this Covenant shall prohibit the Owner from developing the site in such a manner that will not threaten or damage the archaeological resource, provided that permission for alteration of the site is obtained pursuant to 2. above.

4. The Owner agrees that the Local Historic Preservation Office and appropriate representatives of the Local Government, their agents and designees shall have the right to inspect the Property at all reasonable times in order to ascertain whether or not the conditions of this Covenant are being observed.

5. In the event of the non-performance or violation of the maintenance provision of the Covenant by the Owner or any successor-in-interest during the term of the Covenant, the Local Historic Preservation Office will report such violation to the Property Appraiser and Tax Collector who shall take action pursuant to s.196.1997 (7), F.S. The Owner shall be required to pay the difference between the total amount of taxes which would have been due in March in each of the previous years in which the Covenant was in effect had the property not received the exemption and the total amount of taxes actually paid in those years, plus interest on the difference calculated as provided in s.212.12(3), F.S.

6. If the Property is damaged by accidental or natural causes during the Covenant period, the Owner will inform the Local Historic Preservation Office in writing of the damage of the Property, including (1) an assessment of the nature and extent of the damage; and (2) an estimate of the cost of restoration or reconstruction work necessary to return the Property to the condition existing at the time of project completion. In order to maintain the tax exemption, the Owner shall complete the restoration or reconstruction work necessary to return the Property to the condition existing at the time of project completion on a time schedule agreed upon by the Owner and the Local Historic Preservation Office.

7. If the Property has been destroyed or severely damaged by accidental or natural causes, that is, if the historical integrity of the features, materials, appearance, workmanship, and

environment, or archaeological integrity which made the property eligible for listing in the National Register of Historic Places or designation under the terms of the local preservation ordinance have been lost or so damaged that restoration is not feasible, the Owner will notify the Local Historic Preservation Office in writing of the loss. The Local Historic Preservation Office will evaluate the information provided and notify the Owner in writing of its determination regarding removal of the Property from eligibility for tax exemption.

If the Local Historic Preservation Office determines that the property should be removed from eligibility for tax exemption, it will notify the Property Appraiser of the county in which the Property is located in writing so that the tax exemption can be cancelled for the remainder of the Covenant period. In such cases, no penalty or interest shall be assessed against the Owner.

8. If it appears that the historical integrity of the features, materials, appearance, workmanship, and environment, or archaeological integrity which made the Property eligible for listing in the National Register of Historic Places or designation under the terms of the local preservation ordinance have been lost or damaged deliberately or through gross negligence of the Owner, the Local Historic Preservation Office shall notify the Owner in writing. The Owner shall have 30 days to respond indicating any extenuating circumstances which show that the damage was not deliberate or due to gross negligence.

If the Owner cannot show such extenuating circumstances, he shall develop a plan for restoration of the Property and a schedule for completion of the restoration. In order to maintain the tax exemption, the Owner shall complete the restoration work necessary to return the Property to the condition existing at the time of project completion on a time schedule agreed upon by the Owner and the Local Historic Preservation Office. If the owner does not complete the restoration work on the agreed upon time schedule, the Local Historic Preservation Office will report such violation to the Property Appraiser and Tax Collector who

